



CITY OF PORTLAND ENVIRONMENTAL SERVICES



1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204 ■ Nick Fish, Commissioner ■ Michael Jordan, Director

Date September 28, 2015
TO: Andrew Scott, Director
City Budget Office
FROM: Michael Jordan, Director
Bureau of Environmental Services
SUBJECT: FY 2015-16 Fall Budget Monitoring Report

Attached please find the Bureau of Environmental Services Budget Monitoring Report for the Fall of FY 2015-16.

Overall summary changes to the Bureau's operating programs require a reduction in contingency of \$1,585,743 with 71% (\$1,131,925) related to carryover of funds from the prior year. \$941,775 of the carryover is entirely related to vehicles. All changes are described below:

Changes to the Bureau's operating programs include \$25,000 in Business Services for a vehicle purchase and \$21,265 for minor increases in utilities, rent and other external materials and services. Another \$87,750 is added for licenses for E-Builder software that was budgeted for FY 2014-15 plus training and MS Project licensing support. A \$30,153 increase with the Facilities interagency to reflect Fair Wage Increases for the bureau's facilities as requested by OMF/BIBS is also included. All of the above are funded with contingency.

Within Engineering Services, two carryover items of \$150,000 for six vehicles not received in FY 2014-15 and \$37,500 for the continuation of a PSU agreement to provide Microsoft Project training for 50 staff.

Within Pollution Prevention Services, a \$35,000 carryover to continue two Innovation Fund Micro-Grants: grease trap cleaning coupons and a multilingual video for food service best management practice. There are also shifts in appropriation of \$55,000 to purchase two pieces of lab equipment, \$25,000 to fund project specific work study and temporary assistance and \$4,000 for additional ground maintenance at the Water Pollution Control Lab. \$140,000 will be spent on a larger lab analysis equipment that is becoming obsolete as detection limits cannot stay current with new water quality regulations. \$175,000 will be drawn against Contingency as the other adjustments are funded within internal allocations.

Within Watershed Services \$90,000 for an increase to cover additional construction costs related to a stormwater abatement project at Laurelhurst School, \$30,000 for a Columbia Slough Property Data Analysis, \$3,000 to Parks to support the second annual Salmon Celebration, \$35,000 in carryover for a vehicle not received in FY 2014-15 and \$7,300 for Baltimore Woods post-stabilization maintenance. \$162,300 is funded by contingency.

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Within Wastewater, \$40,000 to provide a 72-hour emergency kit to each bureau employee to encourage emergency preparedness and continuity of operations, \$731,775 to purchase vehicles that were budgeted last year but not received, \$50,000 of carryover for a Facilities Condition Assessment, \$75,000 for final DEQ close out of monitoring wells on expansion property next to the Columbia Treatment Plant, and \$12,500 of a reallocation within the Park interagency for additional tree maintenance services. \$896,775 is funded by contingency.

We are also recognizing additional net revenues of \$62,513 consisting of \$100,000 for the Oaks Bottom Landfill cleanup project, \$12,513 for engineering services to PBOT for the Outer Powell Transportation Safety Project and a reduction of planned income from methane gas sales.

Fund transfers include a net adjustment of -\$41,042 to reflect lower than budgeted net Percent for Green transfers from Water and Transportation. Fund transfers also include an appropriation for a potential refund of up to \$1,500,000 of SDCs paid by the developer of Hassalo on Eighth for completion of their "living system" on-site treatment facility. The bureau is also recognizing additional beginning fund balances in the Sewer Operating Fund of \$5,000,000 and \$9,800,000 in the Rate Stabilization Fund. Both increases are due to FY 2014-15 year-end transfers. The final fund-level adjustment provides \$200,000 in appropriation to the SDC Sewer System Operating Subfund to correctly fund SDC refunds expense from its original revenue source.

Personnel -related changes include an increase of 4.5 FTEs: \$91,290 for a Senior Program Manager to plan, organize and manage work related to Portland Harbor funded by reductions in external materials and services, \$69,840 for a Botanical Specialist II for the Revegetation Program funded by a reduction in contract services, \$27,164 net increase for a Part Time staff to an Full Time FTE - 75% funded by the CIP and \$116,478 for two Engineering Technicians IIs, funded by a reduction in contract services within the CIP, to provide support to the CIP program.

Technical adjustments that require internal shifts to the budget within Business Services are \$31,736 to realign repair and maintenance services and other external materials and services to where the costs will be recorded, within Watershed Services \$134,690 for stormwater planning projects, \$5,000 for a Columbia Slough Watershed Council contract increase, and \$348,798 to realign resources specifically related to the Columbia Slough Sediment Program. Within Wastewater Services \$65,000 internal shifts for additional support regarding the Facilities Condition Assessment, \$10,000 to fund the purchase of a camera winch and \$104,052 moving a position into a new work description of Emergency Management to better describe the work activity.

The bureau will receive an Innovation Fund micro-grant of \$14,989 from the General Fund for Permit Coordination for a Better River which will develop a permit streamlining process for private developers that typically proposed projects that impact the Willamette River, the riverbank use and private recreation.

Finally, there are adjustments to grants that net to \$246,600 and increase those grants in the operating programs by \$98,000 for the EPA Brownfields Revolving Loan Fund. An increase of \$148,600 was included in the CIP for Lower Slough Refugia and PBOT's Milwaukie Light Rail due to project refinements.

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_001 - Grant Adjustments

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|---|---|---|
| EXPENDITURES | | | |
| Personnel Services | 19,100 | 0 | 19,100 |
| External Materials and Services | 185,500 | 0 | 185,500 |
| Internal Materials and Services | 5,000 | 0 | 5,000 |
| Capital Outlay | 20,000 | 0 | 20,000 |
| Contingency | 17,000 | 0 | 17,000 |
| TOTAL EXPENDITURES | 246,600 | 0 | 246,600 |
| REVENUES | | | |
| Intergovernmental Revenues | 246,600 | 0 | 246,600 |
| TOTAL REVENUES | 246,600 | 0 | 246,600 |

Bureau Description:

The following adjustments to Grants totaling \$246,600 are required by project managers. The CIP grant adjustments total \$148,600 and the Operating grant adjustments total \$98,000.

\$98,000 EPA Brownfields: Revolving Loan Fund (ES000037)

This grant relies on partners willing to perform Brownfield cleanup activities on their properties. Funds are being added for Dharma Rain Zen Center and 3300 N Williams LLC, two sub-recipients.

\$20,000 DEQ Lower Slough Refugia (ES000044)

This Watershed Investment Program (E08782) project requires the remaining balance of the grant budget for capital outlay to complete large wood installation at the Lower Slough Refugia. The project is nearly complete and the grant will be fully expended this FY

\$128,600 PBOT's Milwaukie Light Rail (TR000094)

BES charges directly to this PBOT grant. Additional personal services, interagency and miscellaneous services are required.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_002 - Operating Program Adjustments

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Personnel Services | 19,000 | 0 | 19,000 |
| External Materials and Services | 392,815 | 0 | 392,815 |
| Internal Materials and Services | 37,153 | 0 | 37,153 |
| Capital Outlay | 1,136,775 | 0 | 1,136,775 |
| Contingency | (1,585,743) | 0 | (1,585,743) |
| TOTAL EXPENDITURES | 0 | 0 | 0 |

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_002 - Operating Program Adjustments

| Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

Bureau Description:

Business Services

\$25,000 carryover funding for a vehicle within Risk Services. Funding was available in FY 2014-15 for a Colorado Truck, however, the vendor canceled the entire City Fleet order due to production issues. Resources from Contingency.

\$21,265 to correct budgeting errors. Increases to Pioneer Tower rent (\$15,000) along with minor increases for utilities (\$3,000) and staff education and travel (\$3,265). Resources from Contingency.

\$87,750 for vendor invoice carryover plus an additional \$20,100 for training and license support. \$67,650 in carryover for eBuilder/Heron license costs planned for last year, billed in FY 2015-16, \$3,900 in eBuilder/Heron training and \$16,200 for 45 MS Project licenses as eBuilder/Heron users in Engineering Services are required to be on the v.2013 of MS Project. Resources from Contingency.

\$11,954 for an increase in the interagency with Facilities affecting the Portland Building and \$1,590 for Guilds Lake reflecting the Fair Wage Increase. Resources from Contingency.

Engineering Services

\$1,473 for an increase in the interagency with Facilities reflecting the Fair Wage Increase affecting the Materials Testing Lab. Resources from Contingency.

\$37,500 of carryover for the continuation of Microsoft Project training under a PSU IGA. Over 50 professional staff will be taking the training in October. The training is tied to performance measures for pipe enhancement and internal goals for CIP accomplishment rates. The balance of education budget already in Engineering Services will be spent to address safety, as the State has developed new confined space entry rules. Resources from Contingency.

\$150,000 carryover funding for six vehicles within Engineering Services. Funding was available in FY 2014-15 for six Colorado Trucks, however, the vendor canceled the entire City Fleet order due to production issues. Resources from Contingency.

Pollution Prevention

\$35,000 of carryover for the continuation of two Innovation Fund Micro-Grants that were awarded in spring of FY 2014-15, but funds were unspent:

\$15,000 Cut Through the FOG (Fats, Oils and Grease) Grease Trap Cleaning Coupons

This proposal focuses on food service establishments with requirements for grease trap maintenance and reporting. The proposed strategy uses the grant funds to pay for grease cleaning coupons for these food service establishments to be redeemed for one preferred pumper cleaning. The Preferred Pumper vendor properly cleans the facility, observes and notes the condition and provides the report to the City. It also aids in coordinating the City inspection.

\$20,000 Multilingual Videos for Food Service Best Management. As part of the 'Cut Through the FOG' program, BES staff provide a significant amount of outreach to the owners and operators of food service establishments (FSE). This proposal will allow BES to produce multilingual videos for the owners, staff and landlords of food service establishments. The City and the FSEs benefit from a more equitable approach to outreach and education and the use of more effective tools to explain best management practices and obtain compliance.

\$55,000 shift of appropriation from Professional Services to Capital Equipment to purchase a microwave digestion system (\$45,000) for the metals section and a large volume injector (\$10,000) for the organics section.

The use of microwave digestion reduces the time spent on this preparation step from three hours to twenty minutes. Thus, it is an essential work flow element that has enabled the metals section to increase the annual metals analyses and revenue over the past ten fiscal years by over 30% without adding an FTE. The current unit is over 15 years old with a five-year capital plan replacement scheduled for FY 2016-17. However, it experienced a catastrophic electronic failure this past spring (which contaminated a portion of the metals lab with low-level mercury). The unit was repaired, however the service technician recommended replacing the unit as soon as practicable, noting that the temperature control system is no longer supported and could not be replaced if it failed. It is thus prudent to replace the unit at the first opportunity.

The electron capture gas chromatograph (ECD-GC) is the last instrument in the Organics Section without a large volume injector (LVI). The use of an LVI allows micro extraction to be used in the preparation step. Micro extraction reduces the size of samples, greatly reduces the volume of extraction solvent, and greatly speeds up overall analysis times, all while maintaining low, regulatory-required detection limits. The implementation of LVI plus micro extraction for our two semi-volatiles GC/MS has reduced toxic & hazardous solvent use by 95% and reduced overall analysis times by 75%. These same results will be realized for the analysis of PCBs on the ECD-GC. In FY 2014-15, the laboratory analyzed over 170 samples for PCBs, generating over \$20,000 in revenue. The addition of the LVI will allow the laboratory to increase the work flow for this important analysis without having to add additional staff.

\$140,000 to purchase an ICP (inductively coupled plasma spectrometry) machine. The current Perkin-Elmer instrument is nearing the end of

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_002 - Operating Program Adjustments

| Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

Budget Description: The software does not work well with the new Laboratory Information Management System (LIMS), leading to bottlenecks in data and report production and taking valuable staff time away from other work. In addition, its detection limits cannot be decreased to stay current with regulations, such as the state's new water quality criteria. Budgeted resources are from Contingency.

\$25,000 shift of appropriation to fund project specific work study (\$19,000) and temporary assistance (\$6,000) in the Industrial Projects section. Funded by resources within Pollution Prevention.

\$4,000 shift of appropriation from minor equipment and tools for additional ground maintenance horticultural services at the Water Pollution Control Lab (WPCL).

\$8,097 for an increase in the interagency with Facilities affecting the Water Pollution Control Lab (WPCL) reflecting the Fair Wage Increase. Resources from Contingency.

Watershed Services

\$7,300 to correct a budgeting error regarding Baltimore Woods post-stabilization maintenance. Resources are from Contingency.

\$90,000 for an increase to cover additional construction costs related to a stormwater abatement project at Laurelhurst School. The previous costing of the project was based on estimates for construction under a Goods and Services Contract. At the request of the bureau's Chief Engineer, and a subsequent review of the scope with Procurement, the bureau shifted the contract to the approach used by CIP projects: a Standard Construction Contract. The project is almost complete. The project is to help area homeowners who are at risk of sewer backups from a once-a-generation rainstorm. Resources are from Contingency.

\$35,000 carryover funding for a Watershed Services vehicle budgeted in FY 2014-15 but will be received in FY 15-16. Resources from Contingency.

\$30,000 for a Columbia Slough Property Data Analysis, a cost-share effort with the Multnomah County Drainage District and the Port of Portland. The data analysis is to determine ownership of the property. Resources are from Contingency.

\$3,000 to support the second annual Salmon Celebration. First year event coincided with Westmoreland Park grand re-opening after restoration project (BES project E10392). Overall goal of event is to galvanize the community around significant restoration in Crystal Springs Creek and celebrate salmon in the city. Parks and BES committed to financially supporting the event for three years and in that time, gradually hand off to the community as a self-sustaining event.

Wastewater Services

\$7,039 for an increase in the interagency with Facilities affecting the Columbia Boulevard Wastewater Treatment Plant reflecting the Fair Wage Increase. Resources from Contingency.

\$40,000 to provide a 72-hour emergency kit to every bureau employee to encourage emergency preparedness and continuity of operations in the event of a disaster. This is part of a new ongoing effort to plan for emergency preparedness and supports the FY 2015-16 Decision Package ES_08 "Emergency Preparedness." Resources from Contingency.

\$731,775 of carryover for vehicles budgeted in FY 2014-15 but expected to be received in FY 2015-16. \$68,500 of the carryover are for two vehicles for general operations of the CBWTP. The balance of \$663,275 are for vehicles related to the Collection System work done by PBOT-MO. There is some timing risk associated with the PBOT-MO vehicles as the vendor for the large vector trucks indicates it will take four months to deliver those orders. Coupled with CityFleet procurement and vehicle prep time, the total purchase effort could be nine months, making the June 30th deadline date questionable. Resources from Contingency.

\$50,000 of carryover for Facilities Condition Assessment for this work that did not get completed because of processes involved in working with OMF Facilities and an outside consultant. Wastewater Services are using a City-wide contract, managed by OMF Facilities to complete this work. There are pending questions about cost breakdowns by facility/location as the original contact was more geared toward office settings. Wastewater is also attempting to work with OMF Facilities to amend the contract to add our additional scope of work. Best current estimate for Facilities Condition Assessment is about \$115,000. The additional \$65,000 is being added through an internal budget reallocation (discussed in Request Number #6) to complete this work. Resources from Contingency.

\$75,000 of additional funding for the final DEQ close out for monitoring wells at the Larsen property (N. Portland Rd, expansion property). This monitoring project has been going on for over 15 years with monthly payments to DEQ for oversight. Now, DEQ is committed to close out this process and give the bureau a "No Further Action Required" letter for the groundwater contamination. This program has been managed by BES' Coordinated Site Assessment section of Pollution Prevention Services. This effort is expected to be completed by fiscal year end. Resources are from Contingency.

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_002 - Operating Program Adjustments

| Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

Bureau Description:

\$12,500 of a reallocation of Parks-funded services from horticultural services to forestry as tree maintenance services are increasing. Funds are from the current Parks interagency.

\$0 of internal reallocation of funding within the Collection System interagency with PBOT-MO to better align with program activities and priorities.

\$0 – The addition of two city positions within the PBOT-MO Collection System interagency. This request mirrors a PBOT-MO Fall BMP request to add positions. PBOT-MO intends to add two FTEs (one Construction Equipment Operator and one crew leader) in the Fall BMP for the purpose of creating a new dig crew and accomplishing more sewer repair work. PBOT-MO assures they add additional services within the current interagency funding level. Details on the internal budget adjustments to cover the additional labor costs and overhead impacts have not been made available to the customer.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: _____

Request: ES_003 - Revenue Adjustments - Program Related

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|---|---|---|
| EXPENDITURES | | | |
| Personnel Services | 2,449 | 0 | 2,449 |
| External Materials and Services | 21,000 | 0 | 21,000 |
| Contingency | 39,064 | 0 | 39,064 |
| TOTAL EXPENDITURES | 62,513 | 0 | 62,513 |
| REVENUES | | | |
| Intergovernmental Revenues | 100,000 | 0 | 100,000 |
| Interagency Revenue | 12,513 | 0 | 12,513 |
| Miscellaneous | (50,000) | 0 | (50,000) |
| TOTAL REVENUES | 62,513 | 0 | 62,513 |

Bureau Description:

In all cases with the revenue interagencies, if BES personnel costs were included, those amounts were returned to Contingency, as BES personnel are already budgeted.

Pollution Prevention

\$100,000 in additional Pollution Prevention: Environmental Compliance Program (Coordinated Site Assessment) services from DEQ as a cost share with BES and Parks to clean up the Oaks Bottom Landfill site. DEQ is requiring the city investigate the seep water and the sediment flowing from the landfill to determine if it is the source of contaminants in the adjacent wildlife refuge. DEQ is contributing \$100,000 from their landfill remediation fund to pay for most of the investigation. BES and Parks will be responsible for an estimated additional \$50,000, if required. The initial request for this work was in the FY 2014-15 Fall BMP and the work has spanned two fiscal years. In FY 2014-15, \$76,551 of the project was spent, however no reimbursement from DEQ was initiated. The balance of the budgeted effort, \$23,449, will be spent on professional and personal services in FY 2015-16, with the amount spent in FY 2014-15 (\$76,551) going to Contingency

Wastewater Services

<\$50,000> revenue reduction in Wastewater received from Methane sales to Malarkey Roofing. Malarkey revenue projection is \$320,000. The reduction to \$270,000 is based on current usage pattern, projected winter shutdown and the Inverness Force Main repair project that will force shut down of the line for approximately 30 days. Balance in contingency.

Engineering Services

\$12,513 revenue from the Bureau of Transportation for engineering services for the Outer Powell Transportation Safety Project. Balance in contingency.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_004 - Personnel (Position) Adjustments

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Personnel Services | 371,072 | 0 | 371,072 |
| External Materials and Services | (277,608) | 0 | (277,608) |
| Capital Outlay | (68,064) | 0 | (68,064) |
| Contingency | (25,400) | 0 | (25,400) |
| TOTAL EXPENDITURES | 0 | 0 | 0 |
| FTE | | | |
| Full-Time Positions | 2.92 | 0.00 | 2.92 |
| Limited Term Positions | 0.83 | 0.00 | 0.83 |
| TOTAL FTE | 3.75 | 0.00 | 3.75 |

Bureau Description:

Portland Harbor

\$91,290 – 1.0 Limited Term Senior Program Manager (Non-Represented classification 30000466) to plan, organize and manage work related to Portland Harbor and the bureau's response and work related to the Portland Harbor remediation plan. Resources are from reductions in Miscellaneous Services.

Wastewater Services

\$69,840 – 1.0 FTE Botanical Specialist II (COPPEA classification 30000320) to reflect increasing and ongoing work. This action moves funding for an ongoing contract employee to permanent full-time city employee. The temporary service contract has been in place for three years and the work is ongoing. Resources are from eliminating funding for a temporary services contract with the Wetlands Conservancy. Resources are from reductions in Miscellaneous Services.

Engineering Services

\$93,464 – Increase Permanent Part Time .50 FTE to 1.0 FTE Senior Engineering Associate - Civil (COPPEA classification 30000358) to further realign internal personnel resources to better achieve the goals of the Capital Improvement Program. This position is currently filled and charges primarily to capital projects. The net increase in cost for the current year is estimated at \$27,164. Resources are from the CIP Program.

\$116,478 – 2.0 FTEs Engineering Technicians IIs (COPPEA classification 30000325)

Engineering Services Construction Management currently has five City Engineering Technician IIs and seven Contract Engineering Technician IIs. In this area of the bureau, there has not, in the last decade, been fewer than ten city technicians. The number of contract technicians is creating instability in Construction Management. The construction manager has lost five contract technicians to permanent, promotional opportunities elsewhere in the last year. Engineering Technicians take nine months to train and the positions do most of the heavy lifting in CIP design review and the administration of construction contracts. They are directly tied to delivery of the CIP and support internal goals for measuring CIP success. This is in line with other personnel changes that have been made and have been approved in the budget. For the last several years, the unions have desired for these positions to be City employees and we have made requests, but in recent years requests for new FTEs were frequently rejected. Resources are from the CIP Program.

Business Services

This is not a budget request but rather a technical request to acknowledge the movement of a position in FY 2015-16 from Permanent Part Time to Full Time. The bureau has a filled Program Coordinator position that increased work hours by eight hours per week. Due to the mechanics of position budgeting, the conversion to a Full Time position (at 72 hours) was missed and not called out in a decision package. There is no funding request as the cost for additional hours was included in the FY 2015-16 Adopted Budget.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_005 - Fund-Level Transfers

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| External Materials and Services | 1,700,000 | 0 | 1,700,000 |
| Fund Transfers - Expense | 0 | 0 | 0 |
| Contingency | 13,058,958 | 0 | 13,058,958 |
| TOTAL EXPENDITURES | 14,758,958 | 0 | 14,758,958 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 14,800,000 | 0 | 14,800,000 |
| Fund Transfers - Revenue | (41,042) | 0 | (41,042) |
| TOTAL REVENUES | 14,758,958 | 0 | 14,758,958 |

Bureau Description:

Sewer Operating Fund -

Water Bureau and PBOT 'true-up' One-Percent for Green cash transfers is implemented in each Fall BMP. Both bureaus put in a placeholder in the annual budget, then 'true-up' the amount when actual CIP project expenses that are subject to One-Percent for Green are available.

A reduction of <\$49,043> in transfers from the Water Bureau reflecting One-Percent for Green contributions. This is a 33% reduction from the Adopted Budget of \$150,000.

An increase of \$8,001 in transfers from PBOT reflecting One-Percent for Green contributions. This is a 16% increase from the Adopted Budget of \$50,000.

Sewer Operating Fund, SDC Sewer System Operating Subfund and Debt Redemption Fund -
Sewer Operating Fund, System Development Charges (SDCs) and Debt Service

This adjustment provides appropriation to refund up to 60% of SDCs paid by the developer of the Hassalo on Eighth for completion of their "living system" on-site treatment facility. The SDCs were originally paid in May 2014. The adjustment increases Refunds expense by \$1,500,000, concurrently increases transfers from the Rate Stabilization Fund to the SDC Fund and decreases transfers from the Rate Stabilization Fund to the Sewer Operating Fund.

Sewer Operating Fund and Rate Stabilization Fund -

Both funds are recognizing additional Beginning Fund Balance. The Sewer Operating Fund is adding \$5,000,000 to beginning fund balance due to the FY 2014-15 year-end financial position. The Rate Stabilization Fund is adding \$9,800,000 in beginning fund balance resulting from FY 2014-15 year-end transfers from the Sewer Operating Fund.

Sewer Operating Fund, SDC Sewer System Operating Subfund and Debt Redemption Fund -
Sewer Operating Fund, System Development Charges (SDCs) and Debt Service

This adjustment provides \$200,000 in appropriation to the SDC Sewer System Operating Subfund of 600001. Creating this appropriation allows for correctly funding SDC refunds expense from its original revenue source, resulting in less SDC cash available to transfer to the Debt Redemption Fund to pay debt service.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: Technical Adjustment

Request: ES_006 - Internal Budget Adjustments: No Council Action

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| Personnel Services | 0 | 0 | 0 |
| External Materials and Services | 0 | 0 | 0 |
| Internal Materials and Services | 0 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 |
| TOTAL EXPENDITURES | 0 | 0 | 0 |

Bureau Description:

Business Services

Moving \$2,526 of external materials and services within functional areas of Revenue Program Administration to correct a budget entry error.

\$14,210 of Repair and Maintenance Services is reallocated to a different functional area within the Mapping, Data and Applications Program.

\$15,000 is reallocated from Repair and Maintenance Services to Computer Supplies-Software to coincide with other resources for the same purpose.

Watershed Services

\$134,690 shift from professional services and non-capital improvement within the group to professional services within Stormwater System Division for projects, such as Errol Heights Design Concept and Capital Highway Design Concept, managed through that division. In FY 2014-15, Watershed Services implemented a reorganization to consolidate stormwater system planning and implementation within one division. This is a continuation of that realignment.

\$5,000 shift from professional services to miscellaneous services for a contractual increase with the Columbia Slough Watershed Council for the continuation of resident and business outreach to reduce pollutants reaching the Slough and to provide outreach to stakeholders for BES projects.

\$348,798 shift from the Watershed Division to the Columbia Slough Watershed to realign resources specifically related to the Columbia Slough Sediment Program.

Wastewater Services

\$65,000 reallocation of funding within the Biosolids Program to CBWTP Facilities Management for Facilities Condition Assessment. This internal adjustment is related to Fall BMP Request #2, requesting carryover of \$50,000 for the condition assessment, resulting in a total funded effort of \$115,000.

\$10,000 shift within Capital Outlay to fund the purchase of a camera winch. Pump Station staff currently performs a monthly preventive maintenance procedure at the Swan Island CSO Pump Station to utilize an existing camera to video inspect the wet well to ensure there are no sand bars, debris, etc. The current procedure for lowering the camera requires two millwrights and an electrician to hook up a separate communication cable and assist in lowering the cable down with the camera system. Due to the cumbersome method for lowering this camera, the communications cable has been damaged several times requiring repairs. A more efficient way to do this is to utilize a camera winch with a communications cable built into the winch system. This would reduce the need to have an electrician on site each month for four hours to perform this preventive maintenance (costs savings estimated at \$2,000 per year) and reduce damage to the communication cable, minimizing system repairs for improved reliability. The estimated payback for this winch system would be under five years and it is expected to last 15 to 20 years.

\$104,052 is a currently funded position (new in FY 2015-16) moving to a new Functional Area called Emergency Management to better describe the work activity in which the position will be involved.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2015-16 Fall Supplemental Budget**

Bureau: Bureau of Environmental Services

Type: Technical Adjustment

Request: ES_007 - Innovation Fund: BES

| | Fall BMP Requested Adjustments | Fall BMP CBO/Council Changes | Fall BMP Total Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| EXPENDITURES | | | |
| External Materials and Services | 14,989 | 0 | 14,989 |
| Contingency | 0 | 0 | 0 |
| TOTAL EXPENDITURES | 14,989 | 0 | 14,989 |
| REVENUES | | | |
| Fund Transfers - Revenue | 14,989 | 0 | 14,989 |
| TOTAL REVENUES | 14,989 | 0 | 14,989 |

Bureau Description:

Watershed Services

\$14,989 revenue from the General Fund for an Innovation Fund Micro-Grant, a \$2,998 internal adjustment to fund administrative and overhead costs for a total effort of \$17,897:

As the economy of Portland picks back up, the bureau expects to see more development along the Willamette River, particularly in the Portland Harbor. Private developers typically propose projects that impact the Willamette River, riverbank and upland areas with large docks and loading, unloading, staging and storage areas, and private recreation. Developers are required to get multiple permits from different agencies including the City of Portland, Department of State Land and US Army Corps of Engineers among other federal and state agencies.

Over the years City staff have heard from numerous property owners that the permit application processes are cumbersome, confusing and sometimes result in bureaus and agencies requiring differing and conflicting outcomes. This adds time and money to the projects and discourages investment along the Willamette River and also results in missed opportunities to improve fish and wildlife habitat and water quality.

Currently, the Bureau of Environmental Services leads the Streamlining Team, which includes local, state and federal permitting agencies. The Streamlining Team coordinates permit review of City projects and joint public projects such as the new Tillikum Crossing. Streamlining has been successful at reducing the amount of time and money spent during the permitting process. Streamlining is not available to private applicants. On June 17, 2014, the Hatfield School of Government's Center for Public Service (CPS) completed an independent assessment of the City's Streamlining process. CPS recommended that the City explore exporting this successful model where appropriate. This Innovation Grant will partner with CPS to explore the development of a coordinated permit review process for private applicants that builds on the successful attributes of the City's Streamlining Team process while ensuring the current team process remains successful.

The CPS will create a coordinated permit review process for private applicants. The desired outcomes of the process will be: 1) Development of a "one-stop-shop" process for applicants to understand all the permitting needs for projects; 2) Reduced time and money spent during the permitting process, and 3) Meeting multiple objectives for protecting and enhancing the environment while supporting redevelopment along the river.

In the City's reaches of the Willamette River, a coordinated permit review will support and foster investment in living-wage jobs, which is an important part of meeting the City's equity goals and the Comprehensive Plan policies. It will also assist small property owners and single family residences with navigating the permits process; while ensuring fish and wildlife enhancements are encouraged and protected.

The Bureau of Environmental Services is the lead bureau and leads the Streamlining Team. The Bureau of Planning and Sustainability is a co-partner and will take the results of this study to request formal adoption of the new coordinated permitting process through the River Plan. The Streamlining Team will implement the results: Bureau of Development Services, Department of State Lands, Army Corps, NOAA Fisheries, US Fish and Wildlife Service, Oregon Department of Fish and Wildlife and Department of Environmental Quality.

CBO Discussion and Recommendation

**FY 2014-15 SPRING BMP UPDATES TO
FY 2014-15 ADOPTED DECISION PACKAGES**

ES-01 (Priority 12) <\$179,550>

Eliminate Street Sweeping Contribution

Street Cleaning - Street Cleaning is a common and expensive practice undertaken by most urban municipalities. Street sweeping, essentially the operation of large trucks for cleaning street surfaces, is primarily performed for aesthetic purposes. It is often perceived to lead to improvements in the environmental conditions of urban waterways by preventing pollutants deposited on street surfaces from reaching the stormwater system, and subsequent to that, urban streets. There is, however, little available evidence to quantify the extent to which street sweeping can improve stormwater quality. Portland also has a few key features that make the questionable benefit of street sweeping even more marginalized. Portland's street runoff in most of the City is captured in another treatment facility; either the combined sanitary and stormwater pipes that flow to the wastewater treatment plant, or to stormwater facilities that capture sediments and allow for their mechanical removal in a more efficient manner. An ongoing cut of \$425,000 equals approximately 100% of Environmental Services's contribution and an estimated 20% reduction of total city street cleaning budget.

ER

Eliminating Environmental Services's contribution to the Bureau of Transportation's provision of street sweeping services would have a negligible and/or immeasurable effect on the water quality of urban streams and pose a lower risk reduction to the budget than other programs of its size.

UPDATE:

No evidence of negative impact to stormwater quality or conveyance and treatment systems.

FY 2015-16 FALL BMP UPDATE:

Still no evidence of negative impact to stormwater quality or conveyance and treatment systems.

ES-02 (Priority 1) <\$411,354>

Eliminate Tryon Creek Facilities Plan Update

Plan is complete.

ER

The Tryon Creek Wastewater Treatment Plant Facilities Plan will guide future capital construction at the plant, which must serve growing populations in both Lake Oswego and Portland.

UPDATE:

Plan was completed. No impact to the reduction as the work was finished.

ES-03 (Priority 7) <\$345,538>

Reduce Electricity Needed for Pump Stations

This reduction in budget is based on historical and projected usage and rates, and represents about 16% of the current FY 2013-14 pump station adopted budget of \$2,129,538.

ER

No impact on level of service, based on historical usage and projected rates.

UPDATE:

Budget to actuals indicate this reduction was projected accurately. We are currently approximately \$50,000 under spent as of AP-8. Continuing to remain within budget for the fiscal year is dependent on rainfall and sustained efforts of the Pump Station O&M crews to operate the pumping stations as efficiently as possible.

FY 2015-16 FALL BMP UPDATE:

Fiscal year ended up \$20,675 under spent with a \$1.5M electricity budget. Reduction had no impact on level of service.

ES-04 (Priority 6) <\$150,000>

Replacement of MS Office Pro - Training

FY 2013-14 expenses are one-time. Updated schedule for implementation makes it more likely that software installation will be complete this fiscal year. Eliminating this partial carryover of a one-time expense will leave no budget for staff training.

ER

Minimal impact on service delivery.

UPDATE:

Training resources were not required at the level budgeted. The bureau has survived this reduction.

ES-05 (Priority 8) <\$119,000>

Transfer of Portland Loos to the General Fund (Parks)

Although they serve a public purpose, maintenance and repair of the loos is not core to the bureau's mission. If this cut is taken further maintenance of the loos would require alternate funding, which could be partially offset by royalty revenues from loo sales to other agencies.

ER

No impacts to level of service.

UPDATE:

While the Portland Loo program was transferred to the General Fund, BES has incurred expenses related to sales prior to the transfer in the amount of \$7,600 for design modifications related to American Disabilities Act requirements on the sale of two Loos to the City of San Diego. In addition, sales negotiations for two Loos to Salt Lake City that began in FY 2013-14 came through in March of 2015, resulting in expenses of \$143,000 and revenue of \$179,000.

FY 2015-16 FALL BMP UPDATE:

Salt Lake City received their two Loos in June. These were the last Loos under the fabrication contract 31000160.

ES-06 (Priority 5) <\$101,748>

Replacement of MS Office Pro

A required upgrade of the bureau's MS Office software from Office 2003 to Office 365, plus training, is budgeted at \$251,748 for the current year. Given the one-time nature of the expense, next year's budget would ordinarily show a reduction by that amount. This reduction would leave \$150,000 of (one-time) upgrade and training expenses for any potential upgrade and training costs that would occur next fiscal year.

ER

Minimal impact on service delivery.

UPDATE:

The bureau was informed in August 2014 that subscriptions were an ongoing expense and is charged in the following fiscal year. This budget reduction, taken before that information was known, was restored in the Fall BMP, as the bureau had been charged for the subscriptions.

FY 2015-16 FALL BMP UPDATE:

The subscription cost has been budgeted as an ongoing expense in FY 2015-16.

ES-07 (Priority 17) <\$100,000>

Reduction of Portland Harbor Technical Contract Support

The technical assistance contracts provide support for the City's participation in the ongoing Portland Harbor Superfund liability allocation process. This process will ultimately determine the amount of financial liability the City is assigned in the cleanup of Portland Harbor. This reduction will limit the City's ability to review information developed by other parties and respond to statements about City properties or operations, thus affecting the ability to defend City positions in the allocation process. This reduction represents approximately 13% of the technical assistance contract budget.

ER

There may be an increase in risk that Environmental Services may not be able to provide the technical support for preparation of the necessary information, which may affect the City's ability to meet its obligations under the agreed settlement procedure.

For UPDATE, see below ES_09

ES-08 (Priority 18) <\$100,000>

Reduction of Portland Harbor Legal Support

Legal support for the City's participation in the Portland Harbor Superfund site is critical. The ongoing allocation process will determine the ultimate financial liability for the cleanup. This reduction represents about 10% of the legal services budget.

ER

There is some risk in reducing our legal support as it will impact the City's ability to participate in the liability allocation process - from both a strategic positioning and on the ground review of questions and statements from other parties regarding City liability. Again, the reduction may affect the City's ability to meet its obligations under the agreed to settlement process.

For UPDATE, see below ES_09

ES-09 (Priority 16) <\$100,000>

Reduction of Portland Harbor Natural Resource Trustees Support

The Natural Resource Trustees (Native American Tribes, National Oceanic and Atmospheric Administration/National Marine Fisheries Service, US Fish and Wildlife Service, Oregon Department of Fish and Wildlife) are tasked with determining the damage to natural resource caused by the contamination at the Portland Harbor Superfund site. The City, as are other parties, is involved, and helps fund, the trustees as they determine the extent of the damage and identify options to correct or mitigate for the damage. The City expects that involvement with the Trustees will require more of their expertise as the extent of the City's liability for natural resource damages is determined, and an approach for correcting those damages is agreed upon. The City will be expected to fund the efforts of the trustees as they work with the City on these issues. This represents approximately 35% of our budget item for funding natural resource trustees.

ER

There is some risk in reducing the funds available for supporting the Trustees as it could impact the City's ability to efficiently come to an agreed upon resolution to its liability, thus potentially creating significant financial uncertainty.

UPDATE to the above three decision packages (ES_07, 08, 09):

The reductions have had little or no impact to the project –

A significant deliverable, a report to DEQ that encompasses 10 years work in source investigation of the City's outfalls in Portland Harbor has been completed, and we currently expect that any follow-up work will be smaller in scale. Both the contaminated sediment investigation and the natural resources work are now, for the time being, less

resource intensive phases and the City Attorney's Office is using fewer outside legal resources than anticipated.

FY 2015-16 FALL BMP UPDATE:

No change.

ES-10 (Priority 15) <\$100,000>

Reduction of Ecoroof Engineering Support

This reduces City support for engineering assistance for ecoroof design since the City no longer has an incentive program to facilitate ecoroof development for stormwater management purposes.

ER

Minimal impact to service delivery, since the existing budget is historically under spent.

UPDATE:

Had the resources stayed within the budget, no technical assistance would have been provided for ecoroof installations.

Four ecoroof incentive contracts have been completed or will be completed by year end, bringing the total expense for incentive contracts to \$186,935 for the year and adding 37,387 square feet of ecoroofs. This will close all contracts opened during the incentive program, which allowed participants two years to complete their roof. These contracts had no budget in FY15 and funding for them will be in the spring budget adjustment proposal.

FY 2015-16 FALL BMP UPDATE:

No locations received technical assistance to determine if a future ecoroof installation would be possible. Note that only \$36,000 of the funds cut had been planned for engineering services for ecoroof projects. The remainder of the cut was taken from other design and planning contract activities supporting sustainable stormwater management using a variety of strategies, delaying code development and project implementation. Final ecoroof statistics for the fiscal year were \$187,210 and 37,442 sq. feet.

ES-11 (Priority 4) <\$75,000>

Reduction of Stormwater Manual Support

Stormwater Management Manual update complete.

ER

The Stormwater Manual provides policy and design requirements for stormwater management throughout the City of Portland for all development, redevelopment, and improvement projects within the City of Portland on private and public property and in the public right-of-way.

UPDATE:

Stormwater Manual update completed. Resources not required.

ES-12 (Priority 11) <\$73,000> - THIS DP NOT IMPLEMENTED-REPLACED BY DP_19: Watershed Division Reduction <\$73,000>

This reduction would end support that Environmental Services provides to South West Neighborhood Inc. (SWNI) for staffing the Watershed Resource Center (WRC). There are a number of challenging water quality and watershed health issues that impact southwest Portland, but there is no watershed council for the area to address them. Environmental Services's Municipal Separate Storm Sewer System Discharge Permit (MS4) includes these types of outreach as best management practices which are included in the bureau's compliance report.

ER

Continuing the WRC staff position would require that SWNI backfill the loss of funding from other sources. There is potential for reduced community engagement in activities to protect and enhance watershed health (i.e., invasive plant removal, native plant landscaping, habitat restoration projects, water quality protection), reduced ability to get work accomplished on private property, and lost opportunities to leverage resources (i.e. get grants) to develop cost-effective watershed restoration projects.

ES-13 (Priority 3) (Realignment) THIS DP NOT IMPLEMENTED

The City and Multnomah County reached an agreement dated May 9, 1968 that, among other stipulations, allows the county to occupy and beneficially use City of Portland property and structures on the Columbia Boulevard Wastewater Treatment Plant campus without compensation. The agreement does allow for modification or amendment, but not termination of the agreement. Environmental Services proposes to modify the agreement such that Environmental Services becomes the landlord and the County becomes the tenant of property and structures mentioned herein, and Environmental Services provides security, sewer, garbage, janitorial and other typical services in return for the County as tenant to pay a \$5,000 per month lease to the bureau for beneficial use.

The Revenue "Charges for Services," above, reflects \$0 as an increase in lease income will be offset by a decrease in sewer and stormwater utility charges.

ER

Revenues would be reflective of the value of the lease to the Multnomah County. No impact to service delivery.

ES-14 (Priority 9) <\$60,000>

Reduce Lab equipment

This one-time purchase of gas chromatography mass spectrometry equipment equipped with a flame ionization detector at the Water Pollution Control Laboratory was completed in FY 2013-14, so additional funding is not needed.

ER

Increased internal process efficiencies and lower outside lab costs.

UPDATE:

Equipment was purchased and the resource was no longer required.

ES-15 (Priority 15) <\$60,000>

Reduce Janitorial-Maintenance Services at WPCL

The Water Pollution Control Laboratory (WPCL), in North Portland includes both office and industrial space with a full service laboratory. Additionally, the facility has two meeting rooms for bureau staff that have also been made available for after-hours use by neighborhood associations, community groups and other non-profit organizations. The building is seventeen years old with increased maintenance needs for floors, furniture and restroom facilities. This proposal reduces the interagency agreement for maintenance and janitorial services from \$276,000 to \$200,000. These reductions will include specialized and preventative maintenance and repair services provided by a facilities technician as well as reductions in daily janitorial services necessary to meet the needs of the workforce and the expectations of the public using the facilities evenings and weekends.

ER

This proposal reduces the level of service provided for a depreciating building. Cuts to the maintenance and cleaning schedules will require either a reduction in public usage of the building or the institution of charges for the use of the facility.

UPDATE:

The reduction in janitorial and maintenance services has not posed a significant impact on public usage of the WPCL as anticipated. The staff continues to work with the custodial and maintenance providers on scheduling and scope of services to maximize efficiency and minimize any impact of the reduction in these services. In addition, staff is evaluating the current meeting room policy and fee schedule which clarifies the responsibility of all parties and provides guidelines for appropriate collection of fees for community usage.

FY 2015-16 FALL BMP UPDATE:

The public usage of the building has not appreciably changed with the reduction in janitorial and maintenance services. New requests continue for usage of the building meeting rooms during both business hours and after hours. Janitorial service reductions have impacts to the readiness of the facility for evening meetings and/or the business day. The reductions in the specialized and preventive maintenance by the facilities and repair technician have had an impact upon timeliness and level of service for an aging building that receives significant usage. Impacts to the public have been mitigated to the extent possible but will continue to be evaluated.

ES-16 (Priority 10) THIS DP NOT IMPLEMENTED

The Intergovernmental Agreement with Multnomah County for services (#52771, June 2006) provides that Vector Control performs Rat Abatement and Control and Mosquito Abatement and Control and related services. This proposal reduces the \$237,000 intergovernmental agreement by 20% or \$47,400. The primary focus of the reduction should be in mosquito control, monitoring and mitigation and related activities with specific areas of reduction to be negotiated between the parties.

ER

Some reduction in mosquito control activities.

ES-17 (Priority 2) <\$10,000>

Reduce A/V Equipment Upgrades at WPCL

New Audio Visual equipment in Smith-Bybee conference rooms at the Water Pollution Control Laboratory was purchased in FY 2013-14 to replace old and outdated equipment. Funding for this equipment is no longer needed.

ER

Audio Visual equipment was purchased and installed.

UPDATE:

Equipment was purchased and the resource was no longer required.

ES-18 (Priority 14) <\$8,000>

Reduce Electronics Records Management

This reduction reflects the FY 2013-14 purchase of electronic records management software licenses. The licenses are required if bureau staff are to access the City Auditor's Records Management Services.

ER

Access to City electronic records. Funding not required in FY 2014-15.

UPDATE:

Licenses were purchased and the resources was no longer required.

ES_19 (Priority N/A) <\$73,000>

Alternative cut to SWNI cut (ES_12)

General Watershed Division cut.

UPDATE:

SWNI contract was maintained and is on target for completing its work plan. Neighborhood tree planting was cut. Street tree planting has moved beyond the "low

hanging fruit” phase of the program, and it is more difficult to match willing residents and appropriate locations for planting, so remaining funds have been sufficient.

FY 2015-16 FALL BMP UPDATE:

SWNI work plan was completed successfully and funding was included in the adopted FY16 budget. An ordinance supporting a contract for continued work in FY15-16 has been approved by Council. Tree planting budget was underspent as anticipated.

ES-20 (Priority N/A) +\$50,000

Zenger Farms special appropriation

UPDATE:

Contract was approved by Council and funds paid according to invoice for Nutrition Education and Food Access grant. This was Commissioner Fish’s project, with minimal BES staff involvement. Another contract for \$100,000 is in progress at the moment, also at Commissioner Fish’s initiative. Because of this support, the Division did not contract for the planned \$2,000 in services in its original budget. The Bureau continues to provide Zenger Farms rent-free use of its property for their valuable environmental programming.

FY 2015-16 FALL BMP UPDATE:

Commissioner Fish’s second agreement was approved by Council and funds delivered. No funding for Zenger Farm is in the 2015-16 Watershed Services budget.

ES-21 (Priority N/A) <\$179,550>

Street Sweeping Alternative Reduction

Taken against RDII in Engineering

UPDATE:

Resources earmarked for Rain Derived Inflow and Infiltration (RDII) were later determined to be CIP funded. No impact to this reduction.

ES_22 Limited Term Conversions to Regular

+279,972 - Convert 2 LT FTEs to Full time city employees for the FOG program.

Funding by savings in personnel.

+116,508 - Convert 1 LT FTE to Full time city employee for 1900 Bldg – staffing the Development Services Center and tech assistance – offset by land use fees of \$102,644.

UPDATE:

Extra Strength SC program reflected a consistent need for permanent personnel resources. The conversion to regular status did not present a notable impact on services, as the positions were already included in the budget, and performing the work.

**** EXTRA INFORMATION ******Bureau of Environmental Services –****Fall 2014-15 BMP Requests – Updated Results FY 2015-16 Fall BMP****Grants (ES_001)**

The following adjustments to Grants totaling \$290,038 are required by project managers. The CIP grant adjustments total \$175,000 and the Operating grant adjustments total \$115,038.

\$290,038 EPA Innovative Wet Weather Program (ES000000)

This grant relies on partners willing to construct unique stormwater features on their properties. Grant funds will be used to design and construct a green street at NE 47th & Halsey (E10613, secondary to E10002); two sub-awards to Metro and PSU for stormwater projects; and project signage and evaluation.

\$0 EPA Brownfields: Petroleum & Hazardous Waste Assessments (ES000036)

Fewer personal services are needed on this grant than originally anticipated. Funds were shifted to professional services for additional assessment work on Brownfield properties.

UPDATE:**\$290,038 EPA Innovative Wet Weather Program (ES000000)**

This grant relies on partners willing to construct unique stormwater features on their properties.

Fall BMP grant funds were used on the following projects:

- NE 47th & Halsey (E10613, secondary to E10002) (\$136,639)- design and construction of a green street performed under a PBOT interagency, also included were BES Revegetation Program services
- Metro subaward (\$100,000) - construction of a green wall at the Expo Center performed under management by Metro
- PSU subaward (\$0) – the planned stormwater project did not materialize in time to meet the grant end date of 12/31/2014, so this project was not completed with grant funds. These funds will be reallocated in the Spring BMP.
- Signage (\$3,000) – Clay Street project (E10007) interpretive signage highlighting Green Street features
- Ecoroof cost incentive evaluation (\$21,466) – a study performed under direct contract with Ecometrix
- Innovative Wet Weather Program Video (\$9,800) – a documentation video performed under direct contract with Tom11 Films

Since this EPA Innovative Wet Weather Grant ended 12/31/14, there will be a Spring BMP submittal that includes truing up grant fund allocations with final expenses. The grant is currently undergoing final closeout and procurement audit by the Environmental Protection

Agency (EPA).

\$0 EPA Brownfields: Petroleum & Hazardous Waste Assessments (ES000036)

Grant funds (\$32,015) were used for professional services assessment work performed by Amec, Geodesign and Shannon & Wilson on Brownfield properties.

Since this EPA Brownfields grant ended 12/31/14, there will be a Spring BMP submittal that includes truing up grant fund allocations with final expenses. The grant is currently undergoing final closeout by the Environmental Protection Agency (EPA).

Personnel (Position) Adjustments (ES_006)

Engineering Services

\$62,400 - 0.5 FTE - Materials Test Lab is increasing a Part-time Geo-Technical Engineer (30000367) position to a Full-time position. The position primarily works on CIP projects.

UPDATE:

Hiring for this position is “in process.” Materials Testing Lab is finding itself constrained by the lack of a full staff.

FY 2015-16 FALL BMP UPDATE:

This position was filled by an internal promotion and the employee started May 11, 2015.

\$95,018 – 1.0 FTE - Systems Development requires an Engineering Associate (30000353) to provide immediate support to increasing activity in public works permits and longer term broader support for the Development Engineering section. Due to the increased activity, current staff has difficulty maintaining services and meeting turnaround times. This position is funded 50% CIP permit projects, 20% permit fees and 30% operating, drawing \$38,007 from Contingency.

\$83,749 – 1.0 FTE - Systems Development requires an Engineering Technician II to accommodate an increase in building permit review and inspection workload as well as expansion of the customer service hours at the Development Service Center. This position is funded 88% review fees and 12% operating, drawing \$10,050 from Contingency.

UPDATE:

Both of the System Development positions are filled. Without them, they would not have been able to keep up with the increased permit processing demand.

FY 2015-16 FALL BMP UPDATE:

No change

Business Services

\$110,561 - <1.0> FTE – Mapping Data and Applications Services transferred one Principal Information System Analyst (GIS, Vertical) to the Bureau of Technology Services. BTS will then provide the same services back to BES. The amount in this transaction is prorated for the current fiscal year. Shift in Personnel Services of \$109,668 with a draw from Contingency of \$893.

UPDATE:

The position was transferred to BTS and has remained unfilled. The bureau is reviewing the need for services provided by this position (when filled).

FY 2015-16 FALL BMP UPDATE:

There were some hiccups in transferring this position having to do with coding, etc. as apparently position transfers between bureaus do not occur frequently. After many months, the position has been transferred to BTS. The bureau will not be needing any services from this position, if filled by BTS.

**** EXTRA INFORMATION ******Bureau of Environmental Services –****Spring 2014-15 BMP Requests – Updated for FY 2015-16 Fall BMP:****Grants (ES_008)**

The following adjustments to Grants totaling \$185,767 are required by project managers. The CIP grant adjustments total \$372,232 and the Operating grant adjustments total <\$186,465>.

\$24,383 EPA Innovative Wet Weather Program (ES000000)

This grant relies on partners willing to construct unique stormwater features on their properties. This grant ended December 31, 2014 and is currently undergoing final closeout and procurement audit by the Environmental Protection Agency (EPA). This adjustment trues up grant fund allocations with final expenses. Grant funds were increased to offset capital construction costs for SE 9th and Sandy Green Street (E10179) and grant funds were reduced for a PSU (sub-award) stormwater project due to scheduling delays. The grant was expended in its entirety.

UPDATE:

This grant was fully expended and is closed.

<\$154,716> EPA Brownfields: Petroleum & Hazardous Waste Assessments (ES000036)

This grant relies on partners willing to undergo brownfield assessments on their properties. This grant ended December 31, 2014 and is currently undergoing final closeout. This adjustment trues up grant fund allocations with final expenses. The grant was expended in its entirety.

UPDATE:

This grant was fully expended and is closed.

\$200,000 DEQ Lower Slough Refugia (ES000044)

This Watershed Investment Program (E08782) project schedule was accelerated and additional capital outlay was required to complete large wood installation at the Lower Slough Refugia.

UPDATE:

The project schedule was accelerated and 90% of the capital outlay associated with this grant was expended in FY 14/15. The remaining 10% of project costs are budgeted (Fall BMP) on the grant for FY 15/16. The project is nearly complete.

\$116,100 PBOT's Milwaukie Light Rail (TR000094)

BES charges directly to this PBOT grant. Additional personal services, interagency and miscellaneous services are required.

UPDATE:

At year end, fewer external materials & services and additional personal services and interagency services were required than originally anticipated in the spring BMP.

Innovation Fund: BES (ES_015)**Pollution Prevention**

\$35,000 revenue from the General Fund for two Innovation Fund Micro-Grants:

\$15,000 Cut Through the FOG (Fats, Oils and Grease) Grease Trap Cleaning Coupons. This proposal focuses on food service establishments with requirements for grease trap maintenance and reporting. Many small businesses are “self-cleaners” who, while trying to save money, are unable to keep up with the cleaning, miss regulatory reporting and also frequently suffer from grease related backups. There are vendors who participate in the regional Preferred Pumper Program who provide not only high quality maintenance of these facilities but also the required regulatory reporting. The proposed strategy uses the grant funds to pay for grease cleaning coupons for these food service establishments to be redeemed for one preferred pumper cleaning. The Preferred Pumper vendor properly cleans the facility, observes and notes the condition and provides the report to the City. It also aids in coordinating the City inspection. Finally, the coupon covers the cost of a grease trap cleaning, usually between \$80 and \$120 per event, something of value to the food service establishment.

\$20,000 Multilingual Videos for Food Service Best Management.

As part of the ‘Cut Through the FOG’ program, BES staff provide a significant amount of outreach to the owners and operators of food service establishments (FSE). When English is not the primary language in a FSE, it has, at times, been difficult to convey technical information about the program and provide demonstrations of appropriate techniques in the management of FOG. In the past, BES has used brochures and other written material which has had little review by the recipients. This proposal will allow BES to produce multilingual videos for the owners, staff and landlords of food service establishments. The videos will be used by staff during visits to these businesses and may also be accessed through the Cut the FOG webpage. The City and the FSEs benefit from a more equitable approach to outreach and education and the use of more effective tools to explain best management practices and obtain compliance.

UPDATE:**Grease Cleaning Coupons**

A project lead has been assigned and we have determined a process for this project. We have worked out the reimbursement process with BES accounting and are in the final stages of developing the official voucher that will be given to customers. Next steps will be prioritization of targeted customers and scheduling staff to make site visits to deliver vouchers and answer questions.

Multi Lingual Videos

A project lead has been assigned and we have met with communications who have helped us get to the point of documenting all of the subjects we hope to cover in the videos. We have

them broken into four categories. It appears we may not be able to produce all four videos with the funds available so we have prioritized them. Communications is going to assist us with doing an RFP to select a vendor to shoot and produce the videos. Some of our next steps will be to draft dialogue and to find suitable filming locations.

Prior Year Fund Reconciliation Report

| | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|--|---------------------------------|-----------------------------------|-------------------------------------|
| 600 - Sewer System Operating Fund | | | |
| EXPENDITURES | | | |
| Unappropriated Fund Balance | 180,000 | 180,000 | 100.00 |
| Personnel Services | 60,974,099 | 60,149,654 | 98.65 |
| External Materials and Services | 55,270,538 | 53,748,625 | 97.25 |
| Internal Materials and Services | 41,404,062 | 39,627,247 | 95.71 |
| Capital Outlay | 78,514,647 | 53,070,389 | 67.59 |
| Bond Expenses | 2,757,169 | 2,660,793 | 96.50 |
| Fund Transfers - Expense | 210,580,269 | 210,460,929 | 99.94 |
| Contingency | 51,934,747 | 64,541,254 | 124.27 |
| TOTAL EXPENDITURES | 501,615,531 | 484,438,891 | 96.58 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 61,565,000 | 57,842,685 | 93.95 |
| Licenses & Permits | 1,692,159 | 2,013,483 | 118.99 |
| Charges for Services | 312,621,800 | 325,418,642 | 104.09 |
| Intergovernmental Revenues | 1,677,200 | 1,591,069 | 94.86 |
| Interagency Revenue | 2,282,116 | 1,456,981 | 63.84 |
| Fund Transfers - Revenue | 120,778,466 | 94,612,743 | 78.34 |
| Bond and Note | 190,000 | 0 | 0.00 |
| Miscellaneous | 808,790 | 1,503,288 | 185.87 |
| TOTAL REVENUES | 501,615,531 | 484,438,891 | 96.58 |

Prior Year Fund Reconciliation Report

| FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|---------------------------------|-----------------------------------|-------------------------------------|
|---------------------------------|-----------------------------------|-------------------------------------|

Fund Reconciliation Narrative

Expenses are on plan, with the exception of Capital Outlay which was 68% of Revised Budget due to delays in CIP projects. Total CIP expenditures were 76% of Revised Budget. The following projects account for the majority of under budget spending: E10031 – Phase 2 Rehab (under budget \$12 million): various projects are not getting to construction as quickly as planned. E09045 – Fanno Basin System Improvements: under plan by about \$2.9 million that is attributable to cash flow on current construction projects. E08679 - I-5/SW 26th Water Quality Facility: programed in CIP, however due to ownership of asset the expenditures were not capitalized, about \$2.6 million. E08682 – Boones Ferry Culvert (under budget \$1.3 million): construction was delayed to accommodate community interests; the project secured a grant from Metro for the changes. E10413 – SW Terwilliger and Powers Court Sewer Extension (under budget \$2.3 million): construction delayed due to Sellwood Bridge construction.

Contingency was 124% of Revised Budget resulting from the actual revenues and expenses.

Licenses and Permits were 19% over expected levels, a reflection of the robust construction permit activity in the metro region.

Interagency Revenues are for work performed for other City bureaus, which was 64% of plan for FY 2014-15. Services from the bureau include brownfield remediation, engineering services, construction material testing, and revegetation services. Specifically, services from BES Engineering staff were over-budgeted by Transportation at year end and accounted for 22% of the variance. Without the year end adjustment of \$580,000, the resulting revenues would have been 86% of the revised plan.

Fund Transfer Revenues were 78% of Revised Budget because of reduced reimbursement from the Construction Fund resulting from lower projected CIP expenditures.

Finally, Miscellaneous Revenues were 186% of Revised Budget, due to higher than planned Interest on Investments (+\$198,000), a distribution of Water Quality fees from DEQ of \$36,000, a \$24,000 reimbursement by a vendor on flow meters that did not satisfy operational needs and a \$285,000 incentive from the Energy Trust of Oregon for completing energy efficiency projects at the treatment plants.

Prior Year Fund Reconciliation Report

| | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|---|---------------------------------|-----------------------------------|-------------------------------------|
| 608 - Environmental Remediation Fund | | | |
| EXPENDITURES | | | |
| Personnel Services | 464,538 | 434,652 | 93.57 |
| External Materials and Services | 3,244,859 | 2,145,352 | 66.12 |
| Internal Materials and Services | 920,762 | 849,904 | 92.30 |
| Bond Expenses | 1,208 | 1,161 | 96.14 |
| Fund Transfers - Expense | 151,746 | 151,746 | 100.00 |
| Contingency | 1,836,272 | 3,097,550 | 168.69 |
| TOTAL EXPENDITURES | 6,619,385 | 6,680,365 | 100.92 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 3,367,000 | 3,250,854 | 96.55 |
| Charges for Services | 2,317,000 | 2,557,587 | 110.38 |
| Intergovernmental Revenues | 100,000 | 0 | 0.00 |
| Interagency Revenue | 415,000 | 441,971 | 106.50 |
| Fund Transfers - Revenue | 400,385 | 400,385 | 100.00 |
| Miscellaneous | 20,000 | 29,568 | 147.84 |
| TOTAL REVENUES | 6,619,385 | 6,680,365 | 100.92 |

Fund Reconciliation Narrative

Expenditures were within reporting levels except for External Materials and Services that were under plan by 66%, primarily related to lower consulting costs.

Contingency, or ending fund balance, was 169% of plan due primarily to the lower rate of expenditures discussed above.

Revenues were within the reporting levels except for Charges for Services 110% of budget, due to increased utility charges realized and Miscellaneous Revenues that were 48% over budget (+\$9,568) due to higher interest earnings than budgeted and public information requests that are charged a fee for records generation.

Prior Year Fund Reconciliation Report

| | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|--|---------------------------------|-----------------------------------|-------------------------------------|
| 609 - Sewer System Debt Redemption Fund | | | |
| EXPENDITURES | | | |
| Unappropriated Fund Balance | 65,700,000 | 58,848,696 | 89.57 |
| Bond Expenses | 163,960,895 | 267,686,643 | 163.26 |
| Fund Transfers - Expense | 0 | 0 | 0.00 |
| Contingency | 2,447,113 | 2,972,428 | 119.63 |
| TOTAL EXPENDITURES | 232,108,008 | 329,507,767 | 141.96 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 48,700,000 | 48,702,888 | 100.01 |
| Fund Transfers - Revenue | 168,133,008 | 166,113,668 | 98.80 |
| Bond and Note | 15,000,000 | 114,351,686 | 762.34 |
| Miscellaneous | 275,000 | 339,525 | 123.46 |
| TOTAL REVENUES | 232,108,008 | 329,507,767 | 141.96 |

Fund Reconciliation Narrative

Bond Expenses were 163% of Revised Budget, but these expenses include \$103.7 million to refund prior debt which is included in "budget-exempt" line items requiring no budget adjustment. Excluding these budget-exempt expenses, debt service expenses are 100% of the Revised Budget.

Similarly, Bond and Note Revenues were 762% of Revised Budget and includes the \$101.3 million of bond proceeds to refund the prior debt. Excluding these budget-exempt revenues results in this revenues class being 87% of Revised Budget, reflecting the smaller Debt Service Reserve requirement than originally budgeted.

Miscellaneous revenue was 23% over plan because of interest earnings that are budgeted conservatively.

Prior Year Fund Reconciliation Report

| | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|---|---------------------------------|-----------------------------------|-------------------------------------|
| 614 - Sewer System Construction Fund | | | |
| EXPENDITURES | | | |
| Bond Expenses | 800,000 | 943,955 | 117.99 |
| Fund Transfers - Expense | 119,500,000 | 93,334,277 | 78.10 |
| Contingency | 129,500,000 | 146,407,820 | 113.06 |
| TOTAL EXPENDITURES | 249,800,000 | 240,686,052 | 96.35 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 8,000,000 | 13,803,689 | 172.55 |
| Charges for Services | 700,000 | 1,231,919 | 175.99 |
| Fund Transfers - Revenue | 20,700,000 | 16,500,000 | 79.71 |
| Bond and Note | 220,000,000 | 208,240,067 | 94.65 |
| Miscellaneous | 400,000 | 910,377 | 227.59 |
| TOTAL REVENUES | 249,800,000 | 240,686,052 | 96.35 |

Fund Reconciliation Narrative

Bond Expenses were 118% of Revised Budget that includes budget-exempt issuance costs of \$294,000 related to the refunding of the 2004A bonds. Excluding these budget-exempt expenditures results in an expenditures percentage of 81%.

Fund Transfers - Expense was 22% below budget due to lower CIP expenditures requiring reimbursement.

Charges for Services Revenues were 76% above budget due to higher Line and Branch revenues, a reflection of the robust construction permit activity within the city.

Fund Transfers Revenues were 80% of the budget, based on the available funds within the Sewer Operating Fund after meeting debt coverage requirements.

Miscellaneous Revenues were 128% over budget due to increased interest earnings resulting from the bond sale resulting in higher cash balances and thus higher interest earnings.

Prior Year Fund Reconciliation Report

| | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|---|---------------------------------|-----------------------------------|-------------------------------------|
| 617 - Sewer System Rate Stabilization Fund | | | |
| EXPENDITURES | | | |
| Fund Transfers - Expense | 0 | 0 | 0.00 |
| Contingency | 40,050,000 | 49,813,657 | 124.38 |
| TOTAL EXPENDITURES | 40,050,000 | 49,813,657 | 124.38 |
| REVENUES | | | |
| Budgeted Beginning Fund Balance | 22,000,000 | 26,266,690 | 119.38 |
| Fund Transfers - Revenue | 18,000,000 | 23,400,000 | 130.00 |
| Miscellaneous | 50,000 | 146,967 | 293.93 |
| TOTAL REVENUES | 40,050,000 | 49,813,657 | 124.38 |

Fund Reconciliation Narrative

Fund Transfers – Expense - With the spring budget adjustments, the cash transfer to the Sewer Operating Fund was eliminated. As such, Contingency was 124% of the Revised Budget.

Beginning Fund Balance is 119% of original plan due to higher transfers into the fund in the prior fiscal year.

Miscellaneous Revenues were 194% over plan (\$97,000) because of anticipated higher interest earnings on higher fund balances in the fund.

Prior Year Business Area Reconciliation Report

| | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Percent of Actuals to Revised |
|---|---------------------------------|-----------------------------------|-------------------------------------|
| Bureau of Environmental Services | | | |
| EXPENDITURES | | | |
| Personnel Services | \$15,024 | \$16,863 | 112% |
| External Materials and Services | \$529,387 | \$319,392 | 60% |
| Internal Materials and Services | \$183,036 | \$181,946 | 99% |
| Capital Outlay | \$509,356 | \$489,355 | 96% |
| TOTAL EXPENDITURES | \$1,236,803 | \$1,007,557 | 81% |
| REVENUES | | | |
| Intergovernmental Revenues | \$1,236,803 | \$1,024,892 | 83% |
| Miscellaneous | \$0 | (\$55) | 0% |
| TOTAL REVENUES | \$1,236,803 | \$1,024,837 | 83% |

Bureau Reconciliation Narrative

Personnel Services were over expended by 12% as a result of the PBOT Milwaukie Light Rail grant (TR000094).

External Materials & Services were under expended by 40% as a result of the PBOT Milwaukie Light Rail grant (TR000094) requiring few services than anticipated at the time of spring BMP and as a result of the unpredictable nature of work funded by the EPA Brownfield Revolving Loan Fund grant (ES000037). Two subrecipients are funded with this grant and both of their projects experienced delays in the project schedules.

Grant Revenues were down 17% as a result of delays to project schedules.

Bureau of Environmental Services

Performance Measures

| Performance Measure | Type | FY 2012-13 Year-End Actuals | FY 2013-14 Year-End Actuals | FY 2014-15 Adopted Budget | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals |
|--|------------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|-----------------------------------|
| ES_0001 - Maintain the bureau's first lien debt service coverage ratio at 1.5 or greater | EFFECTIVE | 1.94 | 1.95 | 2.10 | 2.21 | 2.22 |
| ES_0002 - Amount of time loss, in hours, due to injury | EFFICIENCY | 2.96 | 1.42 | 3.50 | 3.10 | 1.40 |
| ES_0005 - Construction management costs as a percentage of total construction costs | EFFICIENCY | 12% | 9% | 12% | 12% | 10% |
| ES_0006 - Number of student contacts provided with bureau education programs | WORKLOAD | 14,793 | 11,271 | 12,000 | 12,000 | 8,895 |
| ES_0008 - Number of individual participants in projects catalyzed or hosted by the Stewardship Program | WORKLOAD | 10,634 | 13,170 | 9,000 | 9,000 | 15,052 |
| ES_0010 - Number of lab analyses performed each year | WORKLOAD | 53,300 | 52,915 | 48,000 | 48,000 | 56,597 |
| ES_0011 - Percentage of industrial enforcement tests in full compliance | EFFECTIVE | 99.5% | 99.6% | 99.0% | 99.8% | 99.6% |
| ES_0012 - Average resources spent in site investigations and cleanup, per site investigated or remediated | EFFICIENCY | \$11,212 | \$11,820 | \$13,000 | \$13,000 | \$12,047 |
| ES_0013 - Amount of wastewater processed in million gallons annually | WORKLOAD | 28,569 | 28,433 | 28,000 | 28,000 | 27,597 |
| ES_0014 - Percentage of biochemical oxygen demand removed | EFFECTIVE | 97.0% | 96.6% | 85.0% | 85.0% | 95.8% |
| ES_0021 - Maintain bureau's combined first and second lien debt service coverage ratio at 1.3 or greater | EFFECTIVE | 1.30 | 1.30 | 1.30 | 1.30 | 1.31 |
| ES_0022 - Cost to operate and maintain the treatment plants in million gallons per day | EFFICIENCY | \$582 | \$618 | \$655 | \$655 | \$681 |
| ES_0023 - Percentage of pipe identified as highest priority for repair or replacement incorporated into funded Capital Improvement Plan or Op. proj. | EFFECTIVE | 99% | 99% | 99% | 99% | 99% |
| ES_0024 - Number of trees planted | WORKLOAD | 41,223 | 43,784 | 34,200 | 34,200 | 36,418 |
| ES_0027 - Feet of streambank restored (not cumulative) | WORKLOAD | 29,587 | 27,397 | 25,000 | 25,000 | 22,443 |
| ES_0028 - Number of sanitary sewer overflows | KPM | 130 | 226 | 0 | 120 | 161 |
| ES_0029 - Number of flooding events | EFFECTIVE | 113 | 104 | 0 | 100 | 0 |
| ES_0030 - Watershed Health Index for water quality | KPM | 0.00 | 4.40 | 0.00 | 4.40 | 5.90 |
| ES_0031 - Number of combined sewer overflow events | KPM | 2 | 4 | 0 | 4 | 4 |
| ES_0032 - Average single family household bill as a percent of median income | KPM | 1.40% | 1.43% | 0.00% | 1.45% | 1.45% |
| ES_0033 - Percentage of urgent public health and safety related service requests responded to within two-hour timeframe | KPM | 98% | 98% | 0% | 90% | 94% |

Bureau of Environmental Services

Performance Measures

| Performance Measure | Type | FY 2012-13 Year-End Actuals | FY 2013-14 Year-End Actuals | FY 2014-15 Adopted Budget | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals |
|---------------------|------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|-----------------------------------|
|---------------------|------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|-----------------------------------|

Performance Measure Variance Descriptions

ES_0002

Another good year through sound risk and safety management practices. Actuals were 55% under goal.

Losses have been trending downward the last few years with an open, non-punitive reporting policy that captures non-medical and near-miss incidents. Even with the minimal occurrences, there's no specific trend (i.e. back injuries) to report. A few factors that may be contributing to fewer losses:

- Seasoned Risk Services group of professional safety and loss prevention staff who have learned to prioritize what we assess and discuss with various groups, relevant to specific tasks-greater emphasis on site specific planning & job hazard analysis
- Supervisors continuing to be active in their duties to emphasize that no job or task is worth the risk of someone getting hurt (Risk and Safety staff are hearing this more often)
- Engineering continues to be inclusive of many safety issues at the design phase
- At the plant, where historically Bureau injury exposure has been the most significant, cooperation amongst the craft groups is at an all-time high and groups are more responsive to each other's needs. Observations indicate a better spirit amongst work groups in recent years.
- Effective safety and health training and messaging and expansion of self-directed, better motivated safety groups.

Industrial injuries overall have been decreasing in recent years w/better awareness of safety and health. Taking care of oneself with good health habits has been effectively linked to personal safety. Better social awareness of safety has helped.

ES_0005

Construction management costs as a percentage of total construction costs were 83% of the goal. The decrease is due to reduced construction management costs through improvements in technology, project packaging and teamwork. This is somewhat offset by project administrative costs that are higher on smaller projects and on treatment plant projects.

ES_0006

Number of students provided with bureau education programs decreased 26% from 12,000 (goal) to 8,895 (actual).

Clean Rivers Education used pooled resources to (again) hire two part-time Community Services Aides (CSAs) to provide classroom and field lessons. The timing of the hiring process was such that the CSAs were being hired and trained after the school year had already started, causing the program to miss valuable teaching hours. In addition, in January, one of the CSAs accepted a full-time position with another agency. The program increased the hours the remaining CSA was working, but the loss in staffing and hours prevented the program from meeting the performance measure.

ES_0008

Number of individual participants in projects catalyzed or hosted by the Stewardship Program. A 67% increase over budgeted goal of 9,000 with actuals of 15,052.

The number of participants varies each year depending on the nature and size of the projects that receive grant funding within that year.

ES_0010

Number of lab analyses performed each year increased to 56,597 or +18%

More work across the board: the lab now has six outside municipalities sending us work; the work from Coordinated Site Assessment is unpredictable but was up over the past fiscal year; PAWMAP; etc. The only work that has decreased has been for the Underground Injection Control Program due to reductions in the scope of work allowed by DEQ.

ES_0014

Percent of biochemical oxygen demand (BOD) removed was 13% higher than the goal. The goal was 85% with actuals of 95.8%.

The target for the percent of biochemical oxygen demand (BOD) removed is determined by the NPDES permit. The NPDES permit regulates that a minimum of 85% BOD be removed during the treatment process. That being said, it is the bureau's goal to utilize resources as effectively as possible to remove as much BOD as possible causing less strain on the receiving streams (Columbia and Willamette Rivers), without increasing the cost to the rate payers.

ES_0028

Number of sanitary sewer overflows (SSOs): goal 120, actuals 161 for 34% over ta

Bureau of Environmental Services

Performance Measures

| Performance Measure | Type | FY 2012-13 Year-End Actuals | FY 2013-14 Year-End Actuals | FY 2014-15 Adopted Budget | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals |
|---------------------|------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|-----------------------------------|
|---------------------|------|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|-----------------------------------|

Capital Program Status Report

Environmental Services

| CIP Program | FY 2014-15 Adopted Budget | FY 2014-15 Revised Budget | FY 2014-15 Year-End Actuals | Variance \$ | Variance % | FY 2015-16 Adopted Budget | Fall BMP Revised Budget | FY 2015-16 Year to Date Actuals | Variance \$ | Variance % |
|-----------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|---------------|---------------------------------|-------------------------------|---------------------------------------|------------------|---------------|
| | \$0 | \$0 | \$0 | \$0 | | \$0 | \$0 | (\$3) | \$0 | |
| Accounting | \$0 | \$0 | \$45,960 | \$45,960 | | \$0 | \$0 | \$0 | \$0 | |
| Buildings | \$0 | \$0 | \$37,897 | \$37,897 | | \$0 | \$0 | \$0 | \$0 | |
| Facilities | \$0 | \$0 | \$189,129 | \$189,129 | | \$0 | \$0 | \$439 | \$0 | |
| Maintenance and Reliability | \$75,432,000 | \$75,483,356 | \$55,698,728 | (\$19,784,628) | (26%) | \$73,461,000 | \$73,461,000 | \$5,616,731 | \$0 | 0% |
| Sewage Treatment Systems | \$12,370,000 | \$12,370,000 | \$13,903,959 | \$1,533,959 | 12% | \$18,300,000 | \$18,300,000 | \$1,150,749 | \$0 | 0% |
| Support | \$0 | \$0 | \$360,661 | \$360,661 | | \$0 | \$0 | \$65,823 | \$0 | |
| Surface Water Management | \$17,347,000 | \$19,176,776 | \$13,892,608 | (\$5,284,168) | (28%) | \$9,076,000 | \$9,096,000 | \$710,541 | \$20,000 | 0% |
| Systems Development | \$6,759,000 | \$6,865,300 | \$4,649,106 | (\$2,216,194) | (32%) | \$3,765,000 | \$3,876,600 | \$166,823 | \$111,600 | 3% |
| Total | \$111,908,000 | \$113,895,432 | \$88,778,048 | (\$25,117,384) | (22%) | \$104,602,000 | \$104,733,600 | \$7,711,103 | \$131,600 | 0% |

* Prior Year variances compare Year-End Actuals to Revised Budget

** Current Year variances compare Revised Budget to Adopted Budget

Prior Year Variance Description

Maintenance and Reliability

E10031- Phase 2 Pipe Rehab – Several projects lagging by a few months from slower than anticipated construction start dates. (under: \$12 M)

E09045 – Fanno Basin System Improvements – construction billings lagging anticipated cash flow. (under: \$2.9 M)

Sewage Treatment

E06072 – CBWTP Lagoon Reconstruction – Significantly higher material quantities than anticipated; Council approved construction contract amendment. (over: \$1.8 M)

Surface Water Management

E08679 - I-5/SW 26th Water Quality Facility – Programed in CIP, however, due to ownership of asset the expenditures were not capitalized. (under in CIP: \$2.6 M)

E08682 - Boones Ferry Culvert – Construction delayed for redesign to accommodate community interests; secured a grant from Metro for changes. (under: \$1.3 M)

E10372 – Culvert Replacement Phase 2 – Bybee/Glenwood culvert delayed due to coordination issues with other governmental agencies. (under: \$0.9 M)

Systems Development

E10413 – SW Terwilliger & Powers Court Sewer Extension – Construction delayed due to Sellwood Bridge construction. (under: \$2.3 M)

Current Year Variance Description

Negligible variances due to grant changes.