

Portland Utility Board
February 2, 2016, 3:30 – 6:30pm
Room B, Portland Building
Meeting # 8 Minutes

Attendees:

PUB Members: Alice Brawley-Chesworth, ex officio
Allan Warman
Cindy Dietz, ex officio
Gwynn Johnson
Janet Hawkins
Julia Person
Kendra Smith
Marie Walkiewicz, ex officio
Meredith Connolly
Michael Harrison
Robert Martineau

Absent:
Lee Moore, ex officio*

*Notice of absence provided prior to meeting

Staff: Mike Jordan (Director, Bureau of Environmental Services)
Mike Stuhr (Director, Portland Water Bureau)
Teresa Elliott (Chief Engineer, Portland Water Bureau)
Jonas Biery (Business Services Manager, BES)
Gabe Solmer (Communications Director, Water)
Megan Callahan (Communications Director, BES)
Liam Frost (Policy Director, Commissioner Fish's Office)
Claudio Campuzano (Principal Analyst, City Budget Office)
Ryan Kinsella (Senior Analyst, City Budget Office)
Melissa Merrell (Principal Analyst, City Budget Office)
David Peters (Portland Water Bureau)

Public: Janice Thompson (Citizen Utility Board)
Carol Cushman (League of Women Voters)

I. Call to Order, Introduction of Any Audience Members

Minutes approved with small scrivener's error.

Julia Peterson mentioned that Widmer Brother, her company, is beginning conversations with BES about some pipe replacements. She did not believe that this would be a conflict of interest.

II. Staff Update

CBO analysts, Ryan Kinsella and Claudio Campuzano, provided an overview of the types of materials that were submitted as part of the bureaus' requested budgets.

III. Budget Development Update

Water

Jeff noted that there have been no changes in the bureau's decision packages since PUB initially reviewed the packages. Jeff noted that the bureau is continuing to rightsize the forecasted demand with the actual demand experience. Kendra asked about how the assumption of per capita demand has changed. Jeff clarified that demand has decreased by 7ccf per person to 5 ccf.

Alice asked how Water's demand forecast impacts the BES forecast. Jonas explained that Water's forecast is considered but not directly correlated to BES' forecast.

Michael asked if there was additional water supply that could be sold. Jeff explained that there was more than sufficient water supply.

BES

Jonas provided an update on the bureau's requested budget. He noted that the decision packages are largely unchanged but that narrative for the packages have become more detailed. BES added a package to add a 5% cut to the tree program that is funded by General Fund resources. Jonas also noted that there were several assumptions in the five-year capital plan that have been updated and had resulted in small adjustments on rates.

Jonas then provided an overview of the Five-Year Financial Plan. He highlighted that FY 2017-18 forecasted rate is an increase of 3.45%, and that the plan also includes a discussion of the capital planning process which summarizes a much larger, more robust process that continues throughout the year.

Jonas pointed out that the plan also includes a table with many assumptions of the forecast rates in addition to a discussion of risks associated with the forecast. He also noted that five-year plan is part of a larger financial plan.

Michael asked about how the bureau incorporates the assumptions about economic downturn into forecast. Jonas explained that build assumptions on feedback from the City Economist.

Kendra asked for further clarification on the reduction of the cash transfer from the General Fund to BES for the Watershed Tree Planting Program. Jonas explained that this would result in less resources for a contractor who plants trees.

IV. BES Strategic Plan

Mike Jordan then introduced BES process moving forward in developing a new strategic plan. Mike emphasized that BES would continue to update PUB on the new strategic plan development over the next year. There are three components that are important to developing a strategic plan, in Mike's opinion.

- Content. The plan will be outcome based and include measurable outcomes, and include concrete strategies. The goal is to tie plan tactics to strategies and the bureau's budget.
- The plan will incorporate stakeholder feedback and buy-in into the plan development.
- The plan needs to be relevant and part of the business of the bureau.

Mike noted that he sees PUB as a primary stakeholder who will be involved in the development of the strategic plan.

Michael asked where PUB would be involved in the process. Mike explained that they were developing the process architecture, and that in the spring, BES would be back with a series of discussion questions about bureau outcomes.

Janet asked what resources would be needed for the strategic plan. Mike explained that they may contract out portions of the process but that they would also develop parts of plan in house.

Gwynn asked about what metrics might be included in the plan. Mike explained that some of the metrics would be based on compliance with permits. He also explained that the metrics would be based on providing customers with information that they feel relevant.

Meredith asked about what parts of the plan would focus on external services and which parts would focus on internal service and the inner-workings of the bureau. Mike explain that the plan would include both components.

Allan noted that the plan would be particularly helpful in terms of communicating the role of the bureau to the public.

V. Water Resilience Discussion

Mike Stuhr then provided an overview of the Water Bureau's resiliency efforts and a detailed walk through of the improvements that have been made to increase system resiliency. The [slides](#) to the presentation can be found on the PUB website; additionally, details can be found in the bureau's document, "[Water System Resiliency](#)".

VI. Recommendation of Co-chairs

Melissa opened the conversation saying that now that the board had adopted its bylaws, the next administrative task according to the board's work plan is to recommend co-chairs. According to the bylaws there are to be two co-chairs and for the first pair, one chair would serve one year and one chair would serve two years to stagger their terms. Michael began by nominating Kendra for two years. The nomination was seconded by Allan and Kendra accepted. Allan then nominated Michael for one year. The nomination was seconded by Janet and Michael accepted. Rob stated that he was willing to serve and nominated himself for either length of term. Gwynn seconded the nomination. The discussion moved to how the board would vote. Janet suggested that maybe the board could

move three recommendations to the Mayor for appointment. Rob pointed out that the bylaws state that the board will recommend two co-chairs. The discussion then moved to putting off the vote until at least the next meeting. Rob suggested each nominee should share why they would like to serve and their vision for the board. Allan suggested that ballots should be used for the vote. Janet raised the question of whether that would violate open meeting rules. Michael tasked Melissa to contacting the commissioner's office to clarify if and when the interim appointment of chairs expire and the Mayor's office to learn their expectations for the appointment process. The group decided to delay this conversation pending that information.

VII. Public Comment

There were no members of the public wishing to give comment.

The meeting adjourned at 6:35 PM.