

Fall FY 2016-17 Supplemental Budget:

REQUESTS AND RECOMMENDATIONS

This document provides detail on all bureau requests and CBO recommendations. A separate document on the CBO website is available for a more summarized discussion of each bureau.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_001 - IA Adjustment with PPB

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	310,000	0	310,000
External Materials and Services	26,552	0	26,552
TOTAL EXPENDITURES	336,552	0	336,552
REVENUES			
Interagency Revenue	336,552	0	336,552
TOTAL REVENUES	336,552	0	336,552

Bureau Description:

Increase Interagency funding for additional temporary staffing to support Portland Police Bureau (PPB) policy development and training. Work includes researching relevant legal standards, synthesizing input from multiple internal and external stakeholders, producing documents and training materials, and negotiating with the US Department of Justice (DOJ) and the Compliance Officer and Community Liaison (COCL) where necessary to obtain approvals in conformance with the City's Settlement Agreement. There are approximately 47 policies subject to DOJ/COCL approval. The City's strategic objective is to obtain approval for all policies by the end of 2017. PPB has added additional internal staff to meet that objective. This will result in an increased demand for legal review of the policies as well as requests for training on the new policies. Attorneys and support staff are currently working at or above capacity and attorneys are working extra hours for the City to expedite policy review. In FY2013, the office anticipated the need for two to three additional full time attorneys to handle implementation of the Settlement Agreement but requested only for 1 FTE attorney with no additional support staff to keep initial costs as low as possible. However, it was also noted that "FY 13/14 and beyond will require one additional attorney with staff support [and] may need to request additional attorney or paralegal FTEs if workload demands." So far, the City Attorney's Office has been able to provide timely and cost-effective legal services related to implementation without additional resources. However, the workload demand has increased, is expected to rise significantly in the next year, and work must be completed in an expedited manner to meet the City's legal obligations under the Settlement Agreement.

CBO Discussion and Recommendation

CBO recommends this request; however, while a mid-year funding adjustment is necessary to meet an urgent need, it is possible that continued implementation of the Settlement Agreement will require ongoing additional legal positions. In the event new ongoing resources are not approved by Council in FY 2017-18, PPB will need to determine if ongoing resources can be reallocated, and how this shift would impact services.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_002 - Text Message Public Records

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	55,000	(55,000)	0
TOTAL EXPENDITURES	55,000	(55,000)	0
REVENUES			
General Fund Discretionary	55,000	(55,000)	0
TOTAL REVENUES	55,000	(55,000)	0

Bureau Description:

The Oregon Public Records law is a pillar of open government in Oregon. The City of Portland supports this policy by striving to make records available to the public efficiently, accurately and cost-effectively. The City is also required to initiate legal holds and retain records for litigation purposes. To continue to meet these goals the City must stay current with the changing methods of record creation, retention and retrieval. The City needs an enterprise-wide solution to archive social media and text messages.

As part of its ongoing Legal Records Management Program, the City Attorney's Office conducted a survey of the current use of social media by all City bureaus. There are currently 175 social media accounts in use. Social media is public outreach, which has a permanent retention schedule, as do the social media accounts of elected officials and bureau directors. When the City creates public records which are held by third party providers, (e.g. Facebook, YouTube) the capture and archiving can be more difficult. It is further complicated when multiple bureaus use different archiving solutions. The time, effort and coordination currently required to capture records across multiple bureaus, media types and devices can be overwhelming and increases the City's legal risk.

The City has approximately 4500 connected devices such as smartphones, tablets and laptops. With the increased use of texting, and no Citywide solution for capturing these records, the City is risking non-compliance with public records, archiving and litigation retention requirements. Currently, if the City receives a public records request or initiates a legal hold for text messages, the employee must surrender their phone for outside forensic retrieval at a cost of \$300 per phone, and lose use of the phone for a period of time.

The City Attorney's Office has identified and is recommending a contract with Smarsh, a local Portland business with an efficient enterprise solution that can capture all web pages, text messages and social media types currently authorized by the City's Social Media Policy (HR4.08A). It can be CJIS compliant and has been approved by the Portland Police Bureau. The solution allows for individual bureau accounts and the data can be migrated into HP Records Manager, the City's official electronic archive system.

An enterprise solution for multiple media types is a wise investment in ensuring City compliance at a reasonable cost. The Smarsh enterprise platform cost is \$12,000 per year. Each social media account costs \$60 per year and text message capturing is \$48 per year per device. The City Attorney's Office plans to work with Council and the City Budget Office to develop a policy and funding mechanism for Citywide application in the next fiscal year.

However, due to the high level of legal risk this year, the City Attorney's Office is requesting funding for the enterprise platform cost and text message archiving on high priority phones including elected officials and their staff, bureau directors, and the Portland Police Bureau - about 1200 phones. The cost for the remainder of this fiscal year to continuously capture all text messages for these phones, including the enterprise platform, is \$55,000.

Expected results include:

- Increased compliance of public records archiving per state law and city code
- Legally defensible capture for litigation holds and e-discovery
- CJIS compliant tool that meets Portland Police Bureau requirements
- Import into HPRM
- Cost efficiency with enterprise wide solution for multiple media types
- Citywide search efficiency with enterprise platform for all City social media, text messages, and web pages
- Uniformity and consistency in public records searches
- Decreased employee time in searching, gathering, sorting and responding to public record requests
- Service level increase with improved response time for public records requests
- Decreased cost for public records requests
- Hosted solution that is quick to implement, no individual applications to install, phone carrier level capture
- Numerous technical tools to enable smart searching for confidential and restricted information
- Reduced chance of sanctions for failure to maintain and produce records

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: New Request

Request: AT_002 - Text Message Public Records

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

CBO recommends utilizing BTS reserves as an interim funding source. These reserves represent underspending by BTS on services provided to customers. To the degree that these costs will be paid for by bureaus in relation to their utilization of electronic devices through a permanent funding structure, the BTS reserve seems an appropriate proxy in the interim. CBO looks forward to working with the relevant parties to ensure that this service is delivered in a way that is efficient and effective, and that the costs are borne by the users of the technology.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Auditor

Type: Technical Adjustment

Request: AU_001 - LID Technical Adjustment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	100,000	0	100,000
Contingency	(100,000)	0	(100,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

The Auditor's Office requests a technical adjustment in the Local Improvement District fund to increase Bureau Overhead with the Auditor's Office by \$100,000 for increased costs of external programming support services for the Lien Accounting System. The increase will be covered by fund contingency.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Auditor

Type: Technical Adjustment

Request: AU_002 - Auditor's Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	100,000	0	100,000
Internal Materials and Services	(100,000)	0	(100,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

The Auditor's Office requests a technical adjustment in its operating fund in the amount of \$100,000 for increased external services in Assessments, Finance, and Foreclosure Division for continued programming support for the Lien Accounting System. This cost will be offset by an increase in Bureau Overhead charges to the Local Improvement District fund.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Auditor

Type: New Request

Request: AU_003 - Hearings Office Software Replacement

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	35,000	0	35,000
TOTAL EXPENDITURES	35,000	0	35,000
REVENUES			
General Fund Discretionary	35,000	0	35,000
TOTAL REVENUES	35,000	0	35,000

Bureau Description:

The Auditor's Office requests \$35,000 in one-time funding to replace the software utilized by the Hearings Office. The current case management system is out of date, has limited functionality, and is no longer maintainable. The potential benefits of a new software system include improved ability to track performance, capacity to submit appeals paperwork electronically, and greater efficiency of case processing. Estimates for new software from various vendors have ranged from approximately \$50,000 to \$250,000. Using the lowest price option, adding a 20 percent contingency, and factoring in up to \$5,000 in potential charges from the Bureau of Technology Services for set up, the total estimated budget is \$65,000. The Auditor's Office has approximately \$30,000 remaining from a carryover to fund this project, leaving a \$35,000 unmet funding need.

CBO Discussion and Recommendation

The City Budget Office recommends this request, with the expectation that all ongoing costs associated with the caseload software replacement be absorbed in the Auditor's Office existing budget. The bureau requested \$35,000 in one-time General Fund discretionary resources to fund the purchase of new case management software for the Hearings Office division. The current software is beyond its useful life, is no longer supported, and, per the BTS Technology Business Consultant, could become unusable and unrecoverable at any time. The total estimated cost of the caseload software replacement is \$65,000; this request is for the balance of the total estimated cost of software replacement less funds previously carried over for this purpose. The bureau initially carried over \$20,000 from FY 2014-15 for case management software, and carried over \$30,000 from FY 2015-16.

The Hearings Office has limited ability to absorb the one-time costs of \$35,000 in the current year. The FY 2016-17 EMS budget for this division is \$54,102, with year-end actuals hovering at or below \$20,000 for the last five years. The bureau anticipates higher than average EMS spending in FY 2016-17 due the retirement of the Hearings Officer; specifically, the bureau anticipates higher than average utilization of a contract with an external land use Hearings Officer. The bureau anticipates approximately \$10,000 in ongoing costs for software licensing, and \$12,000 in ongoing costs for server hosting.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: City Budget Office

Type: New Request

Request: BO_001 - Budget Software Replacement

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	1,000,000	0	1,000,000
Internal Materials and Services	0	0	0
TOTAL EXPENDITURES	1,000,000	0	1,000,000
REVENUES			
General Fund Discretionary	1,000,000	0	1,000,000
TOTAL REVENUES	1,000,000	0	1,000,000

Bureau Description:

The City implemented its current budget preparation software (BRASS) in 2003. When the City adopted Windows 10 as its operating system in 2016, the vendor who supports BRASS notified the City that the software's platform will not be updated to support Windows 10. Initial estimates from our existing vendor and estimates from SAP (our Citywide ERP system) show the costs of a new system in the \$1 million to \$3.5 million range. If funds are awarded in FY 2016-17, it is expected that a new system will be available for the start of the FY 2018-19 budget process.

Without a new system, all users of BRASS will need to remain on Windows 7 machines which will not comply with BTS lifecycle replacement policies.

CBO Discussion and Recommendation

Recommended as requested. The vendor has notified the bureau that the software is unsupported with Windows 10 and recent migration efforts to upgrade the software to be minimally compliant with City technology standards highlighted the instability of the system. Furthermore, the official end of life of the software is December 2020, therefore it will need to be replaced in advance of the FY 2020-21 budget process (which starts in September, 2019).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Fire & Police Disability & Retirement

Type: Technical Adjustment

Request: DR_001 - Transfer for alternate payee award

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(156,364)	0	(156,364)
Fund Transfers - Expense	156,364	0	156,364
TOTAL EXPENDITURES	0	0	0

Bureau Description:

In 2009, the FPDR Board revoked Resolution 271, which authorized FPDR members to receive a reversionary interest if their alternate payees predeceased them. A grievance was filed by PFFA and sustained by an arbitrator in 2015. In FY 2015-16, the Fire Bureau made payments to satisfy the arbitration award through June 2016. In July 2016, Council retroactively amended the FPDR Plan to provide for the alternate payee reversion. With this technical adjustment, FPDR will reimburse the General Fund for those FY 2015-16 payments.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_001 - Additional Positions FY 2016-17 Fall BMP

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	943,640	0	943,640
Internal Materials and Services	120,000	0	120,000
Contingency	(1,063,640)	0	(1,063,640)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	10.67	0.00	10.67
TOTAL FTE	10.67	0.00	10.67

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_001 - Additional Positions FY 2016-17 Fall BMP

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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Bureau Description:

BDS is requesting 16.0 staff positions, supported by permit revenues.

12 of the added new positions are new, while 4 are conversions from Limited Term into permanent positions. All of the positions will be supported with permit revenues, and projections indicated sufficient revenues will be available to support the positions for the next five years.

The positions will help BDS meet service level goals. The economy and construction activity in Portland has experienced significant growth in recent years. While BDS has been adding staff to address the rapid workload growth, it is evident that additional staff positions are needed in some bureau programs to respond to workload changes and ensure that desired service levels are maintained. These positions will benefit customers and the larger community by improving services and access to information.

This request also makes an adjustment of \$120,000 to the interagency agreement with City Fleet in order to add an appropriation for four new vehicles. New cars are necessary to accommodate new positions. Approval of this request meets the requirements of resolution 35960 requiring City Council approval of leases, upgrades to replacements, and new vehicle additions.

The 16.0 FTE in this request include:

Director's Office (1.0 FTE)

•1.0 Senior Administrative Specialist

This position will support the Equity and Policy Development Section. It will strengthen the bureau's equity efforts by providing administrative staff to support future trainings, forums, and outside work.

Public Information and Enforcement (1.0 FTE)

•1.0 Management Analyst

The Management Analyst position will allow the bureau to apply State and Local codes more clearly and efficiently by assisting the bureau through the development of new, and the updating of existing code guides, program guides, and policies.

Business Operations and Finance Services (5.0 FTE)

•1.0 Senior Administrative Specialist

This position will add administrative support to the Business Operations and Finance Services Division. The bureau expansion has stressed the staff's capability to meet the administrative requirements related to the coordination of internal business services, particularly in the areas of phones, fleet, and facilities. This position will act as the primary individual for fleet and phone services, will serve as facilities backup, and provide additional administration services and support to the overall division.

Technology Team

•1.0 Development Services Technician I

This position will add support to the Digitization Team and allow for the creation of a second scanning pod of three scanning stations. It will accelerate the bureau's timeline to complete the backlog of digitization projects.

•1.0 Business Systems Analyst

Adding another Business Systems Analyst to the Technology Team will cover additional ITAP support work and TRACS change requests as the ITAP project extends further.

•1.0 Office Support Specialist III

This position will manage the increase IT support needs due to the BDS expansion and business workload increases.

Budget & Finance

•1.0 Financial Analyst

This position will join the Budget & Finance Section and will focus primarily on data analysis and procurement. The bureau has increasing data analysis needs and the bureau also needs an individual to lead the procurement and contract processes.

Inspection Services (4.0 FTE)

Residential Inspections

•1.0 Building Inspector II

•1.0 Electrical Inspector

Residential Inspections workload has increased significantly. Service response times and the number of rollovers are higher than the bureau's objectives. The Building Inspector II and Electrical Inspector positions will help the bureau improve response times, reduce rollovers, and prepare for future retirements.

Commercial Inspections

•1.0 Site Development Inspector I

This position addresses the need for site development and tree inspections, per Title 11 and Title 33. This position will also perform sewer easement verification and erosion control inspections on residential and commercial sites, and support the Senior Site Development Inspector.

Facilities Permit Department

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_001 - Additional Positions FY 2016-17 Fall BMP

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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Facility Permit Program

Bureau Description:

The FPP program anticipates an increase in developers seeking to enroll in the FPP program to expedite tenant improvement permits. The program wants to proactively accommodate increased demand by adding a Senior Building Inspector position.

Plan Review and Permitting Services (3.0 FTE)

Plan Review

•1.0 Senior Plans Examiner

This is a conversion of the Senior Plans Examiner position from LT to permanent. The position provides guidance to staff and helps improve overall turnaround times. Conversion from LT to Permanent will allow the section provide guidance to customers in the DSC, on the phone or at various meetings, addressing the issues and concerns raised as part of the work submitted. The position will help with the development and implementation of strategies and solutions for improving customer service, electronic plan review, development of SOP's, and developing relationships with our customers.

Engineering Plan Review

•1.0 Structural Engineer

This is a conversion of the Structural Engineer position from LT to permanent. It addresses personnel needs of the Engineering Plan Review Section relative to our growing workload of projects that have greater complexity, as well as address the current backlog in plan review, which will improve customer service measures. This change will allow the section to improve on guidance provided as they work with customers, in the DSC, on the phone or at various meetings, addressing the issues and concerns raised as part of the plan review of the work submitted.

•1.0 Senior Engineer

This position will provide a lead individual within the geotechnical engineering plan review work team as it experiences increases in the number and complexity of projects. This position can assist in addressing the current backlog in plan review, provide a leadership role with other geotech staff, as well as help to identify areas where the group can improve customer service. This change will allow the section to provide guidance to customers, in the DSC, on the phone or at various meetings. Adding this position will allow for a more even and consistent development and implementation of strategies and solutions for improving customer service, electronic plan review, development of SOP's, and developing relationships with our customers.

Land Use Services (2.0 FTE)

•2.0 Associate Planner

The Title 33 and Design & Historic Resources Sections both anticipate a permanent high volume of review cases. Adding an Associate Planner to each section will provide the bureau with the resources to accommodate a permanent increase in workload.

CBO Discussion and Recommendation

These positions will be funded by permit fees and charges. CBO recommends the addition of these positions as requested. CBO notes that, with these added positions, the bureau will exceed it's pre-recessionary staffing peak with 360.10 regular FTE. The bureau plans to use reserves to ease the impact of the next recession. As of August 2016, the cumulative reserves balance stands at \$74 million; this amount exceeds the reserve goal by \$41 million.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_002 - Adjustment to IA with Parks, City Tree Project

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	21,399	0	21,399
TOTAL EXPENDITURES	21,399	0	21,399
REVENUES			
Interagency Revenue	21,399	0	21,399
TOTAL REVENUES	21,399	0	21,399

Bureau Description:

This is a \$21,399 interagency agreement with the Parks Bureau to fund Parks' portion of the contract with Enviroissues to support outreach and committee work for the Citywide Tree Project.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_003 - Adjustment to IA with Parks, Urban Forestry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	25,150	0	25,150
Contingency	(25,150)	0	(25,150)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This adjustment of \$25,150 will add an appropriation to the IA with the Parks Bureau, Urban Forestry for services provided to the BDS Land Use Reviews Team. Urban Forestry Tree Inspectors will perform on-site inspections to verify tree conditions submitted as a part of a land use review; evaluate proposals for tree removal or preservation as they relate to new or proposed development; provide written comments and recommendations on acceptable field practices and conditions for land use reviews; evaluate and assist with tree reviews and land divisions; review arborist reports submitted as part of a land use review; communicate with applicants, developers, or neighborhood members on the value of trees, realistic expectations for preserving trees, and how construction practices could be implemented or modified to have less significant impact on the trees on a site. Urban Forestry Tree Inspectors will provide a 48 hour turnaround time on requests.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_004 - IA with Portland Housing Bureau

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	5,966	0	5,966
TOTAL EXPENDITURES	5,966	0	5,966
REVENUES			
Interagency Revenue	5,966	0	5,966
TOTAL REVENUES	5,966	0	5,966

Bureau Description:

This interagency adds a \$5,966 appropriation for expenditures due to space rental for two workstations for Portland Housing Bureau employees stationed at BDS for a six month time period.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Development Services

Type: New Request

Request: DS_005 - DOZA 1 Carryover from FY 2015-16

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	184,002	0	184,002
Contingency	(184,002)	0	(184,002)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This adjustment carries over the unspent portion of DOZA 1 funding from FY 2015-16 to FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Emergency Communications

Type: Technical Adjustment

Request: EC_001 - VCAD System Server Project - Budget carryforward

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	100,000	0	100,000
Internal Materials and Services	50,000	0	50,000
Contingency	115,374	0	115,374
TOTAL EXPENDITURES	265,374	0	265,374
REVENUES			
Budgeted Beginning Fund Balance	265,374	0	265,374
TOTAL REVENUES	265,374	0	265,374

Bureau Description:

The project went live with the new services in May 2016, and the project is expected to be completed in FY 1617. Projects costs of \$150k for remaining equipment and BTS staff completion work are expected in FY 1617 and this request appropriates existing funding from last year to be spent in the current fiscal year. The total project was funded at \$1.4 million and the project is estimated to come in under the total budget by about \$115k. Return of surplus funds will be addressed in the Spring BMP.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Emergency Communications

Type: Technical Adjustment

Request: EC_003 - Innovation Fund Project OCCRA

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	20,000	0	20,000
TOTAL EXPENDITURES	20,000	0	20,000
REVENUES			
Budgeted Beginning Fund Balance	20,000	0	20,000
TOTAL REVENUES	20,000	0	20,000

Bureau Description:

Funding of \$20,000 was approved by Council and transferred to BOEC as part of the Spring FY 1516 Budget Monitoring Process.

No expenditures were reimbursed in FY 1516.

The request appropriates the funds into the BOEC budgeted from fund balance to allow for spending in FY 1617.

CBO Discussion and Recommendation

Recommended as requested. This is funding for the On Call Community Rescue for Animals (OCCRA) Innovation Fund project approved in the FY 2015-16 Spring BMP.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Emergency Communications

Type: Technical Adjustment

Request: EC_004 - BOEC Training Enhancement Projects

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	150,000	0	150,000
TOTAL EXPENDITURES	150,000	0	150,000
REVENUES			
Budgeted Beginning Fund Balance	150,000	0	150,000
TOTAL REVENUES	150,000	0	150,000

Bureau Description:

Enhancements to the equipment used to provide new employee and existing employee training was approved in the FY 1516 Spring BMP. Plans to set up 10 workstations in the classroom have begun. Design discussion to upgrade the presentation equipment in the classroom and training rooms have started.

This request appropriates funding of \$150k approved in FY 1516 into FY 1617 to provide for the completion of these training enhancement projects.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Emergency Management

Type: Technical Adjustment

Request: EM_001 - Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

Internal budget adjustments to reallocate funding to appropriate funding centers.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Emergency Management

Type: Encumbrance Carryover Request

Request: EM_002 - Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	18,149	0	18,149
TOTAL EXPENDITURES	18,149	0	18,149
REVENUES			
General Fund Discretionary	18,149	0	18,149
TOTAL REVENUES	18,149	0	18,149

Bureau Description:

PO non-accrual encumbrances from FY15/16

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Emergency Management

Type: New Request

Request: EM_003 - New Encumbrance Request

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	30,622	0	30,622
TOTAL EXPENDITURES	30,622	0	30,622
REVENUES			
General Fund Discretionary	30,622	0	30,622
TOTAL REVENUES	30,622	0	30,622

Bureau Description:

PBEM has an existing contract in which the original PO for the contract was not opened for full contract amount. Technical adjustment to account for entire contract amount.

CBO Discussion and Recommendation

Recommended as requested. Most of the services on this contract have already been provided and the contractor requires payment; the bureau likely cannot absorb payment in their current year budget.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Emergency Management

Type: Technical Adjustment

Request: EM_004 - Contingency Funding

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	70,000	0	70,000
TOTAL EXPENDITURES	70,000	0	70,000
REVENUES			
General Fund Discretionary	70,000	0	70,000
TOTAL REVENUES	70,000	0	70,000

Bureau Description:

Requesting \$70K in contingency from salary savings previously set aside for anticipated gap in grant funding. This will serve to pay for technology services previously covered by grant.

CBO Discussion and Recommendation

In the FY 2016-17 Adopted Budget, Council approved a contingency set-aside of \$70,000 for PBEM in the event that the federal Emergency Management Performance Grant awarded to the City after budget development came in significantly below prior year levels. This year's award is \$285,000, which is \$100,000 less than prior year budgeted levels. As Council set aside funding explicitly for this purpose in the Adopted Budget, CBO recommends this request.

Funds will be used for internal materials and services costs, which will enable the bureau to shift General Fund discretionary resources to external materials and services including advertising for public alerts, materials for outreach events, food for training events such as the Cascadia Rising, office supplies and other programmatic expenses.

The bureau relies on the EMPG grant for operational expenses such as payments for technology and rental space. Due to the uncertainty of the grant funding, CBO has recommended that the bureau reorganize their budget to ensure bureau fixed costs do not rely on the level of grant support. The bureau is currently working on a fiscal plan in the construction of its next strategic plan.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Environmental Services

Type: Technical Adjustment

Request: ES_001 - Internal Offset Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	6,000	0	6,000
External Materials and Services	(80,882)	0	(80,882)
Internal Materials and Services	16,882	0	16,882
Capital Outlay	58,000	0	58,000
TOTAL EXPENDITURES	0	0	0

Bureau Description:

\$5,000 -- Internal reallocation of overtime within Pollution Prevention from Spill Control/Citizen Response group to Source Control group due to positions moved in FY2015-16.

\$3,118 -- Internal reallocation within Watershed of Parks IA for Forestry services to provide additional equity resources for stewardship programs.

\$87,935 -- Moves Instrument Technician position from one Wastewater cost center to another.

\$70,000 -- Internal reallocation of miscellaneous services from Revegetation program within Wastewater to Business Services Facilities (\$35,000) and Watershed (\$35,000) for complaint-driven property management related to nuisance abatement and safety concerns.

\$310,000 -- Reduction in planned Wastewater expenditures for CoGeneraton engines (-\$160k) and Large Diameter Sewer Pipe Cleaning (-\$150k), reallocated to fund the following work: West Hayden Island De-chlorination Facility Safety/Security Improvements (\$95k), Pump Station Rebuild Program (\$76k), CBWTP Secondary Clarifiers Electrical Reliability Repairs (\$56k), replace portable trailer-mounted emergency pump (\$38k), CBWTP Perimeter Fencing Installation \$25k), and CBWTP linear park property maintenance (\$20k).

\$5,000 -- Internal reallocation of Business Services appropriation for training from Facilities/Adminstrative Services division to the Mapping, Data and Application Services (MDAS) division.

\$14,722 -- Internal reallocation of interagency charges from OMF Technology Services for radio/video services from Pollution Prevention to Business Services.

CBO Discussion and Recommendation

Recommended as requested. Most of the items noted above are either small internal realignments or techncial rebudgeting to locate costs properly. The exception is the \$310,000 in savings from two expenditures that will not be necessary in FY 2016-17; these savings are reallocated to priority items in the Wastewater Group as noted above. Below is detail, provided by the bureau, on how the savings was generated:

Due to the now anticipated completion of the Biogas Utilization CIP Project in 2018, which will provide another valuable use for the biogas, further analysis has been performed to re-evaluate the Cogen Maintenance Strategy and planned downtime of the engines. After further discussions with other utilities about the maintenance of similar engines and an evaluation of the bureau's engines, BES is adjusting the maintenance strategy this fiscal year to utilize additional predictive maintenance strategies along with performing regular preventive maintenance. This modified strategy includes adjusting the planned 60,000 hour service (which requires a month of downtime) to occur in FY 2018-19 after the completion of the biogas utilization project. In addition, based on discussions with other utilities, it includes deferring significant replacement work to occur likely at around 100k to 120k hours of runtime depending on predictive maintenance results. These adjustments to the maintenance strategy will be reflected in the upcoming five-year financial plan.

The \$150,000 savings on the large diameter sewer cleaning is the result of the work being performed by PBOT Maintenance Operations through the existing IA budget.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_002 - New Requests

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	15,000	0	15,000
External Materials and Services	410,920	0	410,920
Internal Materials and Services	203,465	0	203,465
Capital Outlay	75,000	0	75,000
Contingency	(704,385)	0	(704,385)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

Pollution Prevention:

\$40,000 -- Purchase of additional sampling and monitoring equipment per the recently revised NPDES and MS4 permits. Funded from Contingency.

\$55,000 -- Adds services with DePaul Industries to provide additional intake and office support required by regulatory reporting and increased investigation response to spill/contamination complaints. Funded from Contingency.

\$75,000 -- One-time increase to cover additional cleanup response related to homelessness (RV tank dumping, spills) which used to occur approximately once per month but are now occurring about once per week. Each response generally costs about \$1,800. Funded from Contingency.

\$50,000 -- Performance of damage assessment of sensitive environmental zones following homeless camp relocations. Funded from Contingency.

Business Services

\$15,000 -- Under the BES Summer High School Cohort Internship program, the bureau hired six interns in the Facilities/Administrative Services division of Business Services. Resources from Contingency

\$235,465 -- Interagency Agreement with Parks to provide Rangers to monitor and facilitate removal of unauthorized camping on BES properties. Also includes purchase of a truck for use by the assigned Rangers, and a temporary vehicle lease until the purchased truck arrives. Resources from Contingency.

\$50,000 -- Request is for a contract to provide consultation and analysis of Bureauwide office space needs to accommodate staffing changes and reassignments among all BES workgroups in the coming years. This work will also help inform Bureau decisions regarding space needs in relation to the Portland Building Renovation project. Resources from Contingency.

\$3,000 -- Requested participation from property-owning bureaus in support of OMF's Property Coordinator position. Resources from Contingency.

Engineering Services

\$108,000 -- The new permitting system currently being implemented by the Bureau of Development Services (ITAP) will allow for digital building plan submission and review (including BES' own plans), rather than relying on paper plans. To accommodate plans that are usually 24" x 36" in paper form, \$108,000 is being appropriated for 62 new monitors for those employees affected. Funded by a reallocation of \$27,080 of previously budgeted hardware and software purchases, and \$80,920 from Contingency.

Director's Office

\$100,000 -- BES is updating its multi-year Strategic Plan, which will inform all aspects of BES work and provide a resource to guide the bureau's budget priorities. On-call PTE services are needed to provide support including stakeholder involvement, data collection and analysis, and framework development. Funded from Contingency.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_002 - New Requests

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested.

Additional detail on several of the items is included below.

The Pollution Prevention group has done an analysis of average workload by task/incident type. This analysis indicates a staffing shortage in the Spill Protection & Citizen Response section. Currently the bureau is not responding adequately to all incoming calls. This contract position would allow for improved management and prioritization of incoming calls.

The rates charged by Parks based on the signed IGA are \$35.73/hr for seasonal rangers and \$60.82/hr for full-time equivalent rangers. In addition to the costs identified for FY 2016-17 as part of this supplemental budget, the agreement anticipates costs of \$236,571 in FY 2017-18. Currently, OMF-Facilities provides Coordinated Campsite Cleanup as a Citywide service to bureaus. However, customer bureaus have indicated a lack of satisfaction with turnaround times and site prioritization. Based on conversations with OMF staff, the OMF prioritization focuses on City properties that have considerable quality of life impacts for citizens. The Ranger agreement with Parks allows BES to direct the daily work of a dedicated crew to address asset management needs. Simultaneous with this request, OMF has requested additional General Fund to expand the Clean Start program to address small campsites (1-2 tents) as well. CBO has not recommended that program be funded with General Fund but, to the degree that it is a program design that meets bureau property management needs, it should be charged to bureaus. That these two requests are coming forward simultaneously highlights the multifaceted nature of the problem and the solutions being applied. CBO recommends that OMF-Facilities, Parks, BES, and other property owning bureaus impacted by the camping issue develop a forum for resolving these issues in the most consistent and efficient manner that meets bureau needs and the needs of the public. In the meantime, this request is recommended. While CBO considered reducing the OMF IA to fund this work, we have left it as-is with the hope that that IA is underspent, partially funding this new activity.

The space planning consultant request is for consultation and analysis of space planning needs to accommodate staffing increases and reassignments within all BES workgroups over the next 5-10 years. Staff currently in Pioneer Tower will move to the Portland Building in 2020. Seating and work areas at the Water Pollution Control Lab have remained static since the building was commissioned 20 years ago. The outcome of this project will be a summary of office space needs across all BES work groups and will be key to the development of the bureau's 5-year plan to address space planning needs for the bureau, including identification of the preferred allocation (and associated long-term cost) of space needs in the reconstructed Portland Building. The final scope and schedule of the work have not yet been finalized. The expectation is that the work would take 2-3 months and include diagrams of programming options and a report that summarizes space needs as well as strategies to address those needs.

The DePaul contract is intended to address increased workload in the Spill Protection & Citizen Response section. The bureau anticipates this workload to continue and sees this contract as a bridge to a permanent staffing solution. CBO does not recommend this request at this time based on the lack of sufficient quantification of the gap between required service levels and the current level of service.

SP&CR is also requesting contracted services on a one-time basis to address cleanup response related to homeless camping. SP&CR uses an existing cleanup contractor (NRC Environmental), under a Citywide contract, that responds to hazardous waste spills and other non-sewage related cleanup needs (PBOT Maintenance Operations can handle sewage). NRC is a 24/7 operation that provides immediate response. The average cost per business day cleanup is approximately \$1,000, while the average overtime cost for a cleanup is approximately \$1,800. The Bureau is experiencing a significant increase in calls related to RV-dumps (while some contain primarily sewage, many also contain other hazardous and/or toxic materials beyond the scope of BOTMO services). The NRC costs are for staff, equipment, and safe and certified disposal.

The intern budget was added in FY 2015-16 and was intended to be ongoing. However, it was erroneously dropped in FY 2016-17. This request adds it back.

The strategic planning consultant contract is based on time and materials. The strategic planning project is designed to be mostly staffed internally. The contract is structured on a task order basis, allowing for utilization on an as needed basis.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_003 - Staffing Changes

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	342,069	(4,641)	337,428
External Materials and Services	(165,486)	0	(165,486)
Capital Outlay	(29,292)	0	(29,292)
Contingency	(147,291)	4,641	(142,650)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	3.17	0.00	3.17
TOTAL FTE	3.17	0.00	3.17

Bureau Description:

Business Services

\$68,120 -- Adds a Senior Administrative Specialist in the Business Services Group to address increased workload in critical and time-sensitive areas such as property management (homeless camping, Portland Building Renovation project, surplus property process, and purchase/lease efforts), human resources (recruitments, FMLA and employee training/onboarding), and general administrative support. Resources from Contingency.

Engineering Services

\$53,669 -- Convert a contract inspector to City Senior Inspector for half the fiscal year, in preparation for retirement of 2 supervisors. Cost savings of \$6,816.50 will increase Contingency.

\$93,688 -- Convert two contract engineering technicians to City Engineering Tech II's for half the fiscal year, to address long-term workload. Cost savings of \$11,312 will increase Contingency.

\$46,844 -- Engineering Tech II position added mid-year to address increased workloads related to increased permit volume. Funded from Contingency.

\$35,000 -- Hiring of temporary casual part-time employee in Project Management and Controls Division to support the Heron project reporting software implementation. Funded from Contingency.

Wastewater

\$117,144 -- Reclass vacant Wastewater Operator position (-\$72,396) to new Maintenance Engineer position to meet more urgent maintenance needs. New position will be charged 75% to operating (\$87,852), 25% to capital (\$29,292, funded by an equal reduction in CIP capital outlay), with \$15,456 net increase in operating costs funded from Contingency.

CBO Discussion and Recommendation

Recommended with minor costing adjustments. This request increases ongoing staffing by 5.0 FTE. Of these, three are converted from contract staff and one is supported through increased permit revenue. The fifth position is a new position that was requested as part of the FY 2016-17 Adopted Budget as an Office Support Specialist III and was not recommended at that time. This support is being requested again as a Senior Administrative Specialist. As part of follow-up information provided by the bureau, some of the growing needs have been further clarified and quantified. The main drivers are structural increases in human resources workload - both in terms of the quantity of FMLA requests and recruitments as well as the nature of the work resulting from level of service reductions in the Bureau of Human Resources - as well as acute issues including homeless camping on BES property and the planned move to the Portland Building and other space issues. Altogether, BES has identified 25-30 hours per week of increased workload in the administrative team. While this required work is getting done, it has been crowding out other less urgent but higher value work.

With regard to the conversions, these positions, as budgeted generate roughly \$14,000 in savings in the current fiscal year compared to the contract cost. This represents a slight adjustment based on the request, correcting an entry made by CBO on behalf of the bureau. The contract inspector positions cost on average \$65.75/hour, or roughly \$120,000 per year (assuming 1,850 hours worked) versus roughly \$92,000 for a fully loaded staff position. For the engineering technicians, the annual cost of the two fully loaded staff is estimated at \$155,000 total compared to \$211,000 at the average rate of \$57.07/hour for 1,850 hours per year.

The permit review position is not funded with an increase in budgeted revenue but through a draw on contingency in the current year. Current projections do not assume revenues greater than what is currently budgeted. The position will be funded ongoing through the fee-setting process in FY 2017-18.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Environmental Services

Type: Program Carryover Request

Request: ES_004 - Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	230,081	0	230,081
Capital Outlay	1,244,890	0	1,244,890
Contingency	(429,216)	0	(429,216)
TOTAL EXPENDITURES	1,045,755	0	1,045,755
REVENUES			
Budgeted Beginning Fund Balance	1,030,000	0	1,030,000
Intergovernmental Revenues	15,755	0	15,755
TOTAL REVENUES	1,045,755	0	1,045,755

Bureau Description:

Director's Office

\$1,030,000 -- A BES and ODOT agreement for joint remediation projects related to Portland Harbor was set to expire 6/30/16, but was renewed in June. The adopted FY 2016-17 budget had assumed that ODOT's money would have been returned in FY2015-16. This action recognizes the beginning fund balance still present, and appropriates it in 563300 Infrastructure for any jointly approved projects.

Pollution Prevention

\$20,995 -- Carryover of two items originally funded from OMF Innovation Fund micro-grants in FY2014-15.budget. The first was to develop multilingual videos for Food Service Best Management, originally funded from a \$20,000 micro-grant, still has \$8,851 remaining to be spent. The second, to develop Grease Trap Cleaning Coupons to reduce extra strength sewer discharges, originally funded from a \$35,000 OMF Innovation Fund micro-grant, has \$12,144 remaining to be spent. Funded from Contingency.

Watershed

\$85,090 -- Carryover of three Fleet vehicle purchases not completed within FY2015-16. Funded from Contingency.

\$19,471 -- Carryover of a jointly funded project with the Port of Portland and the Multnomah County Drainage Districts to perform a "gap analysis" of joint facilities in the Columbia Slough basin. This is the amount remaining which was not completed within FY2015-16. Funded from Contingency.

\$18,870 -- Carryover of professional services contract to develop Crystal Springs Walking Tour podcast begun but not completed in FY2015-16. Project initiated with \$20,000 OMF Innovation Grant received in FY2015-16, and this action funded from Contingency.

\$15,755 -- Carryover of professional services contract on the Eastbank Crescent Project (formerly Beach Access Plan), funded from charges to PDC (\$11,490), with the \$4,265 staff time increasing Contingency since the position is already budgeted.

Wastewater

\$29,255 -- Carryover of PTE services for Medium Voltage Testing not fully completed in FY2015-16. Funded from Contingency.

\$129,800 -- Carryover of two Fleet vehicle purchases not completed within FY2015-16. Funded from Contingency.

\$115,000 -- Carryover of PTE services for Facilities Condition Assessment not completed in FY2015-16. Original plan was to use an existing OMF BIBS contract, but BIBS felt that contractor was not a good investment. So BES needs to go through a new discovery and selection process. In addition, transition to new Wastewater Group Facilities Manager is affecting the timeliness of that process. Funded from Contingency.

\$15,000 -- Carryover of PTE and Miscellaneous Services for groundwater monitoring of industrial contaminants on a property adjacent to the CBWTP previously acquired for future plant expansion. Funded from Contingency.

CBO Discussion and Recommendation

Recommended as requested. In most cases, these items, which were budgeted but unspent last fiscal year, will be funded out of the additional beginning fund balance resulting from that underspending. However, the Comprehensive Annual Financial Report (CAFR) has not been released at the time of this writing, so the beginning fund balance has not yet been trued up. Until that time, these items are funded from contingency with the exception of the ODOT item in the Environmental Remediation Fund which is a known and significant increase to beginning fund balance.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Environmental Services

Type: New Request

Request: ES_005 - New Revenue

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	40,000	0	40,000
Contingency	324,616	(46,847)	277,769
TOTAL EXPENDITURES	364,616	(46,847)	317,769
REVENUES			
Charges for Services	0	0	0
Interagency Revenue	401,847	(46,847)	355,000
Fund Transfers - Revenue	(37,231)	0	(37,231)
Miscellaneous	0	0	0
TOTAL REVENUES	364,616	(46,847)	317,769

Bureau Description:

Business Services

\$315,000 -- Interagency with Portland Housing Bureau to lease the Terminal-1 warehouse/property for use as a temporary homeless shelter. This action increases Contingency.

\$46,847 -- Interagency with OMF for Owner-Controlled Insurance Program (OCIP) services for PDX Building Renovation project. Staff time already budgeted so this action increases Contingency.

\$37,231 -- True-up of the One Percent for Green transfers based on FY 2015-16 actual eligible project expenditures. \$3,503 increased transfer from PBOT, and \$40,734 decrease from Water. Net amount reduces Contingency.

Pollution Revention

\$40,000 -- Increases appropriation for professional services related to homeless camp clean-up at the Kalbrenner site (SE 104th & Reedway). Funded by increased interagency revenue from OMF.

CBO Discussion and Recommendation

Recommended with adjustments. Subsequent to the submission of this supplemental budget request, it was mutually determined by OMF and BES that the OCIP item is not yet ready to move forward. That item has been eliminated from the request. All other items are recommended.

As of the time of this writing (9/26/2016), no agreement has been negotiated between BES and PHB regarding Terminal 1; details of the proposed use of the property are pending. The amount budgeted is derived from a BES estimate of monthly cost of ownership of the entire site, but does not reflect market price and is not a number that has been formally negotiated. If PHB and its partners initially lease only a portion of the property – as is the understanding by BES leadership of the current intent – the rent would likely be determined based upon that specific use and the revenue received by BES could be substantially lower than the \$315,000 figure.

The services provided at the Kalbrenner site are removal of illegally dumped and contaminated soil piles on the property. Removal of the contaminated material is intended to better accommodate temporary habitation (as managed by OMF under a recently executed interagency agreement). OMF has agreed to pay the costs of this work, which is performed under an existing BES contract. The work was completed in September 2016.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: New Request

Request: FM_001 - Replenish FPDR Supplemental Fund

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	9,500	0	9,500
TOTAL EXPENDITURES	9,500	0	9,500
REVENUES			
Budgeted Beginning Fund Balance	3,106	0	3,106
Fund Transfers - Revenue	6,344	0	6,344
Miscellaneous	50	0	50
TOTAL REVENUES	9,500	0	9,500

Bureau Description:

Ordinance #138016 established the Fire & Police Supplemental Retirement Reserve Fund for the purpose of providing certain disability, service retirement, and death benefits for Bruce Baker, a former Chief of Police for the City. As of FY 2016-17, the fund's resources have almost been depleted and therefore a transfer from the General Fund is required to continue payments. The request will provide sufficient funding for FY 2016-17 only. The City Budget Office will bring forward an additional request in the FY 2017-18 budget process to support future year payments.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: New Request

Request: FM_002 - Harbor Restoration LOC Payment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Bond Expenses	430,000	(430,000)	0
TOTAL EXPENDITURES	430,000	(430,000)	0
REVENUES			
Fund Transfers - Revenue	430,000	(430,000)	0
TOTAL REVENUES	430,000	(430,000)	0

Bureau Description:

In March 2015, the City borrowed approximately \$2.4 million on a two-year line of credit to purchase credits in a habitat restoration project to be applied to the City's liability, if any, for natural resource damages in the Portland Harbor Superfund Site. It was expected that a \$1 million per year General Fund allocation would be sufficient to service the debt until a settlement is reached with the Natural Resource Trustees. Upon settlement, the City expects to request Council authorization to issue long-term bonds to take out the balance on the line of credit and finance the remaining balance of the City's obligation. In FY 2015-16 the City applied the first \$1 million General Fund allocation to the line of credit leaving a balance of about \$1.4 million. The current FY 2016-17 General Fund allocation will be insufficient to repay the balance on the line before it expires and the City Attorney's office has indicated that settlement has not been reached at this time which will delay any take out financing beyond the expiration of the line of credit. This request is for an additional \$430,000 from the General Fund to pay off the balance on the line before it expires.

CBO Discussion and Recommendation

Not recommended. CBO recommends that Debt Management seek to refinance the line of credit. In the event that this is not feasible, OMF should pursue authorization of an interfund loan with one of its component bureaus, the repayment source of which would be a portion of the \$1 million FY 2017-18 allocation.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: New Discretionary Revenues

Request: FM_003 - FPDR Reimbursement for Alternative Payee Payment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
REVENUES			
Fund Transfers - Revenue	156,364	0	156,364
General Fund Discretionary	(156,364)	0	(156,364)
TOTAL REVENUES	0	0	0

Bureau Description:

In 2009, the FPDR Board revoked Resolution 271, which authorized FPDR members to receive a reversionary interest if their alternate payees predeceased them. A grievance was filed by PFFA and sustained by an arbitrator in 2015. In FY 2015-16, the Fire Bureau made payments to satisfy the arbitration award through June 2016. In July 2016, Council retroactively amended the FPDR Plan to provide for the alternate payee reversion. With this request, FPDR will reimburse the General Fund for those FY 2015-16 payments.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: New Discretionary Revenues

Request: FM_004 - Dodge Park Revenues

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
REVENUES			
Fund Transfers - Revenue	12,792	0	12,792
General Fund Discretionary	(12,792)	0	(12,792)
TOTAL REVENUES	0	0	0

Bureau Description:

Transfer from Water Bureau for Dodge Park revenues.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: New Request

Request: FM_005 - Data Center Relocation - 2nd Year Costs

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	2,103,612	0	2,103,612
TOTAL EXPENDITURES	2,103,612	0	2,103,612
REVENUES			
General Fund Discretionary	2,103,612	0	2,103,612
TOTAL REVENUES	2,103,612	0	2,103,612

Bureau Description:

In the FY 2016-17 Adopted Budget, Council allocated funding for the first year costs of the data center relocation project and directed the City Budget Office to add \$2,103,612 of one-time General Fund resources to the Current Appropriation Level targets of General Fund bureaus in FY 2017-18 for the second year costs. The resources to offset the future year expenses have not yet been identified. This request would set aside excess balance in the current year to fund this expense in FY 2017-18.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Fire & Rescue

Type: Technical Adjustment

Request: FR_001 - Public Safety GO Bond fund balance true-up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,255,260	0	1,255,260
TOTAL EXPENDITURES	1,255,260	0	1,255,260
REVENUES			
Budgeted Beginning Fund Balance	1,255,260	0	1,255,260
TOTAL REVENUES	1,255,260	0	1,255,260

Bureau Description:

This technical adjustment budget request will true-up the Public Safety GO Bond FY2016-17 beginning fund balance for the purchase of emergency apparatus, since FY15-16 expenditures were less than projected.

CBO Discussion and Recommendation

Recommended as requested. This adjustment recognizes unspent resources by increasing beginning fund balance in the Public Safety GO Bond fund by \$1,255,260. These funds are dedicated to the purchase of fire apparatus and is scheduled to be completed in FY 2016-17.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Fire & Rescue

Type: Technical Adjustment

Request: FR_002 - Fire Facilities GO Bond fund balance true-up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	171,766	0	171,766
TOTAL EXPENDITURES	171,766	0	171,766
REVENUES			
Budgeted Beginning Fund Balance	171,766	0	171,766
TOTAL REVENUES	171,766	0	171,766

Bureau Description:

This technical adjustment budget request will true-up the Fire Facilities GO Bond FY16-17 beginning fund balance for the fire station roof replacement/repair project, since the FY15-16 expenditures were less than projected.

CBO Discussion and Recommendation

Recommended as requested. This adjustment will increase the beginning fund balance in the Fire Facilities GO Bond funds by \$171,766.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Fire & Rescue

Type: Technical Adjustment

Request: FR_003 - Sears/Fire Occupancy Study

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
Internal Materials and Services	100,000	0	100,000
Capital Outlay	(100,000)	0	(100,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This technical adjustment budget request re-appropriates \$100,000 internally within Fund 400 - Fire Facilities GO Bond for PF&R's match for the Sears/Fire Occupancy Study

CBO Discussion and Recommendation

Recommended as requested. In the FY 2016-17 Adopted Budget there is a budget note instructing PFR to conduct a feasibility study to determine if consolidation of functions is a cost benefit and the extent the Jerome Sears facility in southwest Portland may meet some of the bureau's operations requirements. The Office of Management and Finance, Bureau of Internal Business Services and PF&R have issued a request for proposals (RFP) to conduct a feasibility study to determine if the Jerome Sears Facility, or alternative land in the Parkrose neighborhood, would meet the requirements for the eventual relocation of the Logistics and Investigations Divisions. The bureau's current training academy and facility are located at Station 2 and at present does not meet the bureau's training needs. There may be a separate recommendation for costs associated with renovating or potential relocation of the current training center.

The Fire Facility GO Bond Fund has adequate resources in fund balance to fund this RFP. This will leave approximately \$70,000 in fund balance.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Fire & Rescue

Type: Capital Set-Aside Request

Request: FR_004 - Capital Project -Burn Building Repairs

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	20,000	(20,000)	0
TOTAL EXPENDITURES	20,000	(20,000)	0
REVENUES			
General Fund Discretionary	20,000	(20,000)	0
TOTAL REVENUES	20,000	(20,000)	0

Bureau Description:

This \$20,000 request would address safety and structural concerns with the burn building located at PF&R's training facility at 4800 NE 122nd Avenue. The burn building was constructed in 1996 and is routinely used to provide hands-on training for firefighters to learn proper firefighter techniques, understand fire behavior, and practice essential safety procedures. The burn building needs extensive repairs to meet safety standards and maintain the structural integrity of the building. Specific repairs and/or replacement include 1) refractory tiles, many of which are cracked or warped, while those on and around the windows are broken or missing; 2) windows and doors, because the refractory tiles around the windows and doors have extensive damage, they are difficult to operate due to the warping of the metal hatches or the associated hardware such as hinges; 3) thermocouple heat sensors and automatic windows no longer function and require fire trailing staff to manually ventilate the burn building. The dysfunction of the windows and doors and the thermocouple heat sensors and automatic windows represent a significant safety risk as the windows and doors are very important for emergency egress and for managing the intensity of the fire.

CBO Discussion and Recommendation

New resources are not recommended for this request. Rather, CBO recommends the bureau use current General Fund resources, or if allowable, any remaining fund balance in the Fire Facility GO Bond fund. PF&R spent nearly all of the FY 2015-16 materials and services budget, but as this is early in the new fiscal year the bureau should determine if this project is of greater urgency than other station repair and maintenance projects.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Fire & Rescue

Type: Capital Set-Aside Request

Request: FR_005 - Capital Request - Overhead Door Replacement

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	120,000	0	120,000
TOTAL EXPENDITURES	120,000	0	120,000
REVENUES			
General Fund Discretionary	120,000	0	120,000
TOTAL REVENUES	120,000	0	120,000

Bureau Description:

This request for \$120,000 is a major maintenance & asset replacement project to replace 10 apparatus bay overhead doors and the related components including springs, cables, tracks, and motors at five stations. The overhead doors at these stations are original from when the stations were built more than 30 years ago. PF&R's apparatus bay overhead doors are planned to be replaced after 25 years and these doors are beyond their expected useful life, which raise the risk of malfunction or breakdown and incur increasing repairs costs. The only alternative to replacement is to prolong the life of the current doors through continued emergency repairs, which increase the risk of overhead door malfunction or breakdown, which could delay emergency response and increase repair costs.

CBO Discussion and Recommendation

Recommended as requested. CBO recommends new resources for this project due to the potential for failure and costly repairs that may be incurred with the existing overhead doors. This project will replace one-sixth of the overhead doors at stations, keeping the bureau from incurring additional door repair costs. This project was reviewed and ranked in the capital assets process, where it is the 9th highest ranked project submitted.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Fire & Rescue

Type: Encumbrance Carryover Request

Request: FR_006 - External M&S/Capital Encumbrance Carryovers

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	262,656	0	262,656
Capital Outlay	2,318,215	0	2,318,215
TOTAL EXPENDITURES	2,580,871	0	2,580,871
REVENUES			
General Fund Discretionary	2,580,871	0	2,580,871
TOTAL REVENUES	2,580,871	0	2,580,871

Bureau Description:

PF&R had encumbrance balances at the end of FY2015-16 that need to be carried over to the current fiscal year to provide budget appropriation/resources to meet contractual obligations. This encumbrance carryover request totals \$2,580,870, of which \$2,318,215 supports emergency apparatus ordered at the end of the fiscal year, and the remaining \$262,655 support external materials and services which include \$125,000 for turnouts and new duty uniforms, and \$63,000 for architectural services and facilities repairs.

CBO Discussion and Recommendation

Recommended as requested. Included in the carryover is \$2.5 million for replacement apparatus, which will be received in FY 2016-17. The remaining amount includes items and services on order that were not complete as of June 2016, but are anticipated to be received in full in the current fiscal year.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: Program Carryover Request

Request: HC_001 - Terminal One

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	132,285	(32,739)	99,546
Internal Materials and Services	315,000	0	315,000
TOTAL EXPENDITURES	447,285	(32,739)	414,546
REVENUES			
General Fund Discretionary	447,285	(32,739)	414,546
TOTAL REVENUES	447,285	(32,739)	414,546

Bureau Description:

This package requests unspent State of Emergency Ordinance funding be carried forward to cover the lease and unanticipated costs of the Terminal One property. (Note: PHB reduced appropriation in FY 2015-16 for this express purpose via Overexpenditure Ordinance package HC_022.) It is envisioned that the property will be used as a temporary homeless shelter for an 18 month period through a series of 3 six-month leases. The plan is for a non-profit to provide funding for tenant improvement and shelter operation costs.

CBO Discussion and Recommendation

In the FY 2015-16 Over-Expenditure Ordinance, Council approved the carryover of \$414,546 for "capital and renovations costs for shelters not yet sited." These funds were originally appropriated for shelter expenses in the State of Emergency Ordinance #187629 on March 16, 2016. The bureau is requesting the re-appropriation of these funds, plus the appropriation of an additional \$32,739 in prior year unspent and unencumbered funds, to support tenant improvement and lease costs associated with siting a shelter at the Terminal 1 location. The bureau estimates that \$315,000 will be paid to the Bureau of Environmental Services for lease costs and \$132,285 will be expended on temporary tenant improvements. PHB assumes that the City will not be responsible for service costs associated with operating the shelter, as agreed upon with the developer.

As the proposed package is in line with the stated purpose when Council approved the carryover of General Fund resources, CBO recommends appropriating \$414,546 towards this request. However, CBO notes that there remains significant uncertainty and risk related to this project proposal, including but not limited to the following:

- The intent is for the temporary shelter to be operational for 18 months; assuming the lease cost for 9 months of this fiscal year is \$315,000, the City will need to find an additional \$315,000 for the FY 2017-18 budget to continue supporting the lease.
- As of early October, the lease has not been finalized, and the actual costs in terms of both lease costs and necessary – and allowable – tenant improvements are unknown.
- It is assumed that private fundraising will cover the costs of shelter services; however, the full operational budget has not been released.
- Legal challenges against this proposed use of the property have been filed, and the impact of these challenges on the ability of the shelter to move forward as well as the financial risk of the proposed use to the City is uncertain.

The current proposal is to increase shelter capacity over three 6-month phases: the site will shelter 100 people in the first 6 months, 200 people in the second 6 months, and 400 in the third 6 months. CBO notes that, if the project proceeds as planned and is successful, it could prove to be publicly cost-effective: while shelter costs vary greatly depending on services offered, the Joint Office of Homeless Services (JOHS) has provided a rough estimate of shelter lease and operational costs, averaging \$750,000/year per 100-bed shelter. Given the potential for leveraging private dollars, this shelter could cost the City significantly less while serving more people. In the FY 2016-17 budget, the JOHS received \$5 million in new funding (\$2.55 million from the City) to provide 'safety off the streets' interventions for 650 individuals, and is well on its way towards meeting that target with an anticipated 425 new 'safety off the streets' options available by November. The successful completion of this project should enable the City and the County together to shelter significantly more individuals than the budgeted target. However, the bureau and private partners will need to continue working with the Joint Office to ensure that the shelter has the appropriate services to ensure the best outcomes for clients and our agreed-upon goals.

In the event that any or all of these funds are not required for this specific project, CBO recommends that they return to the General Fund unrestricted contingency for re-prioritization.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: Encumbrance Carryover Request

Request: HC_002 - General Fund Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	684,072	0	684,072
TOTAL EXPENDITURES	684,072	0	684,072
REVENUES			
General Fund Discretionary	684,072	0	684,072
TOTAL REVENUES	684,072	0	684,072

Bureau Description:

This package requests unspent encumbered contract funding be carried forward to FY 2016-17 for the following:

- \$317,275 for Intensive Street Engagement (FY 2015-16 Adopted Decision Package). This program was new at the start of FY 2015-16 and required several months to operationalize.
- \$179,797 for N/NE Home Retention (FY 2015-16 Adopted Decision Package). These funds have been committed via loan to homeowners in the N/NE Study Area who are at risk of displacement due to substantial livability issues in their homes.
- \$142,000 for the Housing Choice Success Program (FY 2015-16 Fall BMP Decision Package). These funds will complete this \$425,000 program -- providing additional rent assistance and staff support to provide intensive housing search assistance to high-barrier renters.
- \$45,000 for the Nexus Study & Inclusionary Housing program development (i.e., FY 2015-16 Spring BMP Decision Package). This funding will facilitate the completion of the contracted body of work (i.e., delivery of analysis and recommendations in regards to the implementation of an inclusionary housing program in Portland). Funds not spent down in FY 2015-16 given they were allocated to the bureau late in the fiscal year.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: Program Carryover Request

Request: HC_003 - Program Carryover: St Vincent Depaul

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	227,025	0	227,025
TOTAL EXPENDITURES	227,025	0	227,025
REVENUES			
General Fund Discretionary	227,025	0	227,025
TOTAL REVENUES	227,025	0	227,025

Bureau Description:

This package requests the carryforward of funding de-appropriated in the FY 2015-16 Overexpenditure Ordinance in HC_022:

- \$227,025 unspent Housing State of Emergency (Shelter Assistance) funds for St Vincent Depaul shelter renovation expenses. The actual amount de-appropriated for this purpose was \$250,000; OMF-facilities has requested \$22,975 from this total for repayment related to expenses they incurred during initial purchasing of the St. Vincent DePaul property.

CBO Discussion and Recommendation

In the FY 2015-16 Over-Expenditure Ordinance, Council approved the de-appropriation and intended carryover of \$250,000 for "renovation costs for St. Vincent DePaul shelter." These funds were originally appropriated in the State of Emergency Ordinance #187629 on March 16, 2016. PHB is requesting carryover of \$227,025 for shelter renovation expenses and OMF-Facilities is requesting carryover of the \$22,975 balance for due diligence costs OMF incurred during the original acquisition of the property. CBO recommends this request.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_004 - General Fund Non-Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	254,403	(209,403)	45,000
TOTAL EXPENDITURES	254,403	(209,403)	45,000
REVENUES			
General Fund Discretionary	254,403	(209,403)	45,000
TOTAL REVENUES	254,403	(209,403)	45,000

Bureau Description:

This package requests general fund resources unspent in FY 2015-16 be reallocated to fund continued services for the following:

- \$100,000 unspent Mayor's office appropriation for Springwater Corridor clean-up, outreach and relocation expenses (e.g., personal care and clean-up supplies; property storage expenses; transportation assistance; application and identification fees; motel vouchers; costs of increasing outreach and service coordination staff time on the corridor throughout at least the month of September)
- \$96,687 unspent Housing State of Emergency (Housing Placement and Eviction Prevention) funds for permanent housing placement (38 households)
- \$41,383 unspent Housing State of Emergency (Mobile Provider Pilot) for permanent housing placement (16 households)
- \$16,333 unspent FY 2015-16 Adopted Budget decision package (Landlord Recruitment) funds for eviction prevention & placement assistance (6 households)

CBO Discussion and Recommendation

PHB requests re-appropriation of funds for homeless services that were appropriated in the prior year but unspent and unencumbered at the end of the fiscal year, including: \$96,687 in housing placement and eviction prevention funds; \$41,383 in mobile provider pilot funding; \$16,333 in landlord recruitment funding; and \$100,000 for Springwater Corridor clean up, outreach, and relocation expenses.

As these funds were not encumbered, this is a request for one-time resources out of General Fund contingency. The FY 2016-17 Adopted Budget includes \$7.5 million in new General Fund resources for housing placement and eviction prevention services, \$1.2 million for the mobile provider pilot program, and \$300,000 in continued landlord recruitment funding. While approval of these additional funds will provide an estimated 60 additional households with housing placement services, it does not meet CBO criteria for program carryover as the funds were not set aside for carryover in the prior year and are not for discrete one-time funded projects. CBO recommends supplemental budget funding for new requests that address issues that are urgent and unforeseen, with proposals that are fully developed and cannot be absorbed in a bureau's existing budget. As the need for most of these services is not unforeseen, they do not meet CBO criteria for supplemental budget funding.

The request for \$100,000 for Springwater Corridor clean-up was initiated by the Mayor's Office for costs incurred by Joint Office service contractors to assist with the clean-up of the Springwater Corridor trail. As homeless camps along the trail have been disbanded, contractors were asked to spend funds on services like transportation, storage, ID, application fees, and personal care items to minimize the adverse impact of the clean-up. The contractors have spent \$45,000 to date on these services; the full \$100,000 request is anticipated to support the completion of the clean-up along the Corridor as well as continued clean-up efforts as individuals relocate to other areas. CBO finds that the services provided to date meet an urgent and unforeseen need. However, CBO notes that these services do not appear to be directly furthering City Key Performance Measures such as placement in permanent housing and retention of permanent housing, nor A Home for Everyone adopted measures to end homelessness such as safety off the streets or permanent housing placements. Requiring contractors to absorb these costs will affect their ability to provide services that are aligned with Key Performance Measures. As such, CBO recommends funding those expenses that have been incurred to date, but does not recommend continued funding for these services as people move to new locations. Additional expenses incurred in relation to the urgent Springwater cleanup need may be requested in the Spring BMP once they are known.

To address the longer term issue of relocated camping, CBO recommends that the City work with the Joint Office and the County to develop a strategy that mitigates the adverse effects of public camping while also supporting AHFE goals and City Key Performance Measures.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_005 - East Portland Action Plan Rental Rehabilitation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	1,000,000	(1,000,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
General Fund Discretionary	1,000,000	(1,000,000)	0
TOTAL REVENUES	1,000,000	(1,000,000)	0

Bureau Description:

This package is submitted on behalf of the East Portland Action Plan (EPAP) as recommended by its Housing Subcommittee. EPAP asked that PHB request \$1 million in one-time General Fund to replace the one-time reduction in the FY 2016-17 Adopted Budget for the rehabilitation of existing affordable housing in East Portland. This request would restore the PHB Rental Rehab program to the original request amount of \$1,500,000 - which will be the ongoing level of funding for the program in the future.

Approximately 400 multi-family rental properties (representing more than 2,000 units of rental housing) in East Portland have current code violations cited by the Bureau of Development Services. These citations identify fire/life/safety and health/sanitation issues. The majority of these substandard units are occupied by low-income families, many with children and a significant number from communities of color. As the rental market continues to escalate, many of these units may be at risk of rent increases, sale, or condo conversion. This is especially true in East Portland neighborhoods.

PHB intends to focus on preserving affordability in mid-sized properties (10+units) currently housing tenants with incomes at 60% Median Family Income. This funding can leverage Multnomah County Weatherization Program and PHB Lead Hazard Reduction Grant Program resources.

CBO Discussion and Recommendation

The bureau requests the appropriation of \$1,000,000 in one-time funds to enhance the newly funded Rental Rehab program. The FY 2016-17 Adopted Budget includes \$487,500 in ongoing General Fund resources to launch this program, which proposes to have the City provide required code upgrades to market-rate affordable units in exchange for the owners' contractual obligation to maintain unit affordability for 10 years. Resources are built into the bureau's FY 2017-18 base budget to increase the funding for this program to \$1,500,000. The bureau is in the process of convening an advisory committee to finalize program administrative rules, and will not be directly contacting landlords to gauge programmatic interest until after administrative rules are finalized. Thus, while Bureau of Development Services data finds there are more than 2,000 units in East Portland with outstanding code violations, we do not yet know how many of buildings will participate, or how much funding will be required and when. CBO only recommends funding during supplemental budget processes for new requests that are urgent, unforeseen, fully developed, and unable to be absorbed in existing budget appropriation. CBO does not recommend this request.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_006 - Joyce Hotel

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(449,000)	0	(449,000)
Capital Outlay	4,220,000	0	4,220,000
Bond Expenses	(141,000)	0	(141,000)
TOTAL EXPENDITURES	3,630,000	0	3,630,000
REVENUES			
Budgeted Beginning Fund Balance	3,971,971	0	3,971,971
Intergovernmental Revenues	(341,971)	0	(341,971)
TOTAL REVENUES	3,630,000	0	3,630,000

Bureau Description:

This package provides appropriations for the purchase (using South Park Blocks URA funds) and interim operation (using short-term rental revenue) of the Joyce Hotel. The Joyce owner initially approached PHB about potentially taking over operations of the building, and then the concept of a purchase was also raised. Given the historical use of the property and the nature of some of the occupants, PHB agreed that a purchase would provide the best long-term solution. Upon purchase, PHB will thoroughly evaluate the condition of the building and assess various options for rehabilitation.

Rehabilitation of the building is expected to include hazardous materials abatement, structural repairs and a seismic retrofit. During rehabilitation, current residents will be relocated. The building also needs to be brought up to current seismic standards. After rehabilitation, PHB's current plan is to continue to use the Joyce for short-term stay housing. PHB has identified a number of other buildings that need rehabilitation. However, given the tenants of those buildings, relocating them during construction would present significant challenges. PHB would use the rehabilitated Joyce to, among other things, provide a place where tenants of other buildings could be relocated.

PHB plans to continue to own and manage the Joyce once rehabilitation is complete (day-to-day property management will likely be contracted out). The Joyce was built in approximately 1912 and has been used as a hotel more or less continuously. There are 69 single room occupancy units on the upper three floors. The lower floor contains the hotel office and operations space and, separately, a former restaurant, bar and nightclub.

There are sufficient tax increment funds in the South Park Blocks URA to accomplish this project. The bureau has adjusted the amount of short term rental funds it is going to bond in order to address needs such as these operating costs that cannot be funded with urban renewal funds.

CBO Discussion and Recommendation

The purchase of the building was approved by Council through Ordinance #187988 on September 14th. The item was heard a week earlier than expected on the 4/5th agenda, which did not allow for CBO to provide Council with a fiscal review or analysis. Since Council has already passed this item, CBO recommends the request; however, we note that there is a fair amount of uncertainty and risk associated with the project.

The South Parks Block URA is expiring, and there is a maximum of \$11.53 million in URA-related TIF funds available for this project. \$4.22 million of this source is dedicated to the building purchase, leaving \$7.31 million for renovation and tenant relocation costs. There are an estimated 20 current building occupants, and relocation of these individuals may cost the City up to \$1 million. The building requires significant rehabilitation, including seismic retrofitting as an Unreinforced Masonry (URM) building. The initial estimates of potential needed retrofits range from \$3.0 million to \$5.0 million; however, these are low confidence estimates. Specifically, there is substantial uncertainty around estimated costs to retrofit URM buildings ; however, the bureau has stated it will control the scope of the rehabilitation to match available resources. PHB estimates operational costs during rehabilitation to be between \$20,000-\$30,000/year, but there remains some uncertainty about the actual cost as well as the duration of the required renovations.

The bureau intends to use the 69 single-room occupancy units as temporary relocation options for individuals living in other affordable buildings that require seismic upgrades. The bureau estimates that once fully functional, operational costs will be around \$5,000/unit per year. The bureau is confident it will be able to cover building costs with lease revenues once the building is fully leased.

CBO notes that, if the renovation and relocation costs stay within the estimated budget, the per-unit project costs will be between \$107,000/unit to \$148,000/unit. While affordable housing costs vary greatly, \$100,000/unit is a generally promoted average public subsidy for fully equipped, newly developed affordable apartments which have more amenities and can often accommodate more people than SROs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_007 - Mount Tabor Property Acquisition

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(700,000)	0	(700,000)
Capital Outlay	110,527	0	110,527
Fund Transfers - Expense	1,089,473	0	1,089,473
TOTAL EXPENDITURES	500,000	0	500,000
REVENUES			
Budgeted Beginning Fund Balance	(700,000)	0	(700,000)
Miscellaneous	1,200,000	0	1,200,000
TOTAL REVENUES	500,000	0	500,000

Bureau Description:

This request adds appropriations to finalize the purchase of property from the Parks Bureau located at 60th and Stark. The transaction of \$1,200,000 is for the appraised value of the land. PHB is funding this transaction by reallocating \$700,000 budgeted for NOFA or other development opportunities in the FY 2016-17 Adopted Budget and by realizing \$500,000 of affordable housing income associated with a loan payoff.

The purchase will transfer operational and managerial authority and responsibility to the PHB. When that transfer occurs, the PHB plans to deconstruct the Annex and develop an affordable housing complex on the bare land. However, there has been agreement that the YMCA will be allowed to maintain its day care center in a portion of the building that will be available for commercial enterprises

CBO Discussion and Recommendation

Once purchased from the Parks bureau, PHB intends to deconstruct the existing structure on the Mt Tabor Annex property and redevelop the property as affordable housing. There is a current tenant, the YMCA, that the bureau has agreed to accommodate in the new facility when built. The bureau has not yet identified the project timeline, budget, funding source, or development process. As this property is not within an Urban Renewal Area, the funding source will have to be discretionary housing funds such as Housing Investment Funds, General Fund, or Construction Excise Tax funds.

Parks is requesting that the sale proceeds be transferred to a Parks Memorial Fund and then be used for a future project. CBO is recommending that, given the large number of pressing and unfunded capital needs in the Parks bureau, the funding be transferred to the Parks Capital Improvement Program Fund to address the highest priority projects or for funding the 25% match of FEMA grants for projects related to the December 2015 storm.

CBO recommends this request. Although there is not yet an available affordable housing development plan, the property is simply being transferred from one bureau's books to another, and the funding from non-General Fund sources enables Parks to fund some much needed major maintenance.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_008 - Construction Excise Tax

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	1,545,600	0	1,545,600
Contingency	1,142,400	0	1,142,400
TOTAL EXPENDITURES	2,688,000	0	2,688,000
REVENUES			
Taxes	2,688,000	0	2,688,000
TOTAL REVENUES	2,688,000	0	2,688,000

Bureau Description:

During the 2016 legislative session, the state legislature passed a compromise bill authorizing the development of a mandatory inclusionary zoning program and a local construction excise tax for affordable housing. In June 2016, City Council passed a Construction Excise Tax. Because of the approval date, no appropriations were created. This request sets up appropriations in order for PHB to administer the distribution of proceeds received from the Bureau of Development Services (BDS). BDS may retain up to 4 percent of the taxes collected for payment towards the Bureau's administrative expenses related to collection and distribution of the tax. For the tax imposed on residential improvements, the net revenues will be distributed as follows:

1. Fifteen percent of net revenue will be remitted to the Oregon Department of Housing and Community Services to fund home ownership programs.
2. Fifty percent of net revenue will be transferred to the Portland Housing Bureau Inclusionary Housing Fund to fund finance-based incentives for programs that require affordable housing.
3. Thirty-five percent of net revenue will be transferred to the Housing Bureau Inclusionary Housing Fund to support the production and preservation of affordable housing units at and below 60 percent median family income.

For the tax imposed on commercial improvements, 100 percent of net revenue will be distributed to the Housing Bureau Inclusionary Housing Fund to support the production and preservation of affordable housing units at and below 60 percent median family income.

CBO Discussion and Recommendation

The bureau is requesting the appropriation of \$2,688,000 in anticipated tax revenue as a result of the passage of the Construction Excise Tax through Ordinance #187855 on June 29, 2016. The revenues are a conservative estimate based on the first month of available BDS permit data. CBO recommends this request.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_009 - Inclusionary Housing Implementation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	97,307	0	97,307
External Materials and Services	424,508	0	424,508
Internal Materials and Services	9,466	0	9,466
Contingency	0	0	0
TOTAL EXPENDITURES	531,281	0	531,281
REVENUES			
Charges for Services	531,281	0	531,281
TOTAL REVENUES	531,281	0	531,281
FTE			
Full-Time Positions	0.58	0.00	0.58
Limited Term Positions	0.58	0.00	0.58
TOTAL FTE	1.17	0.00	1.17

Bureau Description:

A growing number of cities are utilizing zoning code authority to increase the development of new affordable housing units. The most widely used zoning approach is inclusionary zoning (IZ). Through IZ, a city can require or encourage developers to create below-market rental apartments as a condition of local zoning approval for proposed market-rate development projects; or pay a fee in-lieu of producing units. In the 2016 legislative session, the restrictions on IZ in Oregon were loosened. In anticipation of the potential approval of a Portland IZ program, PHB is requesting staffing and appropriation authority for the implementation of the program in early 2017. Included are one permanent and one limited term position, equipment, and space rental from the Bureau of Development Services. The additional staff would

- Act as initial developer/owner's representative contact for PHB;
- Explain program requirements and options to developers/owner's representatives;
- Answer developers/owner's representatives questions about the program and provide guidance as needed;
- Work with other permitting bureaus, particularly BDS/BPS to coordinate permitting;
- Work with Bureau of Technology Services on any software/tracking issues;
- Problem solve issues as they arise (e.g., how are fees calculated, how are they inputted into the system);
- Coordinate with PHB development and finance staff generally;
- Facilitate conversations between developers/owner's representatives on "over and above" basic program requirements;
- Coordinate with PHB asset management and compliance team;
- Transmit asset mgmt and compliance program requirements and procedures to developers/owner's representatives;
- Author changes to program administrative rules as needed;
- Assist with program reporting;
- As time permits, work on specific asset management and compliance projects;
- As time permits, work on specific related development/finance projects

Funding would come from potential in-lieu fee payments, which would also be used to provide potential financial incentives for developers to deepen unit affordability.

CBO Discussion and Recommendation

Through packages HC_009 and HC_012, the bureau requests a total appropriation of \$600,000 in expected inclusionary zoning in-lieu fee revenues, primarily to support three staff in anticipation of a new Inclusionary Zoning policy being implemented in early 2017. Two staff will be stationed in BDS to assist with questions and liaise between customers, BDS and PHB on programmatic issues; and one existing staff member will be shifted to work on tax exemption programming associated with Inclusionary Zoning.

At the time of this review, many of the proposed policy details are still being finalized and, as a result, it is difficult to assess the financial impact of this policy. The most straightforward financial impact will result from the incentive packages included in the final policy. A tax exemption policy – which will almost certainly be part of the final policy – will have a direct effect on the available discretionary General Fund for the City. CBO will continue to track the policy and provide our analysis of financial impacts as more details are known.

Should an Inclusionary Zoning policy be approved by Council this December with an implementation date of early February, the bureau would need budget authority to begin the program before the Spring Supplemental Budget. The bureau has stated that it will not begin the hiring process until the policy is passed and the need for implementation is certain. As a result, CBO recommends this request.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_010 - Business Operations Position Requests

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	120,769	0	120,769
External Materials and Services	14,469	0	14,469
Bond Expenses	(11,732)	0	(11,732)
TOTAL EXPENDITURES	123,506	0	123,506
REVENUES			
Budgeted Beginning Fund Balance	4,704	0	4,704
Intergovernmental Revenues	118,802	0	118,802
TOTAL REVENUES	123,506	0	123,506
FTE			
Full-Time Positions	2.50	0.00	2.50
Limited Term Positions	-1.00	0.00	-1.00
TOTAL FTE	1.50	0.00	1.50

Bureau Description:

This request covers three position actions.

- The conversion of a limited-term position to permanent. This position works on the bureaus data analysis team and was previously funded primarily by a grant. The bureau was able to shift the positions funding to non-grant and entitlement grant sources in the FY 2016-17 budget, but held off on making the conversion to permanent status until further analyzing staffing needs on this team.

- The addition of a Limited Term position to provide additional data collection and analysis services specifically for the Joint Office of Homeless Services. This position is funded by Multnomah County.

- A new position requested for the management of bureau records, specifically to address transparency issues in order to reduce the amount of staff time involved in responding to generic public and City records and information requests. This position would manage which documents can be made available through the City's e-files system and on the bureau website, and which files may have proprietary and personally identifiable information and need to be kept secure. The position would also manage the organization of housing project files for more coordinated access and retrieval, and restart the bureau archiving program.

CBO Discussion and Recommendation

CBO finds these requests to largely respond to time-sensitive needs that were unknown at the time of budget development, and the bureau is prioritizing existing or internal resources to fund these needs. CBO recommends this request.

The need for these positions are all connected to the bureau's substantial programmatic and budgetary expansion over the past year: Council approved \$13.9 million in new General Fund resources for homeless services with the expectation that the investment would result in specific measurable outcomes for individuals experiencing homelessness, making the accurate collection and reporting of homeless services data critical to measuring investment impact; the continued homeless crisis and the major shift in housing policy signaled by inclusionary housing proposals as well as the placement of the Housing Bond on the ballot has led to a dramatic increase in public records requests enhancing the need for records management; and the inclusionary housing proposal reallocates a staff member from the homeownership program, leaving a gap to be filled at the same time as that program is investigating new programs and coordinating the newly funded Rental Rehab program.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_011 - Homeownership Program Coordinator

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	45,732	0	45,732
Bond Expenses	0	0	0
TOTAL EXPENDITURES	45,732	0	45,732
REVENUES			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	30,180	0	30,180
Intergovernmental Revenues	15,552	0	15,552
TOTAL REVENUES	45,732	0	45,732
FTE			
Full-Time Positions	0.50	0.00	0.50
TOTAL FTE	0.50	0.00	0.50

Bureau Description:

This position request is to address additional workload issues in the Homeowner Access and Retention Team. The MULTE program and staffing resource has been shifted to another team and the following new programs and activities have emerged in the scope of this team:

- New Mortgage Assistance Program
- Expanded Mortgage Credit Certificate Program
- New Potential ADU pilot program
- Rental Rehab Program Coordination
- Coordination of a homeownership development RFP

CBO Discussion and Recommendation

The MULTE program and staffing resource has been shifted to the Inclusionary Housing team as part of the Inclusionary Zoning request in this supplemental budget. The bureau anticipates expanding the existing MULTE program as a developer incentive as part of the proposed Inclusionary Zoning policy. The MULTE program is a tax exemption program and the expansion of this program will have a direct effect on the available discretionary General Fund for the City. The details of the proposed policy are still being finalized so it is difficult to assess exact costs; however, CBO will continue to track the policy and provide our analysis of financial impacts as more details are known.

This position will be funded with several non-General Fund sources. The bureau anticipates that the proposed policy may be in place in February 2017, at which point staffing support will be required. Based on the time-sensitive nature of this project, CBO recommends this request.

The bureau is also proposing several new homeownership programs that warrant further discussion, including:

- New Mortgage Assistance Program: Implementation of a down payment assistance program provided in partnership with first mortgage lenders through a modest increase in the 1st mortgage interest rate.
- New potential ADU pilot program: Development and implementation of a pilot program utilizing recommended PDC Interstate TIF resources and PHB Interstate TIF LIFT dollars to help low-income homeowners retain their homes through the construction of small ADUs.
- New moderate-income homeownership programs: Implementation of recommended PDC Interstate TIF resources for homeownership assistance for moderate-income households up to 140% MFI.
- Coordination of a homeownership development RFP: Implementation of Interstate and Lents URA homeownership resources through the selection of a development project/partner. Although the development process will likely be overseen by the HIPP team, it will be necessary to be heavily coordinated with homeownership staffing that does not currently exist.

CBO will continue to work with the bureau to understand these proposals and their impact on homeownership goals.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_012 - Property Management Program Coordinator

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	45,732	0	45,732
Bond Expenses	(15,090)	0	(15,090)
TOTAL EXPENDITURES	30,642	0	30,642
REVENUES			
Budgeted Beginning Fund Balance	0	0	0
Charges for Services	15,090	0	15,090
Intergovernmental Revenues	15,552	0	15,552
TOTAL REVENUES	30,642	0	30,642
FTE			
Full-Time Positions	0.50	0.00	0.50
TOTAL FTE	0.50	0.00	0.50

Bureau Description:

This position would manage the bureau's emerging property portfolio. Previously, the bureau has not held properties as assets; it has conveyed them to developers as part of affordable housing development projects. Tasks would include working with other bureaus on the transfer of properties; managing contracts related to due diligence for potential property acquisitions; developing a property management plan; and working with internal bureau staff, contractors, and property management firms to ensure proper maintenance and tracking of bureau property assets.

CBO Discussion and Recommendation

In the past several months, the bureau has been moving towards a model of greater property management and acquisition/ownership. As of the end of September 2016, PHB owns 12 properties. Of these, six are vacant lots and six contain buildings. Of the six properties containing buildings, PHB owns the buildings on four, the other two are owned by PHB's partners (i.e. on land leased to them by PHB). The Portland Development Commission, which had been providing property management services for PHB since the 2010 merger, will be discontinuing this service in December 2016. PHB is also currently involved in property management issues that have arisen in properties owned by bureau partners. In addition, the planned or recently completed purchase of three properties - including those discussed in this supplemental budget request - have demonstrated the need for dedicated property management staff.

CBO recommends this request based on the clear, immediate need for this function and the ability of the bureau to prioritize internal resources to support it. However, CBO notes that the bureau has been taking steps to move towards greater capital asset ownership and management, and this will likely require significant financial and operational changes within the bureau. CBO recommends that the larger potential benefits and risks of having PHB adopt a more consistent model of asset ownership and management be presented to Council as properties are considered for purchase.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: Program Carryover Request

Request: HC_013 - Rebudget FY 2015-16 Resources to FY 2016-17

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	5,365,577	0	5,365,577
TOTAL EXPENDITURES	5,365,577	0	5,365,577
REVENUES			
Intergovernmental Revenues	5,365,577	0	5,365,577
TOTAL REVENUES	5,365,577	0	5,365,577

Bureau Description:

This package requests that unspent prior year non-general fund resources be rebudgeted to FY 2016-17 for the following. This is typically due to changes in project timelines as well as the desire for the bureau to be transparent in budgeting resources available at the time they are awarded to a project or program.

- \$3,716,773 for homeownership & home retention programs (TIF & Federal sources). This includes unspent North-Northeast Interstate TIF funding for homeownership unit development; and resources committed but unspent for home repair and homebuyer assistance programs in the Lents and Interstate URA's as well as citywide (i.e., CDBG-funded)

- \$2,026,817 for affordable housing development (TIF & Federal sources). These projects include Miracles-Central; St Francis; the Abigail; and the PCRI Inner Northeast Bundle.

- \$ 144,661 for lead hazard abatement (Federal Sources)

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: New Request

Request: HC_014 - Miscellaneous New Appropriations

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	5,284,985	0	5,284,985
Internal Materials and Services	0	0	0
Contingency	35,000	0	35,000
TOTAL EXPENDITURES	5,319,985	0	5,319,985
REVENUES			
Budgeted Beginning Fund Balance	33,327	0	33,327
Charges for Services	100,000	0	100,000
Intergovernmental Revenues	2,546,658	0	2,546,658
Miscellaneous	2,640,000	0	2,640,000
TOTAL REVENUES	5,319,985	0	5,319,985

Bureau Description:

PHB is requesting that City Council appropriate the following:

- \$2,640,000 in program income to facilitate homeownership acquisition & rehabilitation in the Interstate Corridor URA
- \$2,500,000 in funds from Multnomah County (part of \$5 million total) awarded in the 2015 NOFA in anticipation of use on several housing projects
- \$98,000 for several MULTE activations that were approved by the City Council late in the previous fiscal year
- \$33,327 to rebudget unspent prior year Innovation funding for the faith-based provider project
- \$26,462 in various grant budget adjustments
- \$17,000 for Council mandated TIF Lift outreach in the Gateway and Interstate Urban Renewal Areas

CBO Discussion and Recommendation

Recommended as requested.

The \$2.64 million request signals the existence of a new model around homeownership assistance: because of the competitive homeownership market, PHB has partnered with Proud Ground to purchase homes using all-cash offers to preserve the competitive ability of potential low- and middle-income families to become homeowners. PHB fronts the funding for Proud Ground to purchase and renovate the homes, and Proud Ground repays the interest-free loan over 12-24 months. This model is being employed as part of the Council-approved N/NE Neighborhood Housing strategy, which includes the provision of \$2.4 million towards creating 40 new homeowners. This proposal would include 11 homeowner loans of approximately \$320,000 each. Proud Ground will repay \$240,000 of each loan and the remaining \$80,000 – or \$880,000 total – will remain in the houses as a permanent subsidy. CBO recommends these requests as they are in line with the Council-approved plan, but notes that the increased cost of housing is requiring greater per-house investment to meet stated objectives, which may require some re-calibration on behalf of the bureau.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: Mid-Year Reductions

Request: HC_015 - Miscellaneous Budget Reductions

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(3,277,405)	0	(3,277,405)
TOTAL EXPENDITURES	(3,277,405)	0	(3,277,405)
REVENUES			
Intergovernmental Revenues	(777,405)	0	(777,405)
Bond and Note	(2,500,000)	0	(2,500,000)
TOTAL REVENUES	(3,277,405)	0	(3,277,405)

Bureau Description:

This package requests two reductions to bureau appropriations. First, the bureau is reducing anticipated debt proceeds by \$2,500,000 in response to a decision to securitize a smaller portion of the short-term rental revenue stream. Second, the bureau is reducing grant revenues by \$777,405 to reflect HUD's action to direct OTIS/McKinney and Continuum of Care Planning grants directly to the Joint Office of Homeless Services rather than pass them through the City of Portland.

CBO Discussion and Recommendation

The Adopted Budget includes that the newly appropriated short term rental revenue funding stream would be fully securitized for \$14.4 million in one-time funds. This package reduces that pool of one-time funds by \$2.5 million as a result of the decision to utilize \$141,000 in Housing Investment Fund short-term rental revenue for the Joyce Hotel project requested in HC_006. Council approved the purchase of the Joyce Hotel through Ordinance #187988 on September 14th. Thus, CBO recommends this request.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Housing Bureau

Type: Technical Adjustment

Request: HC_016 - Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
External Materials and Services	(2,465,307)	0	(2,465,307)
Capital Outlay	2,860,307	0	2,860,307
Bond Expenses	400,000	0	400,000
Contingency	(800,000)	0	(800,000)
TOTAL EXPENDITURES	(5,000)	0	(5,000)
REVENUES			
Intergovernmental Revenues	0	0	0
Interagency Revenue	(5,000)	0	(5,000)
TOTAL REVENUES	(5,000)	0	(5,000)

Bureau Description:

PHB is requesting a series of technical adjustments that represent no change to overall bureau operations. These will facilitate several internal operational needs, including internal reorganization impacting several bureau employees; reallocating Headwaters appropriation for a refinancing of existing debt; creation of new sub-funds to track TIF-funded property income discretely within the URA; and creation of a budget structure within the NHP program to improve budget tracking and management.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_001 - BTS - Beginning Fund Balance True-up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	7,103,436	0	7,103,436
TOTAL EXPENDITURES	7,103,436	0	7,103,436
REVENUES			
Budgeted Beginning Fund Balance	7,103,436	0	7,103,436
TOTAL REVENUES	7,103,436	0	7,103,436

Bureau Description:

This request is to adjust the BTS Beginning Fund Balance to what it is expected to be once the FY 2015-16 CAFR has been completed and the ending fund balance as of June 30, 2016 is known.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_002 - BTS - Salary Contingency Allocation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	822,230	0	822,230
Contingency	(822,230)	0	(822,230)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to allocate BTS salary contingency. These funds for cost of living and health increases were set aside in contingency as required in the Adopted Budget. Expectations are that they will be spent in FY 2016-17, so they are being reappropriated in the Fall BMP.

CBO Discussion and Recommendation

Recommended as requested. This increase constitutes a 2.9% increase in total personnel costs in the Technology Services Fund.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_003 - BTS - SAN Storage Expansion

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	337,830	0	337,830
Contingency	(337,830)	0	(337,830)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carryover the FY 2015-16 budget balance for the SAN Storage Expansion project. This is an ongoing, multi-year project and the funds will be needed to complete project purchases for the current fiscal year.

CBO Discussion and Recommendation

Recommended as requested. This project is intended to provide increased capacity of centralized storage and enterprise backup to meet demand from projects and existing data growth.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_004 - BTS - Data Center Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	65,757	0	65,757
Contingency	(65,757)	0	(65,757)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Data Center project. In FY 2015-16 BTS had budgeted \$200,000 to cover initial planning-stage costs for the Data Center relocation. This was set up as a separate project from the Data Center Move & Disaster Recovery project. In the Spring BMP the budget was reduced by \$100,000 (that reduction was later added to the FY 2016-17 Proposed Budget). This request appropriates the FY 2015-16 budget balance and moves the funds into the Data Center Move & Disaster Recovery project so that one CIP will track all project expenses.

CBO Discussion and Recommendation

Recommended as requested. The City's primary data center currently resides in the Portland Building. The Portland Building's renovation has resulted in a need to move the data center to an appropriate co-location facility to ensure continuity of operations. This project will also allow for BTS to partner with a vendor outside of the region, providing BTS with disaster recovery facilities that can protect identified critical systems and data. This brings the total amount budgeted in FY 2016-17 to \$2,165,757, including the request to move budget from a duplicate project ID (MF_011). The total project cost is currently estimated at \$9.7 million.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_005 - BTS - GIS Infrastructure & Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	28,186	0	28,186
Contingency	(28,186)	0	(28,186)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the GIS Infrastructure Technology Refresh project. This is a multi-year project and the funds are needed in order to complete purchases scheduled for FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_006 - BTS - Server Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	77,178	0	77,178
Contingency	(77,178)	0	(77,178)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Server Technology Refresh project. This is a multi-year project and the funds are needed in order to complete purchases scheduled for FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_007 - BTS - E-Government Infrastructure Tech. Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	39,825	0	39,825
Contingency	(39,825)	0	(39,825)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the E-Government Infrastructure Technology Refresh project. This is a multi-year project and the funds are needed in order to complete purchases for FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_008 - BTS - Microsoft SQL Server Database

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	4,185	0	4,185
Contingency	(4,185)	0	(4,185)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Microsoft SQL Server Database Licenses & Tools project. This is a multi-year project and the funds will be needed for completing purchases in FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_009 - BTS - Real Time Threat Monitoring

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	120,000	0	120,000
Contingency	(120,000)	0	(120,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to appropriate funds to cover the cost of a new operating project, Real Time Threat Monitoring. BTS identified a new Information Security need to automatically monitor local area network activity for malware and malicious behavior and is requesting \$120,000 to cover the expenses.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_010 - BTS - Windows Server Licensing

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	5,837	0	5,837
Contingency	(5,837)	0	(5,837)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Windows Server Licensing project. Nearly all of the budgeted funds for the project were spent in FY 2015-16, but the small balance remaining needs to be applied to FY 2016-17 in order to cover anticipated expenses for the current fiscal year. This project is expected to be completed in FY 2018-19.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_011 - BTS - Data Center Reappropriation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to reappropriate funds for the Data Center project. BTS had initially budgeted in FY 2015-16 \$200,000 for the Data Center Re-location project. In the Spring BMP the budget was reduced by \$100,000 and that reduction was then reappropriated to the Data Center Re-location project as a technical adjustment to the FY 2016-17 Proposed Budget. The Data Center Re-location project had been set up separately from the Data Center Move & Disaster Recovery project, but it was determined that those projects should be combined in order to better track expenses related to the Data Center project. This request moves the \$100,000 appropriated for the Data Center Re-location project into the Data Center Move & Disaster Recovery project.

CBO Discussion and Recommendation

Recommended as requested. Moves \$100,000 that was budgeted in a duplicate project, bringing the total amount budgeted in FY 2016-17 to \$2,165,757, including the carryover in MF_004. The total project is currently estimated at \$9.7 million.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_012 - BTS - SAN Operating Expenses

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	48,520	0	48,520
Capital Outlay	(48,520)	0	(48,520)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to reappropriate funds budgeted for the SAN Storage Expansion project. Expenses incurred in FY 2016-17 included maintenance and support costs. Since those are considered operating rather than project expenses, they were recorded to a cost center. This adjustment moves funding to cover those expenses out of the project budget and into the cost center.

CBO Discussion and Recommendation

Recommended as requested. These costs are ongoing support/maintenance services costs associated with hardware and software purchases associated with the project. These ongoing costs will be borne by customers.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_013 - BTS - Enterprise Mobility

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	20,000	0	20,000
Contingency	(20,000)	0	(20,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over a portion of the remaining FY 2015-16 project budget balance for the Enterprise Mobility project. This is a multi-year project with the majority of expenses anticipated to be incurred over the next three fiscal years. These funds are needed in order to cover all purchases for the current fiscal year.

CBO Discussion and Recommendation

Recommended as requested.

Last year's revised project budget was \$96,768 with spending of \$5,509. The \$20,000 carryover requested is significantly less than the underspending in the prior year. Revised bureau projections indicate this lower cost in FY 2016-17. The possibility still exists that actual vendor costs will be higher than this reduced amount. Additional funds would be re-appropriated in the Spring Supplemental Budget.

This phase of Enterprise Mobility includes a pilot project and implementation of mobile data management to manage the City's non-Windows 10 mobile devices. This will include work necessary for building out BTS capabilities with Netmotion to make it available Citywide. It also includes work supporting Police mobility to fully license the infrastructure to support smart phones and tablets in the Police Bureau to Criminal Justice Information Services (CJIS) Security Policy standards.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_014 - BTS - IRNE Voice System Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	454,483	0	454,483
Contingency	(454,483)	0	(454,483)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the IRNE Voice System Technology Refresh project. This is an ongoing project scheduled for completion in FY 2018-19. Underspending in FY 2015-16 was due to contract delays. Those have now been resolved and the additional funds are needed in the current year to cover anticipated expenses.

CBO Discussion and Recommendation

Recommended as requested.

The Adopted FY 2016-17 budget for this project is \$1,200,000. This request brings that total to \$1,654,483. The total project cost per the Adopted Budget document is \$2.7 million.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_015 - BTS - IRNE Construction Fiber

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	130,370	0	130,370
Contingency	(130,370)	0	(130,370)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the IRNE Construction - Fiber project. This is a multi-year project that continues to expand fiber for the IRNE system throughout the greater Portland area. These funds are needed to cover costs related to Multnomah County and St. Helens fiber construction.

CBO Discussion and Recommendation

Recommended as requested.

The Adopted FY 2016-17 budget is \$104,583. This request brings that total to \$234,953. Total project cost per Adopted budget in \$1.1 million.

As described is the capital improvement program, this project places fiber optic cable bank to bank buried under the Willamette river, providing earthquake survivability of the Integrated Regional Network Enterprise (IRNE) by creating an eastside/westside connection not associated with an on-bridge placement. In addition, the project continues construction of fiber optic extensions to the IRNE system.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_016 - BTS - IRNE Network Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	249,836	0	249,836
Contingency	(249,836)	0	(249,836)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the IRNE Network Technology Refresh project. This is a multi-year project with the majority of expenses anticipated for FY 2016-17. These funds are needed to cover expected equipment purchases from Cisco.

CBO Discussion and Recommendation

Recommended as requested.

The Adopted FY 2016-17 budget is \$1,000,000. This request brings that total to \$1,249,836. The total project cost per Adopted budget is \$2,807,775.

As described in the capital improvement program, this project includes capital and lifecycle improvements to the existing Integrated Regional Network Enterprise (IRNE) infrastructure. Work includes capacity upgrades and end-of-life equipment replacement. Upgrades are needed in order to provide the capacity to meet current and future IRNE and wide area network bandwidth requirements and maintain reliability, functionality, and vendor support.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_017 - BTS - Walters Hill

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	252,524	0	252,524
Contingency	(252,524)	0	(252,524)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the Walters Hill project. This is the final year of an 800 MHz radio tower construction project that experienced several delays due to land use issues with the City of Gresham. Construction is now nearly complete and on budget, and these remaining appropriations are needed to cover the final project expenses.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_018 - BTS - Forest Heights IR Site Purchase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	30,000	0	30,000
Capital Outlay	800,000	0	800,000
Contingency	(830,000)	0	(830,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Forest Heights IR Site Purchase project. Anticipated completion of this project did not happen last year due to lengthy negotiations over the purchase price and payment terms for the property. Those negotiations should be finalized in FY 2016-17 so that payment can be made. In addition to the \$800,000 carried over for the property purchase, BTS is requesting an additional \$30,000 in appropriation to cover final closing costs, environmental reports and other services.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_019 - BTS - Video Enterprise Management Systems

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	8,875	0	8,875
Contingency	(8,875)	0	(8,875)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the Video Enterprise Management Systems project. This project was nearly completed last year with only a few additional purchases needed for spare parts and backup equipment

CBO Discussion and Recommendation

Recommended as requested.

Underspending in the prior year was \$20,488. This request carries over only a portion of that based on the expectation that the project will be completed under budget.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_020 - BTS - Radio Master Site UPS

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	64,270	0	64,270
Contingency	(64,270)	0	(64,270)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the Radio Master Site UPS (uninterrupted power source) project. This project was partially completed last year and will be finished in FY 2016-17. Funding is necessary to cover costs for upgrading the Council Crest radio tower site.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_021 - BTS - Office 365 Implementation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	761,887	0	761,887
Contingency	(761,887)	0	(761,887)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining FY 2015-16 budget balance for the Office 365 Implementation project. This project is being implemented in phases and these funds are needed to complete implementation of SharePoint. SharePoint is a browser-based collaboration and document management platform which allows groups to set up a centralized space for document sharing.

CBO Discussion and Recommendation

Recommended as requested.

Of \$801,405 budgeted last year, only \$39,518 was spent (mostly personnel services), leaving \$761,887, all of which is carried over in this request. This is the next major item on the Office 365 task list with the expectation that the project is completed this year.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_022 - BTS - Mobile Application Management

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	25,000	0	25,000
Contingency	(25,000)	0	(25,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Mobile Application Management project. This is a multi-year project for BTS Business Solutions and these funds are needed to cover anticipated expenses in setting up the application.

CBO Discussion and Recommendation

Recommended as requested.

This request carries over \$25,000 budgeted in FY 2015-16, bringing the total to \$250,000. The revised total project cost in the FY 2016-17 Adopted Budget narrative was \$342,600 – an increase from the original cost of \$125,000.

Per the capital improvement program, this project establishes a Mobile Applications platform that will allow BTS to deliver mobile applications to City customers. The Citywide IT strategic plan identifies mobility as one of the highest priority initiatives. This platform will allow for standards based development, maintenance and consistent support across the enterprise.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_023 - BTS - Critical Security Controls Framework

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	341,664	0	341,664
Contingency	(341,664)	0	(341,664)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Critical Security Controls Framework project. This multi-year project experienced delays last year, but expectations are that most of the project expenses will be incurred this fiscal year. These funds as well as those already included in the Adopted Budget are needed to cover those anticipated expenses.

CBO Discussion and Recommendation

Recommended as requested.

This project was originally budgeted last year at \$100,000 and later increased to \$341,664. There was no spending last year. This request carries over the full amount, bringing the total in the current year to \$591,664. The total estimated cost in the budget document was \$650,000

This initiative was delayed last year due to capacity constraints in the Support Services group - a key partner - due to the rollout of the second phase of the new IT service management platform.

Per the adopted capital improvement program narrative, this project will put into place an Information Security Framework to ensure compliance with various federal, state, local and industry rules, policies, regulations, and laws. This is required to ensure that the City has suitable cyber defenses to protect against unauthorized access of infrastructure and data. Existing mandates of compliance include but are not limited to the Payment Card Industry (PCI), Federal Tax Information (FTI), Criminal Justice Information Security (CJIS), Health Insurance Portability and Accountability Act (HIPPA), Oregon Identity Theft Protection Act, etc.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_024 - BTS - Wireless Intrusion Prevention

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	146,000	0	146,000
Contingency	(146,000)	0	(146,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Wireless Intrusion Prevention project. Limited capacity of the network team prevented completion of this project last year. The work planned for last year is the only work currently needed on the project with additional work planned for FY 2017-18 and beyond.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_025 - BTS - PortlandOregon.gov Security Assessment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	60,000	0	60,000
Contingency	(60,000)	0	(60,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over a portion of the remaining FY 2015-16 budget balance for the PortlandOregon.gov Security Assessment project. Additional funds were added to the project in last year's Spring BMP in order to cover expenses for a second assessment. The bureau was unable to complete that assessment last year, but will do so in FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_026 - BTS - Replacement Contingency True-up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	0	0	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to true-up the BTS Replacement Contingency balance to reflect the projected balance as of June 30, 2017. Replacement Contingency represents funds held by BTS on behalf of customer bureaus for replacement of Radio/Video and IT equipment assigned to the customers. The FY 2016-17 Adopted Budget included a contingency balance based on a projection completed last February. This adjustment reflects a revised projection based on more current information.

CBO Discussion and Recommendation

Recommended as requested.

This item shifts \$620,753 from 'Policy Reserves' contingency to 'Major Maintenance/Replacement Reserves' contingency. This represents the balance held on behalf of bureaus for replacement of radio/video and IT. The adopted (non-PSSRP) replacement contingency amount was \$4,899,795. The new amount is \$5,520,548.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_027 - BTS - Technology Reserves

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	0	0	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to set aside in contingency major maintenance (technology reserve) funds to be used in partially covering future year CIP and Operating Project expenses. BTS uses FY 2015-16 year-end actuals along with projections for the current fiscal year to project what their ending fund balance might be. That number is then adjusted for all restricted and committed funds. Any balance remaining can be considered as technology reserves and made available for purposes beyond what might be covered by the general operating contingency.

CBO Discussion and Recommendation

Recommended as requested. This moves \$1,899,955 from the policy reserve to technology reserve.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Encumbrance Carryover Request

Request: MF_028 - OMF General Fund - Encumbrance Carryovers

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	696,760	0	696,760
TOTAL EXPENDITURES	696,760	0	696,760
REVENUES			
General Fund Discretionary	696,760	0	696,760
TOTAL REVENUES	696,760	0	696,760

Bureau Description:

In the Fall BMP, the OMF General Fund will be requesting the following encumbrance carryovers:

Procurement Services – Procurement Services is requesting a total of \$222,441 in encumbrance carryovers. This amount includes \$7,313 for Irish Enterprises to provide services for the Prime Contractor Development Program (PCDP), for \$34,800 for Trucost, Inc (PO# 22188882) which provides analysis of the City’s spend data for an entire fiscal year using a life cycle assessment in support of City Code 5.33.080; \$57,190 for Metropolitan Contractor Improvement Partnership (PO# 22193773) to provide services for business coaching, administrative assistance, training and advising for contractors within the PCDP program; and a total of \$19,019 for Delaris LLC to manage and develop the information gathering and process mapping to compile the required documents for phases in the replacement of the compliance software. Procurement also requests \$5,385 for Green Spectrum Consulting (PO# 22175436) to identify environmentally preferable products and alternatives to conventional products; \$3,334 for Resources Associates of Nevada (PO# 22179672) to complete the 3rd milestone for Procurement interface project between BuySpeed and BizTrack; \$2,900 to Portland State University (PO# 22186538) for project management training session in October, a total of \$50,000 for Suzanne Lee Donaldson Stephens (PO# 22193987) to develop and administer instructor led training courses and supporting materials for the City of Portland on the City’s Commercial Useful Function regulations. The request also includes \$42,500 to Interprise (PO# 22193660) to support the PCDP program with instructor training and curriculum development.

Business Operations – Business Operations is requesting a total of \$115,570 in encumbrance carryovers. This amount includes \$40,000 for a Hatfield Fellow through Portland State University (PO#22192126); \$45,570 for two contracts with Olympic Performance for work on the OMF Strategic Plan (PO#22193557 and PO#22193558); and \$30,000 for a contract with Portland Community College to provide training in change management and business process improvement (PO#22192717).

CAO’s Office – The Office of the CAO is requesting an encumbrance carryover in the amount of \$6346 with Delaris LLC. to continue their work on the Council filing process evaluation (PO#22183022).

Human Resources – BHR General Fund is requesting a total of \$333,459 in encumbrance carryovers. This amount includes \$229,939 for the Citywide Classification & Compensation Study with Sjoberg Evanshenk Consulting (PO#22153277); \$70,000 for employment services for model employer implementation with the Galt Foundation (PO#22169723); \$15,120 for an E-learning training project with Victoria Gelatt (PO#22193949); \$13,400 for a disability outreach coordinator (PO#22187785); and \$5000 for a Civil Service Officer with Luella Nelson (PO#20003923).

Revenue Division – The Revenue Division is requesting a total of \$14,444 in encumbrance carryovers. This includes \$8,626 with Darrell Dorrell CPA PC (PO#22129076) for forensic accounting analysis of settlement or litigation with a telecommunications provider; \$4,508 with Best Best & Krieger (PO#22144252) for filing in FCC proceedings impacting local authority for wireless siting; \$1,310 with David C Olson (PO#22157340) for legal assistance to update city code on wireless in the right of way program and franchising assistance.

Accounting Division – The Accounting Division is requesting a \$4,500 encumbrance carryover with DH Services LLC (PO#22193489) to research and update the Financial Assessment Model with historical financial information from the City of Portland’s Comprehensive Annual Financial Report (CAFR).

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_029 - BRFS - Revenue - Collection Agency Arbitration

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	55,000	(55,000)	0
TOTAL EXPENDITURES	55,000	(55,000)	0
REVENUES			
General Fund Discretionary	55,000	(55,000)	0
TOTAL REVENUES	55,000	(55,000)	0

Bureau Description:

The City has been in a legal dispute with the City's former collection agency since 2011 regarding the termination of that contract back in 2008. The former agency claims that legal and collection agency fees due under the contract were not paid as required under the contract. These fees, if they had been billed at the time the business tax revenue was collected and remitted by the agency, should have been subtracted from those recoveries remitted and deposited to the General Fund. If that had happened, collection agency revenue recoveries deposited to the General Fund between 2005 and 2008 would have reflected a lower (net) recovery. Unfortunately, they were not charged through when the tax revenues were remitted to the City of Portland. This amount represents the settlement figure to resolve the litigation/arbitration claim. Based on the Revenue Division's work with the City Attorney's Office, this settlement reduces the potential exposure to the City in this matter and is in the best interest of the City.

The City has been in litigation and mediation talks since 2011 to resolve the claims. This package represents a settlement of the claims under that contract dispute.

CBO Discussion and Recommendation

Not recommended.

CBO has identified several areas where Revenue division has savings and additional resources. These include vacancy savings generated so far this year of \$69,000, indirect cost recovery totalling \$19,615 as a result of the interagency with Transportation for the administration of the heavy vehicle use tax (MF_030), and additional cost recovery totalling \$30,838 as a result of an increased charge to the Convention & Tourism Fund (MF_032).

While we understand that this cost would have been foregone revenue to the General Fund in a prior year, CBO believes that the General Fund has the capacity within the Revenue division to fund this cost.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_030 - BRFS - Revenue - Heavy Vehicle Use Tax IA

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	96,180	0	96,180
External Materials and Services	103,097	0	103,097
Internal Materials and Services	12,500	0	12,500
TOTAL EXPENDITURES	211,777	0	211,777
REVENUES			
Interagency Revenue	211,777	0	211,777
TOTAL REVENUES	211,777	0	211,777
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

On May 11, 2016, City Council approved Ordinance No. 187743 establishing a Heavy Vehicle Use Tax to fund Portland's Street Repair and Traffic Safety Program. The tax will be paid by businesses who are also subject to the City's business license tax. As such, the Revenue Division will administer and collect this new tax on a separate schedule submitted annually with business license tax returns.

This package adds 1.0 FTE Revenue & Tax Specialist (RTS) V and related costs associated with the implementation, administration and collection of the Heavy Vehicle Use Tax. The full amount of this package will be covered by an Interagency Agreement between PBOT and the Revenue Division.

This tax is projected to generate approximately \$2.5 million in net revenue annually. Revenues collected from the Heavy Vehicle Use Tax will be deposited to the Street Repair and Traffic Safety Program, which is dedicated to street repair and traffic safety.

CBO Discussion and Recommendation

Recommended as requested.

The one-time costs included in this request are \$50,000 for application development and \$5,000 for office supplies. The remaining \$156,777 is ongoing. Staffing support is expected to begin shortly (as of the time of this writing). The one FTE is estimated as necessary to support this function because during the initial adoption, there will be significant outreach and customer service, design and testing of database changes, and increased data entry as a result of the new tax calculation. As these activities decrease, auditing and compliance activities will increase.

CBO notes that no indirect costs other than an allocation of corporate IAs and lease costs are included in the cost of service. According to the bureau, it was agreed that the partial year would be handled without this charge for the sake of simplicity and to accommodate the undefined start date. Going forward, the indirect bureau overhead costs for the program would amount to approximately \$7,500 with the expectation that they would be budgeted accordingly.

CBO has notes that some of the indirect charges which are included in this interagency offset existing General Fund costs including interagencies with internal service funds and rent payments. This frees up those General Fund resources (\$19,615) to fund unanticipated costs in the bureau (see MF_029).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_031 - BRFS - Revenue - MHCRC Budget Increases

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	1,730	0	1,730
External Materials and Services	94,950	0	94,950
Internal Materials and Services	0	0	0
TOTAL EXPENDITURES	96,680	0	96,680
REVENUES			
Intergovernmental Revenues	96,680	0	96,680
TOTAL REVENUES	96,680	0	96,680

Bureau Description:

These changes are required per the budget approved by the Mt Hood Cable Regulatory Commission (MHCRC). Additional funds were approved in anticipation of planning necessary to deal with the rapidly evolving technology and public policy landscape. MHCRC will work to identify needs and opportunities in the new Broadband environment. Funds were also increased to support transition to a new OCT manager due to the recent retirement.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_032 - BRFS - Revenue - Tourism Improvement Dist IA

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
Internal Materials and Services	30,838	0	30,838
TOTAL EXPENDITURES	30,838	0	30,838
REVENUES			
Interagency Revenue	30,838	0	30,838
TOTAL REVENUES	30,838	0	30,838

Bureau Description:

This technical budget adjustment reflects an increase in the admin fee rate from 1.0% to 1.25% as required by the new Travel Portland contract agreement (SAP #30005175).

CBO Discussion and Recommendation

Recommended as requested.

This change is displayed as an internal materials and service increase because it is a fund-to-fund, intra-OMF transaction. The Convention and Tourism Fund pays the General Fund for services. This revenue is balanced with professional services. This additional resource is a potential source of funding for unanticipated expenses (see MF_029 for further discussion).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_033 - Health Fund Fall Bump

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	4,361,998	0	4,361,998
TOTAL EXPENDITURES	4,361,998	0	4,361,998
REVENUES			
Budgeted Beginning Fund Balance	4,361,998	0	4,361,998
TOTAL REVENUES	4,361,998	0	4,361,998

Bureau Description:

This request will move appropriation from Ending Fund Bance to claims payments to pay for higher than anticipated claims at the beginning of this fiscal year.

CBO Discussion and Recommendation

Recommended as requested.

This increase brings the budgeted beginning balance in the fund to \$21,905,179. This figure is lower than the draft FY 2015-16 ending balance figure provided by Accounting (\$22,958,691).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_034 - Bus Ops-Convert LT Mgmt Analyst to Permanent

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

This request converts a limited-term Management Analyst position into a permanent Management Analyst position within the Communications Team in the Business Operations Division.

No additional funds are requested for this action. Business Operations will be moving resources budgeted for part-time/Community Service Aide employees within the Communications Team to pay for this request.

The Communications Team has been assigned several large projects and has seen an increase in leading citywide or multi-bureau coordinated communications strategy groups without additional staff resources. Examples include staffing the City Council appointed Socially Responsible Investments Committee and the Portland Building Community Oversight Committee; communications coordination for concerns of lead in the drinking water of City facilities or a multi-bureau correspondence review; and participation in business process improvement projects.

The Communications Team was previously augmented with three or four Community Service Aides. That model can work well, but for assignments that are complex and ongoing, it requires management time to onboard and ramp up new employees. We anticipate that with current City initiatives in business process improvements and community oversight, the workload for our management analyst team will continue and this position is needed to keep up with the workload and deadlines.

Examples of ongoing work that this position has been and will be responsible for include the following:

- Producing two weekly reports for OMF, one project management report for the Portland Building Reconstruction project and one project status report for the Mayor's Office.
- Developing budget communications and instructions for OMF's budget development process, ensuring compliance with Mayor and City Budget Office budget direction.
- Coordinating and preparing OMF's decision package status and performance measurement submissions for the Budget Monitoring Process.
- Researching and preparing status reports on the OMF Strategic Plan and work plans.
- Providing staff support for the OMF Bureau Advisory Committee, Portland Building Change Management Committee, and OMF's Labor Management Committee.
- Conducting trends and best practices research analysis.
- Developing reports, web content and other communications.
- Designing documents, announcements and flyers.

CBO Discussion and Recommendation

Recommended as requested.

For at least the last several years, OMF-Business Operations has had additional flexibility in the personnel services line item that has been used for Community Service Aides and limited term positions as well as to fund other bureau priorities. This flexibility has consisted of budgeting a personnel services increment above the system generated figure for existing regular staff. This increment has been about \$315,000-\$320,000 in recent years. That flexibility has diminished in recent years. The conversion of this position would reduce that flexibility further and on an ongoing basis.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_035 - Spectator Venue - Adjust Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	1,870,064	0	1,870,064
TOTAL EXPENDITURES	1,870,064	0	1,870,064
REVENUES			
Budgeted Beginning Fund Balance	1,870,064	0	1,870,064
TOTAL REVENUES	1,870,064	0	1,870,064

Bureau Description:

This request increases the beginning fund balance to match the CAFR ending fund balance for FY 2015-16.

CBO Discussion and Recommendation

Recommended as requested.

This adjustment brings the balance to align with the draft CAFR from Accounting. External materials and services were underspent by \$1.0 million. Capital outlay was underspent by ~\$725,000. Meanwhile charges for services were \$1.8 million higher than budgeted. These combined factors held the balance more or less even over the course of the year where a decline in balance was budgeted. The new budgeted balance amount is \$7.97 million.

The external materials and services underspending is related to appropriation budgeted to cover unanticipated repairs and capital work. The age of the venues may lead to emergency repairs or replacements which the operators are required to proceed with - and the City is required to pay for under the terms of the agreements. Revenues are budgeted conservatively due to the uncertainty of major events such as playoff games and high profile concerts.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_036 - Spectator Venue Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	(1)	0	(1)
Bond Expenses	1	0	1
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request increases the debt service budget to align with the correct debt service schedule.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_037 - Spectator Venue - Personnel Tech Adj

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	20,000	0	20,000
Contingency	(20,000)	0	(20,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request moves \$20,000 from Contingency to Personnel Services. A part-time temporary management assistant position was filled to provide additional resources support ongoing program activities.

CBO Discussion and Recommendation

Recommended as requested.

Per the bureau, this position is expected to be in place for two years. The increased budget would augment the current budget for a Community Service Aide II (\$35,000) to allow the position to be filled as a part-time Management Assistant.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Mid-Year Reductions

Request: MF_038 - Spectator Venue Revenue Adjustment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	(20,000)	0	(20,000)
TOTAL EXPENDITURES	(20,000)	0	(20,000)
REVENUES			
Charges for Services	(20,000)	0	(20,000)
TOTAL REVENUES	(20,000)	0	(20,000)

Bureau Description:

This request reduces parking revenue by \$20,000 to align with anticipated actuals. Original budget amount included potential events that will not transpire during the fiscal year. Contingency will be increased to balance transaction.

CBO Discussion and Recommendation

Recommended as requested.

CBO notes that contingency is decreased, not increased as written in the bureau narrative.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_039 - BRFS - Treasury - Technical Adjustment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This is a net zero technical adjustment within EMS, moving \$10,000 from Miscellaneous to Education (\$4,000) and Out-of-town travel (\$6,000).

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_040 - BRFS - Revenue - Technical Adjustment

	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
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

This is a net zero technical adjustment within the Revenue Division's IRS Data Exchange program. This request moves \$40,000 from the general program budget into the capital project code (S00032) used to track software development costs.

CBO Discussion and Recommendation

Recommended as requested.

This phase of the project - the tax administration module - is budgeted at \$40,000 and is expected to be completed by the end of the fiscal year.

This program is currently funded with one-time resources; a renewed ongoing request is anticipated in the FY 2017-18 budget process. Part of the CBO rationale for one-time funding was to establish the true cost of the stabilized program. Use of part of the FY 2016-17 allocation for one-time costs indicates that the \$450,000 may not be the appropriate ongoing budget. In response to this suggestion, the bureau noted that future phases of application development are anticipated in FY 2017-18, including work on a revenue modeling module and an audit selection capability. After FY 2017-18, the bureau expects that operational costs would increase as collection efforts utilizing the system would increase. CBO recommends deferring this conversation to the FY 2017-18 budget process.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_041 - Fac - Net \$0 Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(18,500)	0	(18,500)
Internal Materials and Services	18,500	0	18,500
Contingency	0	0	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
Charges for Services	120,828	0	120,828
Interagency Revenue	(120,828)	0	(120,828)
TOTAL REVENUES	0	0	0

Bureau Description:

This request is for net zero technical adjustments to align anticipated spending with budget.

Specifically, this requests corrects contingency accounts, moves budgeted dollars to project B00033, and updates rental income at the Kelly Building for the County's move in.

CBO Discussion and Recommendation

Recommended as requested. A component of this request is to reduce the Facilities Services-Portland Police Bureau (PPB) interagency agreement by \$120,828 and offset it by a corresponding recognition of \$120,828 in rental income from the Multnomah County Sheriff's Office (MCSO). The rental income from MCSO is for space rented at the Kelly Building, for which MCSO is being charged the same \$16.99 per square foot rate charged to PPB. The square footage occupied by PPB was not reduced to accommodate MCSO's move-in, but PPB now shares significant common space with MSCO. To the degree that Facilities Services' FY 2016-17 annual rate charged to PPB (\$599,596) achieves full cost recovery for the management and maintenance of the Kelly Building, an offsetting rental reduction for PPB would be appropriate. However, Facilities Services has indicated this rate does not achieve full cost recovery, under-collecting with regard to major maintenance (for which Facilities Services has recommended a rate of 3% replacement value). CBO recommends that Facilities Services reexamine the rental rates it charges to external lessees to ensure they are charged full cost recovery for building management and maintenance, even if those targets are not yet met internally.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_042 - Fac - Appropriate Salary Contingency

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	49,013	0	49,013
Contingency	(49,013)	0	(49,013)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests to move salary contingency to personnel services for cost of living adjustments awarded on July 1, 2016.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_043 - Fac - Major Maintenance Project Reappropriation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,795,646	0	2,795,646
Contingency	(2,795,646)	0	(2,795,646)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests to reappropriate major maintenance funding for projects budgeted in FY 2015-16, but not yet completed. Carryover projects include:

Justice Center – Repair Dome Window & Frame (shared with the County) – \$18,482

City Hall – New Carpet for the Lovejoy Room -- \$67,894

PCC – HVAC Replacement Phases 1 and 2 -- \$303,781

North Precinct:

- Replace Rooftop AC Units -- \$201,742
- Replace Building Control System -- \$291,014

1900 Building:

- Carpet 3rd Floor -- \$52,086
- Patch and Paint 1st, 2nd, and 3rd Floors -- \$41,200
- Carpet and Paint 4th Floor and ½ of 3rd Floor -- \$314,779
- 1st Floor Terrazzo Repairs -- \$219,477
- Restack – BDS Move -- \$161,244
- Restack – Move PSSRP -- \$7,416
- Perform Water Intrusion Testing -- \$44,290
- Remove and Replace Signs to Comply with ADA -- \$36,909
- Exterior Sealant Replacement at Footing/Sidewalk Transition -- \$15,450
- Upgrade Restrooms for ADA Compliance -- \$124,587
- Two Door Openers on 2nd Floor Restrooms -- \$37,888

Kerby Garage:

- Electrical Study -- \$84,795
- Replace Fleet Office AC Units -- \$156,718

Union Station:

- Tenant Improvements -- \$243,904
- Elevator Modernization -- \$371,990

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_043 - Fac - Major Maintenance Project Reappropriation

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested. This request is to reappropriate unused major maintenance funds for projects budgeted but not completed in FY 2015-16. Facilities Services' historical budget-to-actual spending on Major Maintenance has hovered around 20% in recent years, and project plans have been overly ambitious with regard to what is possible to accomplish in a single year with current staffing levels. However, with additional Limited Term project-funded staff recommended in MF_052, Facilities Services has an opportunity to begin to address the significant backlog of major maintenance projects. As a general matter, CBO recommends that Facilities Services prioritize major maintenance projects that are driven by asset management needs (i.e. replacement/renewal of building or system components) rather than customer-driven requests (i.e. more cosmetic projects such as painting and carpet replacement). Facilities Services is building a case to show that the major maintenance/replacement reserve rate currently incorporated in rents is insufficient to meet long term asset management needs for many of its buildings; until that gap can be addressed on a more permanent basis, the limited major maintenance funding and Facilities staff capacity that is available may be better utilized for maintaining building systems than cosmetic fixes. To the degree that Facilities Services has the project pipeline that refocus the list of budgeted FY 2016-17 major maintenance projects on buildings systems work, CBO would support this realignment.

Major Maintenance reserves for these locations, assuming all projects are completed in the current year, will be as follows:

- All Police Buildings: \$3,935,117
- 1900 Buiding: \$1,547,466
- City Hall: \$2,557,683
- PCC: \$93,273
- Kerby Garage: \$1,373,339
- Union Station: \$1,595,723

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_044 - Fac - Rivergate Vehicle Storage Fencing

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	30,000	0	30,000
Contingency	(30,000)	0	(30,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests to appropriate \$30,000 from Police building major maintenance reserve for 300 feet of fencing to close the perimeter at Rivergate Vehicle Storage.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_045 - Fac - 1900 Building Access Controls

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	20,000	0	20,000
Contingency	(20,000)	0	(20,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests \$20,000 from the 1900 Building's major maintenance reserve for an INET Access Controls upgrade.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_046 - Fac - City Hall 30 Year MM Plan Cost Estimating

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	10,000	0	10,000
Contingency	(10,000)	0	(10,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests \$10,000 from City Hall major maintenance reserves to hire a consultant to work with the Facilities Strategic Planning and Development team on a 30 year major maintenance cost planning project.

CBO Discussion and Recommendation

Recommended as requested. This request transfers \$10,000 from City Hall major maintenance reserves to fund a contract with an external cost estimator. Facilities Services has collaboratively and internally developed a 30-year life cycle plan for City Hall, and this contractor will generally test cost assumptions as well as develop a template for 30-year life cycle plans that can be applied to the rest of Facilities Services' building portfolio.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_047 - Fac - Increase IA with BES

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(40,000)	0	(40,000)
Internal Materials and Services	40,000	0	40,000
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests to increase Facilities' IA with BES by \$40,000 for coordinated site analysis work as part of the Facilities Campsite Program.

CBO Discussion and Recommendation

Recommended as requested. This IA increase is for BES's work coordinating the removal of contaminated soil at a proposed campsite on 104th and Reedway. Per OMF, BES has agreed to refund the program for the expense if the site does not become a campsite. The \$40,000 reduction to EMS comes from the existing Facilities Campsite Services budget line item Outdoor Sheltered Community #1: Property Due Diligence and Sleeping Pods.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Works

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,718,637	(2,718,637)	0
Internal Materials and Services	2,041,472	(2,041,472)	0
TOTAL EXPENDITURES	4,760,109	(4,760,109)	0
REVENUES			
Interagency Revenue	2,718,637	(2,718,637)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	2,041,472	(2,041,472)	0
TOTAL REVENUES	4,760,109	(4,760,109)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: City Hall, 1221 SW 4th Avenue, Portland. The exterior facade is deteriorating. As a result, loose stone is falling from the building. The balustrades along the roof and the perimeter of the gardens/landscaping areas are not secure and are in danger of falling. The building also has many major maintenance needs that the current rental rates cannot fund.

Project Description: This project will make life safety improvements and major maintenance improvements and repairs to City Hall.

Life Safety Improvements include: Remove the stone exteriors that have separated from the body of the stone panels and balustrades, and address spalling. Existing patches and loose stone should be removed to prevent material from falling from the building. The balustrades along the exterior of the building and the site are not secure in places and pose falling hazards. The building exterior abuts public right-of-way and public plaza areas, including heavily used bus stops. Areas where loose stone has been removed will be wet-sanded and resurfaced. Balustrades will be pinned in place for life-safety assurance.

Additional tasks that will be completed as part of the project include the following: Install a low maintenance durable EnergyStar membrane roofing system; clean surfaces; refinish the exterior wood windows and doors; repair and/or refinish the exterior wood windows and wood doors; replace ventilation fans SF-1 and SF-2; replace cooling towers; paint roof-top mechanical and piping; install simple (low profile, low maintenance) eco-roof, including temporary irrigation, when replacing existing roofs (main roof, three lower roof areas facing 4th Avenue, and the roof area over the porte-cochere).

The City Hall major maintenance account is underfunded and can only contribute \$2.9 million. This will not cover the cost of the entire project.

Explain Scores: Human Health and Safety Impacts -- The exterior facade is failing and small pieces of stone are falling. Falling stone could result in serious injuries (Mode #1). Should the deterioration continue, falling debris could increase in size and frequency, with the potential to hit people (Mode #2). Legal and Regulatory Impact -- The City has internally warned itself about the risks posed by the failing facade, and staff concerns were supported by consultants who developed the scope of work for the repairs (Mode #1). If allowed to continue to deteriorate the City could be sued by a person hit by, or that tripped on, falling debris. As noted below in the Benefits section, this work would help maintain compliance with historic regulations.

Benefits: City Hall is on the National Historic Register and proper maintenance of the exterior is appropriate to preserve the building and protect it from further deterioration. These safety improvements will complement other City Hall improvements. Completing these projects at the same time will allow staff to manage one versus two capital projects, increasing efficiency and making the most of available funds. Three bonus points are requested: Legal, Regulatory of Compliance Obligations and Financial Impact.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Works

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities Services requests one-time General Fund discretionary resources of \$2,718,637 to make repairs to the City Hall exterior masonry. The estimated total project cost is \$5,641,887, with the balance of \$2,923,250 funded from the City Hall major maintenance account. The \$2,923,250 is currently budgeted in FY 2016-17 for work on City Hall to include roof replacement (partially funded), cooling tower, mechanical fans, and exterior cleaning and restoration. Facilities Services submitted this project for General Fund Capital Set-Aside funds because new information came to light indicating the City Hall exterior is in worse condition than previously thought, and falling stone may present a life and safety issue. This project ranked 10th out of 20 projects scored through the Capital Set-Aside validation process.

According to externally prepared recommendations and cost estimates for the expanded restoration project, approximately \$956,640 in repairs (construction only estimate) of the \$3,382,950 total direct construction costs were considered "high priority." CBO does not recommend this project for funding from the Capital Set-Aside due to its low ranking relative to other submitted projects, but recommends that Facilities Services re-order City Hall major maintenance activities within its existing resources to address higher priority issues (e.g. life and safety concerns) before addressing lower level repairs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Utilities

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,718,637	(2,718,637)	0
Internal Materials and Services	2,041,472	(2,041,472)	0
TOTAL EXPENDITURES	4,760,109	(4,760,109)	0
REVENUES			
Interagency Revenue	2,718,637	(2,718,637)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	2,041,472	(2,041,472)	0
TOTAL REVENUES	4,760,109	(4,760,109)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: City Hall, 1221 SW 4th Avenue, Portland. The exterior facade is deteriorating. As a result, loose stone is falling from the building. The balustrades along the roof and the perimeter of the gardens/landscaping areas are not secure and are in danger of falling. The building also has many major maintenance needs that the current rental rates cannot fund.

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The City Hall major maintenance account is underfunded and can only contribute \$2.9 million. This will not cover the cost of the entire project.

Explain Scores: Human Health and Safety Impacts -- The exterior facade is failing and small pieces of stone are falling. Falling stone could result in serious injuries (Mode #1). Should the deterioration continue, falling debris could increase in size and frequency, with the potential to hit people (Mode #2). Legal and Regulatory Impact -- The City has internally warned itself about the risks posed by the failing facade, and staff concerns were supported by consultants who developed the scope of work for the repairs (Mode #1). If allowed to continue to deteriorate the City could be sued by a person hit by, or that tripped on, falling debris. As noted below in the Benefits section, this work would help maintain compliance with historic regulations.

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Utilities

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities Services requests one-time General Fund discretionary resources of \$2,718,637 to make repairs to the City Hall exterior masonry. The estimated total project cost is \$5,641,887, with the balance of \$2,923,250 funded from the City Hall major maintenance account. The \$2,923,250 is currently budgeted in FY 2016-17 for work on City Hall to include roof replacement (partially funded), cooling tower, mechanical fans, and exterior cleaning and restoration. Facilities Services submitted this project for General Fund Capital Set-Aside funds because new information came to light indicating the City Hall exterior is in worse condition than previously thought, and falling stone may present a life and safety issue. This project ranked 10th out of 20 projects scored through the Capital Set-Aside validation process.

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the Mayor

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,718,637	(2,718,637)	0
Internal Materials and Services	2,041,472	(2,041,472)	0
TOTAL EXPENDITURES	4,760,109	(4,760,109)	0
REVENUES			
Interagency Revenue	2,718,637	(2,718,637)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	2,041,472	(2,041,472)	0
TOTAL REVENUES	4,760,109	(4,760,109)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: City Hall, 1221 SW 4th Avenue, Portland. The exterior facade is deteriorating. As a result, loose stone is falling from the building. The balustrades along the roof and the perimeter of the gardens/landscaping areas are not secure and are in danger of falling. The building also has many major maintenance needs that the current rental rates cannot fund.

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Additional tasks that will be completed as part of the project include the following: Install a low maintenance durable EnergyStar membrane roofing system; clean surfaces; refinish the exterior wood windows and doors; repair and/or refinish the exterior wood windows and wood doors; replace ventilation fans SF-1 and SF-2; replace cooling towers; paint roof-top mechanical and piping; install simple (low profile, low maintenance) eco-roof, including temporary irrigation, when replacing existing roofs (main roof, three lower roof areas facing 4th Avenue, and the roof area over the porte-cochere).

The City Hall major maintenance account is underfunded and can only contribute \$2.9 million. This will not cover the cost of the entire project.

Explain Scores: Human Health and Safety Impacts -- The exterior facade is failing and small pieces of stone are falling. Falling stone could result in serious injuries (Mode #1). Should the deterioration continue, falling debris could increase in size and frequency, with the potential to hit people (Mode #2). Legal and Regulatory Impact -- The City has internally warned itself about the risks posed by the failing facade, and staff concerns were supported by consultants who developed the scope of work for the repairs (Mode #1). If allowed to continue to deteriorate the City could be sued by a person hit by, or that tripped on, falling debris. As noted below in the Benefits section, this work would help maintain compliance with historic regulations.

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the Mayor

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities Services requests one-time General Fund discretionary resources of \$2,718,637 to make repairs to the City Hall exterior masonry. The estimated total project cost is \$5,641,887, with the balance of \$2,923,250 funded from the City Hall major maintenance account. The \$2,923,250 is currently budgeted in FY 2016-17 for work on City Hall to include roof replacement (partially funded), cooling tower, mechanical fans, and exterior cleaning and restoration. Facilities Services submitted this project for General Fund Capital Set-Aside funds because new information came to light indicating the City Hall exterior is in worse condition than previously thought, and falling stone may present a life and safety issue. This project ranked 10th out of 20 projects scored through the Capital Set-Aside validation process.

According to externally prepared recommendations and cost estimates for the expanded restoration project, approximately \$956,640 in repairs (construction only estimate) of the \$3,382,950 total direct construction costs were considered "high priority." CBO does not recommend this project for funding from the Capital Set-Aside due to its low ranking relative to other submitted projects, but recommends that Facilities Services re-order City Hall major maintenance activities within its existing resources to address higher priority issues (e.g. life and safety concerns) before addressing lower level repairs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,718,637	(2,718,637)	0
Internal Materials and Services	2,041,472	(2,041,472)	0
TOTAL EXPENDITURES	4,760,109	(4,760,109)	0
REVENUES			
Interagency Revenue	2,718,637	(2,718,637)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	2,041,472	(2,041,472)	0
TOTAL REVENUES	4,760,109	(4,760,109)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: City Hall, 1221 SW 4th Avenue, Portland. The exterior facade is deteriorating. As a result, loose stone is falling from the building. The balustrades along the roof and the perimeter of the gardens/landscaping areas are not secure and are in danger of falling. The building also has many major maintenance needs that the current rental rates cannot fund.

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Additional tasks that will be completed as part of the project include the following: Install a low maintenance durable EnergyStar membrane roofing system; clean surfaces; refinish the exterior wood windows and doors; repair and/or refinish the exterior wood windows and wood doors; replace ventilation fans SF-1 and SF-2; replace cooling towers; paint roof-top mechanical and piping; install simple (low profile, low maintenance) eco-roof, including temporary irrigation, when replacing existing roofs (main roof, three lower roof areas facing 4th Avenue, and the roof area over the porte-cochere).

The City Hall major maintenance account is underfunded and can only contribute \$2.9 million. This will not cover the cost of the entire project.

Explain Scores: Human Health and Safety Impacts -- The exterior facade is failing and small pieces of stone are falling. Falling stone could result in serious injuries (Mode #1). Should the deterioration continue, falling debris could increase in size and frequency, with the potential to hit people (Mode #2). Legal and Regulatory Impact -- The City has internally warned itself about the risks posed by the failing facade, and staff concerns were supported by consultants who developed the scope of work for the repairs (Mode #1). If allowed to continue to deteriorate the City could be sued by a person hit by, or that tripped on, falling debris. As noted below in the Benefits section, this work would help maintain compliance with historic regulations.

Benefits: City Hall is on the National Historic Register and proper maintenance of the exterior is appropriate to preserve the building and protect it from further deterioration. These safety improvements will complement other City Hall improvements. Completing these projects at the same time will allow staff to manage one versus two capital projects, increasing efficiency and making the most of available funds. Three bonus points are requested: Legal, Regulatory of Compliance Obligations and Financial Impact.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities Services requests one-time General Fund discretionary resources of \$2,718,637 to make repairs to the City Hall exterior masonry. The estimated total project cost is \$5,641,887, with the balance of \$2,923,250 funded from the City Hall major maintenance account. The \$2,923,250 is currently budgeted in FY 2016-17 for work on City Hall to include roof replacement (partially funded), cooling tower, mechanical fans, and exterior cleaning and restoration. Facilities Services submitted this project for General Fund Capital Set-Aside funds because new information came to light indicating the City Hall exterior is in worse condition than previously thought, and falling stone may present a life and safety issue. This project ranked 10th out of 20 projects scored through the Capital Set-Aside validation process.

According to externally prepared recommendations and cost estimates for the expanded restoration project, approximately \$956,640 in repairs (construction only estimate) of the \$3,382,950 total direct construction costs were considered "high priority." CBO does not recommend this project for funding from the Capital Set-Aside due to its low ranking relative to other submitted projects, but recommends that Facilities Services re-order City Hall major maintenance activities within its existing resources to address higher priority issues (e.g. life and safety concerns) before addressing lower level repairs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,718,637	(2,718,637)	0
Internal Materials and Services	2,041,472	(2,041,472)	0
TOTAL EXPENDITURES	4,760,109	(4,760,109)	0
REVENUES			
Interagency Revenue	2,718,637	(2,718,637)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	2,041,472	(2,041,472)	0
TOTAL REVENUES	4,760,109	(4,760,109)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: City Hall, 1221 SW 4th Avenue, Portland. The exterior facade is deteriorating. As a result, loose stone is falling from the building. The balustrades along the roof and the perimeter of the gardens/landscaping areas are not secure and are in danger of falling. The building also has many major maintenance needs that the current rental rates cannot fund.

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The City Hall major maintenance account is underfunded and can only contribute \$2.9 million. This will not cover the cost of the entire project.

Explain Scores: Human Health and Safety Impacts -- The exterior facade is failing and small pieces of stone are falling. Falling stone could result in serious injuries (Mode #1). Should the deterioration continue, falling debris could increase in size and frequency, with the potential to hit people (Mode #2). Legal and Regulatory Impact -- The City has internally warned itself about the risks posed by the failing facade, and staff concerns were supported by consultants who developed the scope of work for the repairs (Mode #1). If allowed to continue to deteriorate the City could be sued by a person hit by, or that tripped on, falling debris. As noted below in the Benefits section, this work would help maintain compliance with historic regulations.

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,718,637	(2,718,637)	0
Internal Materials and Services	2,041,472	(2,041,472)	0
TOTAL EXPENDITURES	4,760,109	(4,760,109)	0
REVENUES			
Interagency Revenue	2,718,637	(2,718,637)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	2,041,472	(2,041,472)	0
TOTAL REVENUES	4,760,109	(4,760,109)	0

Bureau Description:

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Government Relations

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

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EXPENDITURES			
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Government Relations

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Safety

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Safety

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

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EXPENDITURES			
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: Capital Set-Aside Request

Request: MF_048 - Fac - GFCSA - City Hall Exterior Masonry

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
General Fund Discretionary	500,000	(500,000)	0
TOTAL REVENUES	1,000,000	(1,000,000)	0

Bureau Description:

Portland's City Hall received a major renovation in the mid-1990's. Since that time, security-related concerns have emerged as a high priority and the mid-1990's renovation did not include updates that are necessary given current concerns.

This budgeted adjustment request increases IA's with tenants at City Hall for one-time funding of security enhancements to City Hall.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

CBO does not recommend this request for funding in the FY 2016-17 Fall BMP. Facilities Services submitted a \$500,000 request for General Fund Capital Set-Aside resources to fund security enhancements at City Hall. The request was based on a Portland City Hall Security Assessment performed by the Police Bureau in January-May 2016. The enhancements include \$200,000 of physical hardening improvements to the Auditor's Office, and \$300,000 in security enhancements at 4 Commissioner's Offices, the Office of the City Attorney, and the Office of Neighborhood Involvement.

The Capital Set-Aside Validation Committee declined to score the request submitted by Facilities Services, as it was not considered an eligible infrastructure maintenance or replacement project under the Capital Set-Aside guidelines established under FIN-2.03 – Financial Planning. The proposed security enhancements constitute a level of service not previously provided at City Hall and does not constitute a major maintenance or replacement project. As such, CBO does not recommend this project for funding out of available Capital Set-Aside resources.

CBO does not recommend this request for several reasons:

- 1) Lack of analysis around the cost-benefit of this request vis-à-vis other strategies for security risk reduction outlined in the security assessment,
- 2) Lack of analysis around prioritization of City Hall security threats in the context of safety and security needs for City employees across city-owned properties,
- 3) Lack of clarity around "ownership" over security issues and centralized decision-making on optimal security management levels,
- 4) Concerns over the structure of the request as a generalized security upgrade impacting the budget of all City Hall tenants
- 5) Issues related to the timing of the request, and
- 6) General insufficiency of information for this request to be considered complete.

The Portland City Hall Security Assessment was performed between January and May 2016. It provided a list of common security measures implemented by other cities, and contrasted it with the list of security measures in place at City Hall. The report did not characterize any of these security measures as more effective than others. The report then provided a general assessment of security at City Hall before providing Security and Vulnerability Assessments for five of nine individual City Hall tenants. Facilities Services was allocated \$362,000 for security related improvements at City Hall in the FY 2016-17 Adopted Budget. The current request is in addition to those resources for other security enhancements; see below for cost estimates and proposed interagency agreement adjustments for these security enhancements.

City Hall Tenant	Estimated Cost of Security Upgrades	Increase with Facilities Services
Office of the City Attorney	\$50,000	\$137,492
Office of Government Relations	\$-	\$16,271
Commissioner Novick's Office	\$50,000	\$29,418
Commissioner Salzman's Office	\$50,000	\$31,466
Office of the City Auditor	\$200,000	\$124,547
Office of Neighborhood Involvement	\$50,000	\$38,779
Mayor's Office	\$50,000	\$61,250
Commissioner Fritz's Office	\$50,000	\$31,537
Commissioner Fish's Office	(already performed)	\$29,240

The security options in the City Hall Security Assessment, per its text, are designed to "maximize employee safety." The installment of security enhancements in every City Hall office may maximize employee safety, but it does not necessarily optimize employee safety across the City given limited resources. There are multiple lower level recommendations in the Assessment report that are less costly than the installment of security enhancements in every single City Hall tenant's space, but may provide City Hall tenants with a greater sense of security. Specifically, the City Hall Security Assessment makes recommendations around training and protocols for Emergency Response Plans (ERPs). It is not clear to what degree ERPs have been developed or what training has been provided to tenants.

It is not clear to what degree operational security improvements are being made at City Hall (versus "hard" improvements). It is also unclear if Facilities Services would have a role in implementing them, or if Facilities Services sees its role solely as the facilitator of hard improvements. The lack of centralized security protocols raises the question of who "owns" this issue in the City. Facilities Services has historically been responsible for security contracts and implementation of hard improvements, and is requesting funding separately for a Citywide Security Assessment, but it is unclear if Facilities Services currently has the responsibility or subject matter expertise to make centralized decisions around optimal levels of security management.

CBO also notes that this request was submitted by Facilities Services as a series of unbalanced interagency agreements with City Hall tenants. with the \$500,000 request allocated to tenants based on square footaae occupied. Facilities Services has characterized this request

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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as a “generalized security upgrade,” however, the requested enhancements are to address specific tenants’ security concerns. For example, as the request is submitted, the Auditor’s Office would be charged \$124,547 via an interagency agreement for \$200,000 of proposed enhancements. It is unclear why other City Hall tenants would subsidize these enhancements. It seems logical that individual tenants would prioritize these security enhancements differently, but this structure prevents tenants from requesting (or not requesting) and advocating for funding based on their individual needs. CBO recommends that, should this request be reconsidered, it be structured via balanced interagency agreements with customer tenants based on the cost of services requested by tenants rather than square footage occupied.

It seems appropriate to fund and implement Facilities Services’ planned Citywide Security Assessment to put the perceived risks at City Hall into the larger context of all City properties and prioritize security enhancements based on risk and cost. A piecemeal approach is less likely to optimize security enhancements across the City, and is far more likely to lead to higher costs. CBO does not recommend funding for the requested City Hall security enhancements, but recommends moving forward with the Citywide Security Assessment to identify security issues Citywide and inform the development of a Facilities Services framework for centralized decision-making around security management service levels.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Auditor

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
General Fund Discretionary	500,000	(500,000)	0
TOTAL REVENUES	1,000,000	(1,000,000)	0

Bureau Description:

Portland's City Hall received a major renovation in the mid-1990's. Since that time, security-related concerns have emerged as a high priority and the mid-1990's renovation did not include updates that are necessary given current concerns.

This budgeted adjustment request increases IA's with tenants at City Hall for one-time funding of security enhancements to City Hall.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Auditor

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

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The Capital Set-Aside Validation Committee declined to score the request submitted by Facilities Services, as it was not considered an eligible infrastructure maintenance or replacement project under the Capital Set-Aside guidelines established under FIN-2.03 – Financial Planning. The proposed security enhancements constitute a level of service not previously provided at City Hall and does not constitute a major maintenance or replacement project. As such, CBO does not recommend this project for funding out of available Capital Set-Aside resources.

CBO does not recommend this request for several reasons:

- 1) Lack of analysis around the cost-benefit of this request vis-à-vis other strategies for security risk reduction outlined in the security assessment,
- 2) Lack of analysis around prioritization of City Hall security threats in the context of safety and security needs for City employees across city-owned properties,
- 3) Lack of clarity around "ownership" over security issues and centralized decision-making on optimal security management levels,
- 4) Concerns over the structure of the request as a generalized security upgrade impacting the budget of all City Hall tenants
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The Portland City Hall Security Assessment was performed between January and May 2016. It provided a list of common security measures implemented by other cities, and contrasted it with the list of security measures in place at City Hall. The report did not characterize any of these security measures as more effective than others. The report then provided a general assessment of security at City Hall before providing Security and Vulnerability Assessments for five of nine individual City Hall tenants. Facilities Services was allocated \$362,000 for security related improvements at City Hall in the FY 2016-17 Adopted Budget. The current request is in addition to those resources for other security enhancements; see below for cost estimates and proposed interagency agreement adjustments for these security enhancements.

City Hall Tenant	Estimated Cost of Security Upgrades	Increase with Facilities Services
Office of the City Attorney	\$50,000	\$137,492
Office of Government Relations	\$-	\$16,271
Commissioner Novick's Office	\$50,000	\$29,418
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the City Auditor

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Government Relations

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Government Relations

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Government Relations

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Safety

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
General Fund Discretionary	500,000	(500,000)	0
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Safety

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Safety

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Works

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Works

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

CBO does not recommend this request for funding in the FY 2016-17 Fall BMP. Facilities Services submitted a \$500,000 request for General Fund Capital Set-Aside resources to fund security enhancements at City Hall. The request was based on a Portland City Hall Security Assessment performed by the Police Bureau in January-May 2016. The enhancements include \$200,000 of physical hardening improvements to the Auditor's Office, and \$300,000 in security enhancements at 4 Commissioner's Offices, the Office of the City Attorney, and the Office of Neighborhood Involvement.

The Capital Set-Aside Validation Committee declined to score the request submitted by Facilities Services, as it was not considered an eligible infrastructure maintenance or replacement project under the Capital Set-Aside guidelines established under FIN-2.03 – Financial Planning. The proposed security enhancements constitute a level of service not previously provided at City Hall and does not constitute a major maintenance or replacement project. As such, CBO does not recommend this project for funding out of available Capital Set-Aside resources.

CBO does not recommend this request for several reasons:

- 1) Lack of analysis around the cost-benefit of this request vis-à-vis other strategies for security risk reduction outlined in the security assessment,
- 2) Lack of analysis around prioritization of City Hall security threats in the context of safety and security needs for City employees across city-owned properties,
- 3) Lack of clarity around "ownership" over security issues and centralized decision-making on optimal security management levels,
- 4) Concerns over the structure of the request as a generalized security upgrade impacting the budget of all City Hall tenants
- 5) Issues related to the timing of the request, and
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The Portland City Hall Security Assessment was performed between January and May 2016. It provided a list of common security measures implemented by other cities, and contrasted it with the list of security measures in place at City Hall. The report did not characterize any of these security measures as more effective than others. The report then provided a general assessment of security at City Hall before providing Security and Vulnerability Assessments for five of nine individual City Hall tenants. Facilities Services was allocated \$362,000 for security related improvements at City Hall in the FY 2016-17 Adopted Budget. The current request is in addition to those resources for other security enhancements; see below for cost estimates and proposed interagency agreement adjustments for these security enhancements.

City Hall Tenant	Estimated Cost of Security Upgrades	Increase with Facilities Services
Office of the City Attorney	\$50,000	\$137,492
Office of Government Relations	\$-	\$16,271
Commissioner Novick's Office	\$50,000	\$29,418
Commissioner Salzman's Office	\$50,000	\$31,466
Office of the City Auditor	\$200,000	\$124,547
Office of Neighborhood Involvement	\$50,000	\$38,779
Mayor's Office	\$50,000	\$61,250
Commissioner Fritz's Office	\$50,000	\$31,537
Commissioner Fish's Office	(already performed)	\$29,240

The security options in the City Hall Security Assessment, per its text, are designed to "maximize employee safety." The installment of security enhancements in every City Hall office may maximize employee safety, but it does not necessarily optimize employee safety across the City given limited resources. There are multiple lower level recommendations in the Assessment report that are less costly than the installment of security enhancements in every single City Hall tenant's space, but may provide City Hall tenants with a greater sense of security. Specifically, the City Hall Security Assessment makes recommendations around training and protocols for Emergency Response Plans (ERPs). It is not clear to what degree ERPs have been developed or what training has been provided to tenants.

It is not clear to what degree operational security improvements are being made at City Hall (versus "hard" improvements). It is also unclear if Facilities Services would have a role in implementing them, or if Facilities Services sees its role solely as the facilitator of hard improvements. The lack of centralized security protocols raises the question of who "owns" this issue in the City. Facilities Services has historically been responsible for security contracts and implementation of hard improvements, and is requesting funding separately for a Citywide Security Assessment, but it is unclear if Facilities Services currently has the responsibility or subject matter expertise to make centralized decisions around optimal levels of security management.

CBO also notes that this request was submitted by Facilities Services as a series of unbalanced interagency agreements with City Hall tenants. with the \$500,000 request allocated to tenants based on square footaae occupied. Facilities Services has characterized this request

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Works

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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as a “generalized security upgrade,” however, the requested enhancements are to address specific tenants’ security concerns. For example, as the request is submitted, the Auditor’s Office would be charged \$124,547 via an interagency agreement for \$200,000 of proposed enhancements. It is unclear why other City Hall tenants would subsidize these enhancements. It seems logical that individual tenants would prioritize these security enhancements differently, but this structure prevents tenants from requesting (or not requesting) and advocating for funding based on their individual needs. CBO recommends that, should this request be reconsidered, it be structured via balanced interagency agreements with customer tenants based on the cost of services requested by tenants rather than square footage occupied.

It seems appropriate to fund and implement Facilities Services’ planned Citywide Security Assessment to put the perceived risks at City Hall into the larger context of all City properties and prioritize security enhancements based on risk and cost. A piecemeal approach is less likely to optimize security enhancements across the City, and is far more likely to lead to higher costs. CBO does not recommend funding for the requested City Hall security enhancements, but recommends moving forward with the Citywide Security Assessment to identify security issues Citywide and inform the development of a Facilities Services framework for centralized decision-making around security management service levels.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Utilities

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
General Fund Discretionary	500,000	(500,000)	0
TOTAL REVENUES	1,000,000	(1,000,000)	0

Bureau Description:

Portland's City Hall received a major renovation in the mid-1990's. Since that time, security-related concerns have emerged as a high priority and the mid-1990's renovation did not include updates that are necessary given current concerns.

This budgeted adjustment request increases IA's with tenants at City Hall for one-time funding of security enhancements to City Hall.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Utilities

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Utilities

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the Mayor

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	500,000	(500,000)	0
Internal Materials and Services	500,000	(500,000)	0
TOTAL EXPENDITURES	1,000,000	(1,000,000)	0
REVENUES			
Interagency Revenue	500,000	(500,000)	0
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the Mayor

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the Mayor

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: New Request

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FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: New Request

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FY 2016-17 Fall BMP**

Bureau: Office of the City Attorney

Type: New Request

Request: MF_049 - Fac - City Hall Security Enhancements

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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as a “generalized security upgrade,” however, the requested enhancements are to address specific tenants’ security concerns. For example, as the request is submitted, the Auditor’s Office would be charged \$124,547 via an interagency agreement for \$200,000 of proposed enhancements. It is unclear why other City Hall tenants would subsidize these enhancements. It seems logical that individual tenants would prioritize these security enhancements differently, but this structure prevents tenants from requesting (or not requesting) and advocating for funding based on their individual needs. CBO recommends that, should this request be reconsidered, it be structured via balanced interagency agreements with customer tenants based on the cost of services requested by tenants rather than square footage occupied.

It seems appropriate to fund and implement Facilities Services’ planned Citywide Security Assessment to put the perceived risks at City Hall into the larger context of all City properties and prioritize security enhancements based on risk and cost. A piecemeal approach is less likely to optimize security enhancements across the City, and is far more likely to lead to higher costs. CBO does not recommend funding for the requested City Hall security enhancements, but recommends moving forward with the Citywide Security Assessment to identify security issues Citywide and inform the development of a Facilities Services framework for centralized decision-making around security management service levels.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Emergency Communications

Type: Capital Set-Aside Request

Request: MF_050 - Fac - GFCSA - PCC A/C Centralization

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	1,000,000	(1,000,000)	0
Internal Materials and Services	405,107	(405,107)	0
TOTAL EXPENDITURES	1,405,107	(1,405,107)	0
REVENUES			
Interagency Revenue	1,000,000	(1,000,000)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	405,107	(405,107)	0
TOTAL REVENUES	1,405,107	(1,405,107)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: Portland Communication Center, 3732 SE 99th Avenue. BTS maintains multiple telecommunications/data server rooms for 911 services/operations (radio/IT), local and regional area network phone services, as well as the Police Bureau's Criminal Justice Information System (CJIS). Each room is currently served by separate HVAC units. The current state of the HVAC equipment for these rooms is at various states of useful life and some have failed entirely with semi-temporary equipment in place.

Project Description: This project designs and constructs a central plant HVAC system to serve all of the rooms collectively. This would create dedicated HVAC equipment for the collective use and allow for future telecommunications loads and needed redundancy. A central plant system eliminates the overall risk to the individual rooms due to isolated equipment failures.

Explain Scores: The telecommunication/data equipment is vital to public safety and 911 operations. Failure of the HVAC equipment and its ability to maintain proper space temperatures is a critical point of failure that could damage the telecommunications /data equipment causing inability to communicate by Police radio/911 operators/etc.

Health & Safety Impacts: Failure of the Police radio/911 equipment would result in communication breakdown for both receiving incoming 911 calls and dispatching appropriate emergency responders. This could result in fatalities.

Service Impacts: Failure of the Police radio/911/WAN/IRNE equipment would result in failed communication networks impacting emergency response ability, telephone networks, data/IT services, etc. across the Portland area.

Environmental Impacts: Failure of the Police radio/911 equipment would result in communication breakdown for both receiving incoming 911 calls and dispatching appropriate emergency responders which could result in long-term, widespread, environmental impacts, including fires, biohazard, or pollution releases.

Legal & Regulatory Compliance: Failure of the Police radio/911 equipment would result in communication breakdown for both receiving incoming 911 calls and dispatching appropriate emergency responders. This could place the City at risk of legal action due to inability to provide emergency services.

Financial Impact: Failure of the Police radio/911/WAN/IRNE equipment would have significant financial implications to replace/repair/transfer and set up files and programs.

Benefits: This project provides a redundant system to ensure that the telecommunications and server equipment is maintained under optimal space conditioning parameters, reducing equipment failures that would impact area-wide communication networks for the Police radio, 911, and CJIS systems.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Emergency Communications

Type: Capital Set-Aside Request

Request: MF_050 - Fac - GFCSA - PCC A/C Centralization

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities Services requests \$1,000,000 in General Fund discretionary resources to complete an HVAC centralization project at the Portland Communication Center (PCC) for BTS-maintained telecommunications and data server rooms. The server rooms contain equipment related to service provision of 911 services/operations (radio/IT), local and regional area network phone services, as well as the Police Bureau's Criminal Justice Information System (CJIS). Each room is currently served by separate HVAC units. The current state of the HVAC equipment for these rooms is at various states of useful life and some have failed entirely with semi-temporary equipment in place.

The FY 2015-16 Fall Supplemental Budget included \$670,427 from the General Fund Capital Set-Aside for PCC Mechanical and Emergency Systems Repair (a component of the PCC Roof Project and Seismic Upgrades). The project included replacement the Uninterruptible Power Supply (UPS) and replacement of two rooftop HVAC units. At that time the rooftop HVAC units were experiencing ongoing failures due to age, and replacement was needed to ensure that the 911 Operations Center did not continue to experience excessive heat conditions, affecting performance of dispatch operators and their computer equipment. The project was funded with \$500,000 from the PCC major maintenance account and \$2,476,210 from a BOEC cash transfer (inclusive of Capital Set-Aside award). However, the needs of BTS-maintained server rooms were not included in that HVAC replacement project and there are insufficient major maintenance reserves to fund this secondary project in the current year.

The failure to consider the full building system HVAC needs during planned for the rooftop AC unit replacements is concerning, as there may have been efficiencies or cost savings to be gained from combining the projects. Per Facilities Services, the PCC Roof and Seismic Upgrade project is already underway, and combining these projects is no longer beneficial due to conflicting timelines. The end result will be two distinct HVAC systems, one serving the primary space condition function for the building, with a separate system to serve BTS data and telecommunications server rooms.

A failure of the existing localized units currently cooling BTS server rooms could have significant financial impacts if not addressed before excessive heat caused damage to BTS equipment. Furthermore, while emergency communications systems have multiple layers of built in redundancy, the IRNE system may not have sufficient redundancy to prevent a service impact to City users should BTS equipment experienced heat-related failure.

This project ranked 14th out of 20 projects ranked during the Capital Set-Aside validation process. CBO does not recommend this project for funding from the Capital Set-Aside due to the relatively low ranking relative to other submitted projects.

Per Facilities Services, this is a critical project that should not be delayed. CBO concurs, and recommends that the project be funded by a one-time charge to the BTS rental rate should Facilities Services choose to move forward with the project.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Capital Set-Aside Request

Request: MF_050 - Fac - GFCSA - PCC A/C Centralization

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	1,000,000	(1,000,000)	0
Internal Materials and Services	405,107	(405,107)	0
TOTAL EXPENDITURES	1,405,107	(1,405,107)	0
REVENUES			
Interagency Revenue	1,000,000	(1,000,000)	0
Fund Transfers - Revenue	0	0	0
General Fund Discretionary	405,107	(405,107)	0
TOTAL REVENUES	1,405,107	(1,405,107)	0

Bureau Description:

As submitted to the General Fund Capital Set-aside scoring committee:

Asset Information: Portland Communication Center, 3732 SE 99th Avenue. BTS maintains multiple telecommunications/data server rooms for 911 services/operations (radio/IT), local and regional area network phone services, as well as the Police Bureau's Criminal Justice Information System (CJIS). Each room is currently served by separate HVAC units. The current state of the HVAC equipment for these rooms is at various states of useful life and some have failed entirely with semi-temporary equipment in place.

Project Description: This project designs and constructs a central plant HVAC system to serve all of the rooms collectively. This would create dedicated HVAC equipment for the collective use and allow for future telecommunications loads and needed redundancy. A central plant system eliminates the overall risk to the individual rooms due to isolated equipment failures.

Explain Scores: The telecommunication/data equipment is vital to public safety and 911 operations. Failure of the HVAC equipment and its ability to maintain proper space temperatures is a critical point of failure that could damage the telecommunications /data equipment causing inability to communicate by Police radio/911 operators/etc.

Health & Safety Impacts: Failure of the Police radio/911 equipment would result in communication breakdown for both receiving incoming 911 calls and dispatching appropriate emergency responders. This could result in fatalities.

Service Impacts: Failure of the Police radio/911/WAN/IRNE equipment would result in failed communication networks impacting emergency response ability, telephone networks, data/IT services, etc. across the Portland area.

Environmental Impacts: Failure of the Police radio/911 equipment would result in communication breakdown for both receiving incoming 911 calls and dispatching appropriate emergency responders which could result in long-term, widespread, environmental impacts, including fires, biohazard, or pollution releases.

Legal & Regulatory Compliance: Failure of the Police radio/911 equipment would result in communication breakdown for both receiving incoming 911 calls and dispatching appropriate emergency responders. This could place the City at risk of legal action due to inability to provide emergency services.

Financial Impact: Failure of the Police radio/911/WAN/IRNE equipment would have significant financial implications to replace/repair/transfer and set up files and programs.

Benefits: This project provides a redundant system to ensure that the telecommunications and server equipment is maintained under optimal space conditioning parameters, reducing equipment failures that would impact area-wide communication networks for the Police radio, 911, and CJIS systems.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Capital Set-Aside Request

Request: MF_050 - Fac - GFCSA - PCC A/C Centralization

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities Services requests \$1,000,000 in General Fund discretionary resources to complete an HVAC centralization project at the Portland Communication Center (PCC) for BTS-maintained telecommunications and data server rooms. The server rooms contain equipment related to service provision of 911 services/operations (radio/IT), local and regional area network phone services, as well as the Police Bureau's Criminal Justice Information System (CJIS). Each room is currently served by separate HVAC units. The current state of the HVAC equipment for these rooms is at various states of useful life and some have failed entirely with semi-temporary equipment in place.

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The failure to consider the full building system HVAC needs during planned for the rooftop AC unit replacements is concerning, as there may have been efficiencies or cost savings to be gained from combining the projects. Per Facilities Services, the PCC Roof and Seismic Upgrade project is already underway, and combining these projects is no longer beneficial due to conflicting timelines. The end result will be two distinct HVAC systems, one serving the primary space condition function for the building, with a separate system to serve BTS data and telecommunications server rooms.

A failure of the existing localized units currently cooling BTS server rooms could have significant financial impacts if not addressed before excessive heat caused damage to BTS equipment. Furthermore, while emergency communications systems have multiple layers of built in redundancy, the IRNE system may not have sufficient redundancy to prevent a service impact to City users should BTS equipment experienced heat-related failure.

This project ranked 14th out of 20 projects ranked during the Capital Set-Aside validation process. CBO does not recommend this project for funding from the Capital Set-Aside due to the relatively low ranking relative to other submitted projects.

Per Facilities Services, this is a critical project that should not be delayed. CBO concurs, and recommends that the project be funded by a one-time charge to the BTS rental rate should Facilities Services choose to move forward with the project.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_051 - Fac - CPM Conversion from Limited Term to Perm

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	0.00	1.00	1.00
TOTAL FTE	0.00	1.00	1.00

Bureau Description:

This decision package request to convert a limited-term Facilities Construction Project Manager to permanent. This position is funded by billable hours in funded projects in FY 2016-17 and the future via the Major Maintenance program.

This position is critical for delivering large, high profile major maintenance construction projects on time and on schedule. The current incumbent's projects include the Portland Communications Center seismic upgrades and exterior repairs, the Justice Center domestic water re-pipe and restroom renovations on floors 11-16, and the replacement of 7 City fueling stations.

CBO Discussion and Recommendation

Recommended as requested. No additional funding is being requested, only position authority.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_052 - Fac - Capital Projects Staff Augmentation

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	299,880	0	299,880
External Materials and Services	(307,640)	0	(307,640)
Internal Materials and Services	7,760	0	7,760
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	3.00	0.00	3.00
TOTAL FTE	3.00	0.00	3.00

Bureau Description:

This decision package requests to transfer appropriation from external materials and services to personnel services and internal materials and services for four temporary appointments within the Capital Projects Group in Facilities Services. All positions are funded by billable hours on funded major maintenance projects. Positions have projected start dates of October 1st, so they calculate in BRASS as .75 FTE for the remainder of the fiscal year. This is why Facilities has 4 FTE requested in the narrative, but the decision package shows 3.0 FTE calculated.

Facilities Services is short-handed on major maintenance project management staff due to cuts in prior years and staff dedicated to the Portland Building reconstruction project. Facilities Services has a growing backlog of major maintenance projects that are fully funded through building major maintenance funds collected through rents. Without additional project management staff, Facilities Services will not be able to address the backlog, deliver planned projects, or meet customer expectations. The positions are fully funded using funds available in building major maintenance funds for projects necessary to meet building performance standards, avoid deterioration from water intrusion, and avoid sudden failure of primary building systems such as heating, cooling, electrical, and elevators.

Specifically, this decision package requests:

- One FTE Facilities Construction Project Manager to address backlog of major maintenance and tenant improvement projects and provide coverage for capital projects for buildings owned and/or managed by OMF.
- One FTE Facilities Construction Project Specialist to address backlog of projects and provide coverage for O&M projects. This position is responsible for building system projects such as structural, mechanical, electrical, plumbing, roof and exterior membranes, and conveyance systems.
- One FTE Program Coordinator dedicated to the Portland Building Reconstruction Project.
- One FTE Building Systems Engineer to address backlog of major maintenance projects requiring engineering expertise.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_052 - Fac - Capital Projects Staff Augmentation

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested, with some general reservations about the prioritization of major maintenance projects to which these positions will be assigned. CBO is generally supportive of efforts to right-size Facilities Services project teams to increase rates of project completion of Capital projects. CBO is aware of and supportive of the reorganization of project staff that is currently underway to more clearly delineate between tenant-driven improvements and asset management-driven building systems maintenance projects. CBO is also aware that Facilities Services is actively strengthening its asset management function, with plans to build out 30-year life cycle plans for properties in its portfolio and develop an asset hierarchy to inform the SAP Enterprise Asset Management implementation. However, given Facilities Services deepening understanding of the unfunded long-term building systems major maintenance needs on the horizon, and insufficient current levels of major maintenance funding, CBO does not recommend prioritizing existing major maintenance resources and staff time for tenant-driven or cosmetic major maintenance projects.

CBO does recommend using appropriation from funded building system major maintenance projects for the creation of three limited term positions funded by those projects: one Facilities Construction Project Specialist (this position is responsible for building system projects such as structural, mechanical, electrical, plumbing, roof and exterior membranes, and conveyance systems), one Building Systems Engineer (to address backlog of major maintenance projects requiring engineering expertise), one Program Coordinator for the Portland Building Reconstruction project, and one Construction Project Manager to address tenant-funded improvement projects and provide back-up support for major maintenance project management.

CBO is aware that Facilities Services faces significant pressure from its customer bureaus to complete tenant-driven improvement projects in a timelier manner. It may be worth exploring ways to clarify service level provision for tenant-driven improvement projects vis-à-vis building systems maintenance projects. It may be reasonable to draw a clear distinction between the project types, and, given limited major maintenance resources, require that tenant-driven projects (and the staff time necessary to deliver them) are funded separately and internally by customer bureaus. Regardless, communicating directly with customers about the benefits of the internal reorganization as well as providing more realistic timelines for tenant-driven project completion will set the stage for future Facilities Services requests that will affect customer rates.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_053 - Fac - SAP Enterprise Asset Mgmt Staff Support

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	121,576	0	121,576
External Materials and Services	7,823	0	7,823
Internal Materials and Services	3,880	0	3,880
Contingency	(133,279)	0	(133,279)
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	1.50	0.00	1.50
TOTAL FTE	1.50	0.00	1.50

Bureau Description:

This decision package requests authorization to use Facilities operating reserve to temporarily backfill 2 Facilities FTE (a property management specialist and an operations dispatcher) that will be providing full-time support to configuration and implementation of three new SAP Enterprise Asset Management (EAM) modules: Plant Maintenance, Inventory, and Flexible Real Estate. Positions have projected start dates of October 1st, so they calculate in BRASS as .75 FTE for the remainder of the fiscal year. This is why Facilities has 2 FTE requested in the narrative, but the decision package shows 1.5 FTE calculated.

The City has approved implementation of three new SAP Enterprise Asset Management modules as the solution to Facilities Services' outdated and unsupported work order and asset management software. The three modules - Flexible Real Estate, Plant Maintenance, and Inventory - together provide a comprehensive approach to documenting real property and equipment assets, scheduling maintenance, and tracking asset management activities. EBS is managing the project and is funding implementation costs for EBS staff and outside vendors. Configuration and implementation, however, will require extensive input from Facilities Services subject matter experts. Existing asset management data will also need to be reviewed, re-structured to meet the new module structures, transferred into SAP, and then reviewed for accuracy. These Facilities Services subject matter experts will be dedicating much of their time to the configuration and implementation activities and will be unable to perform their regular duties for Facilities' customers. This decision package requests use of Facilities Services operating reserves to backfill up to 2 FTE during the SAP EAM configuration and implementation.

CBO Discussion and Recommendation

Recommended as requested. The request is to backfill up to 2 FTE in Facilities Services (one property management specialist and one operations dispatcher) to free up these Facilities Services subject matter experts to work on implementation of the SAP Enterprise Asset Management (EAM) modules. The request appears as a 1.5 FTE request because of the projected October start date. CBO concurs that the input of experienced Facilities Services staff will be integral to the successful implementation of the SAP EAM software system, and generally supports the use of limited term positions to backfill staff working on this priority project. It is unclear what percentage of their time the subject matter experts will actually need to dedicate to EAP implementation, and the backfill need for these positions may well be lower than 100% FTE coverage. However, the positions are distinct in their location and work type, and it would be operationally difficult to backfill the subject matter experts with a single limited term position. Facilities Services anticipates that the backfill will be necessary for 6-7 months of the current fiscal year.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_054 - Fac - LTD Program Coordinator / BOMA CAD AsBuilt

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	68,371	0	68,371
External Materials and Services	151,650	0	151,650
Internal Materials and Services	1,940	0	1,940
Contingency	(221,961)	0	(221,961)
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	0.75	0.00	0.75
TOTAL FTE	0.75	0.00	0.75

Bureau Description:

Facilities Services is requesting to transfer \$221,961 of appropriation from major maintenance reserves to fund two projects, the development of an asset hierarchy for the fund's assets and the development of BOMA CAD as-built drawings, for use in the implementation of the SAP EAM modules. This includes:

- One FTE Limited Term Asset Management Program Coordinator to develop the asset hierarchy and to manage the BOMA CAD as-built drawings contract.
- BOMA CAD As-built Drawings Contract

This position has a projected start date of October 1st, so it was calculate in BRASS as .75 FTE for the remainder of the fiscal year. This is why Facilities has 1.0 FTE requested in the narrative, but the decision package shows 0.75 FTE calculated.

CBO Discussion and Recommendation

This request is recommended as requested, with some reservations. The Asset Management Coordinator Position is not appropriate for a limited term appointment; this work is ongoing in nature and will be integral to the development and success of Facilities Services' asset management program. Per Facilities Services, the ongoing responsibilities of this position are as follows:

- Implementation of an annual facilities inspection program
- Data collection on condition assessments
- Prioritization of system replacements and upgrades
- Development of lifecycle plans for all facilities

Clearly this work is ongoing, but the need to time the work to synch with EAM implementation meets CBO's requirement that BMP requests be urgent. The use of major maintenance reserves for limited term Asset Management Program Coordinator position and for a BOMA CAD as-built contract is recommended, but with the expectation that Facilities Services communicate this and other planned changes to its customers during the budget development process. As Facilities Services furthers its plans to develop its asset management capacity, it is important for customers to understand the impact of those changes, inclusive of long-term rate and/or service level impacts. It may be appropriate for Facilities Services to convene a work group of its customer bureau's finance and operations representatives to facilitate staff-level input and buy-in for Facilities Services FY 2017-18 plans and budget requests.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_055 - Fac - OSS2 Double-fill with OSS3

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	68,122	0	68,122
External Materials and Services	(38,122)	0	(38,122)
Contingency	(18,000)	0	(18,000)
TOTAL EXPENDITURES	12,000	0	12,000
REVENUES			
Interagency Revenue	12,000	0	12,000
TOTAL REVENUES	12,000	0	12,000
FTE			
Limited Term Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

This decision package requests a transfer of appropriation from contingency to personnel services and appropriates IA revenue to personnel services for the double fill of one FTE limited term OSS2 as an OSS3. The total cost of \$67,419, will be funded from the Facilities corporate charge (\$22,419), IA charges to property owning bureaus (\$15,000), the coordinated clean up budget (\$15,000) and campsite services budget (\$15,000 from the \$50,000 Project Management line item in the \$690,000 budget).

Expected results include:

FY 2016-17 Planned Projects:

- Develop and document a city-wide acquisitions process
- Inventory city cell-tower/facility lease agreements and identify opportunities for standardization and recommendations that result in revenue optimization for bureaus and the City
- Finish up cleanup of property ownership and naming conventions with Multnomah County
- Coordinate disposition of unclaimed parcels for sale, or if sale is not possible, develop council documents that result in final assignment to bureaus
- Participate in SAP Enterprise Asset Management implementation and represent property owning bureau interests with respect to real property functionality
- Work with OMF Accounting and BTS to complete reconciliation, and maintain crosswalk, between City properties map and SAP
- Complete annual status report for Auditor's Office on Surplus Real Property Audit recommendations

Ongoing Responsibilities:

- Ongoing coordination of surplus/excess property for all property-owning bureaus
- Portland Property Managers Committee meeting facilitation
- Ongoing dispute resolution of property ownership between bureaus (ensuring bureau assignment in CityProperties map)
- Keep surplus property website accurate and up to date, including dates of ordinance hearings, public commenting period, addition/removal of surplus property, excess property for sale, and property for lease
- Continuously improve processes and procedures relating to city-wide real property, and keep documentation up to date
- Manage language interpretation contract in relation to surplus property signage
- Provide ad hoc assistance to bureaus with their real property issues and exceptions as they arise
- Interact with the general public regarding property lines, damage, sale, and purchase of excess property
- Provide administrative support services to the Coordinated Clean-Up and Campsite Services programs

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_055 - Fac - OSS2 Double-fill with OSS3

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested, with reservations. This request seeks a limited term Office Support Specialist III to perform the duties of the City Real Property Coordinator, in addition to other administrative duties, as outlined above and in ADM 13.02 Disposition of City Real Property (before Council 7/8/2015).

The work of the City Real Property Coordinator is currently being performed by a CSA in the Property Management group, but the dedicated funding for this position will run out in December 2016, per Facilities Services. Funds originally dedicated to this position were reprioritized in the current fiscal year to hire an additional employee in the BIBS Administration group.

CBO has multiple concerns with this request. The work of the City Real Property Coordinator is a core, ongoing function of the Bureau of Internal Business Services, but this request is for a Limited Term employee to perform these core duties. The requested funding for this position relies on one-time resources from contingency and Facilities Campsite Services. Furthermore, the duties of the City Real Property Coordinator were intended to be funded within Bureau of Internal Services existing resources, but this request increases interagency agreements with property-owning bureaus. Per the financial impact submitted to Council with regard to the City Real Property Coordinator, "This legislation does not have specific financial and budgetary impacts. The BIBS Director will be assigning an existing staff person to serve as the City Real Property Coordinator".

Facilities Services has indicated that there will be a request to convert this position to permanent status in the FY 2017-18 budget. The capacity of the Bureau of Internal Business Services' to absorb the cost of this position within the base budget will be assessed at that time.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_056 - Fac - Sears Occupancy Study

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	200,000	0	200,000
Contingency	(100,000)	0	(100,000)
TOTAL EXPENDITURES	100,000	0	100,000
REVENUES			
Interagency Revenue	100,000	0	100,000
TOTAL REVENUES	100,000	0	100,000

Bureau Description:

In response to an FY 2016-17 budget note, OMF is working with Portland Fire and Rescue (PF&R) on completing a needs analysis and scenario planning study to determine if PF&R can occupy the SFC Jerome F Sears site, in coordination with the site's use as an auxiliary Westside emergency operations center. This study will help OMF develop a tenant, development, and funding plan for occupying the Sears site, consistent with the direction included in the budget note. A Request for Proposals for the needs analysis and scenario planning study is currently going through the City's procurement process.

PF&R is currently housed on the Clinton Triangle site. The Clinton Triangle site was identified as a strategic redevelopment site in the Central Eastside. There are on-going efforts to support the site's redevelopment with more transit-supportive uses, given its location in Inner Portland, adjacent to the Orange MAX.

The project would be cooperatively completed by OMF and PF&R, with the agencies sharing costs equally. OMF and PF&R will execute an IA to share financial responsibility. The Bureau of Internal Business Services within OMF would like to use \$63,000 from the Sears major maintenance account, and \$37,000 of unspent funds from the FY 2015-16 immediate occupancy project for Sears. PF&R's funding source is money remaining in the 1998 Fire Facilities GO Bond Program. Use of this undedicated money on a facilities project is an acceptable use.

Expected results include a thorough understanding of PF&R's needs for their Logistics, Prevention, and Training groups, an updated understanding of auxiliary emergency operations needs for the Sears site, and an analysis of potential development options for the Sears, and Parkrose sites that will indicate which site will best serve PF&R's staff groups that need to be relocated from the Clinton Triangle. This information will help PF&R find a suitable site for relocating the uses currently housed at the Clinton Triangle site, and will support OMF's development and implementation of an occupancy plan for the Sears site.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_056 - Fac - Sears Occupancy Study

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested. The Sears Occupancy Study is jointly funded by Portland Fire & Rescue and Facilities Services, and simultaneously addresses the following budget notes in the FY 2016-17 Adopted Budget:

Portland Fire & Rescue- Collaboration on Facility Locations with Other City Bureaus

The FY 2016-17 budget does not include one-time resources for Portland Fire & Rescue (PF&R) to relocate and combine the current logistics center with the Training Division. Prior to any further commitment of one-time or ongoing resources, Portland Fire & Rescue is instructed to conduct a full needs-assessment, cost-benefit analysis, and analysis of future site locations for any relocation or consolidation plans for the Logistics, Training, and Prevention programs. Additionally, the bureau will identify the cost and operational impacts of having separate facilities as compared to a consolidated central location. Included in this analysis is the potential for PF&R to occupy portions of the Jerome Sears facility in southwest Portland, or any other City-owned facility prior to purchasing new property.

Office of Management & Finance – Sears Building Planning

Council directs the Office of Management & Finance to work with potential tenants of the Jerome Sears facility to develop a comprehensive development, occupancy, and funding plan prior to submitting future renovation requests (other than those necessary to maintain the structural integrity of the building). When such a plan has been developed, all elements – capital and operating – should be brought forward as a series of decision packages in a budget process so that City Council has a complete understanding of all the costs involved.

Per Facilities Services, this study assumes that PF&R will vacate the Clinton Triangle site to meet the “broader Citywide objective of redevelopment of the Clinton Triangle for affordable housing and mixed-used development.” Facilities Services indicated that a previous assessment (performed by the Portland Development Commission and Facilities Services) indicated that the redevelopment, which will be led by PDC, would not be feasible if PF&R Logistics remained on site.

Regardless of whether the PDC’s redevelopment of Clinton Triangle moves forward, understanding the net cost to PF&R of relocation is a critical component in meeting Council’s direction to “conduct a full needs-assessment, cost-benefit analysis, and analysis of future site locations for any relocation or consolidation plans for the Logistics, Training, and Prevention programs.” CBO recommends that the Sears Occupancy Study include an estimate of the marginal costs that would be incurred by PF&R for relocation from Clinton Triangle relative to the option of PF&R Logistics consolidation on-site, absent PDC’s redevelopment. This information is important to assessing the net benefit of PDC’s proposed redevelopment.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Program Carryover Request

Request: MF_057 - Fac - Campsite Services FTE Conversion

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	20,000	0	20,000
TOTAL EXPENDITURES	20,000	0	20,000
REVENUES			
Fund Transfers - Revenue	20,000	0	20,000
General Fund Discretionary	0	0	0
TOTAL REVENUES	20,000	0	20,000
FTE			
Limited Term Positions	0.20	0.00	0.20
TOTAL FTE	0.20	0.00	0.20

Bureau Description:

This decision package requests \$20,000 of General Fund appropriation to convert two 0.9 limited-term FTE in the Facilities Campsite Services Program to 1.0 FTE each. This money is available due to the Mayor's Office returning \$20,000 of savings in their budget to the General Fund in the FY 2015-16 Over-expenditure Ordinance.

CBO Discussion and Recommendation

Recommended as requested. Funds were de-appropriated in the FY 2015-16 Over Expenditure Ordinance and approved by Council for this purpose.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_058 - BRFS - Revenue - Fund 209000 - Increase Fund Bal

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	75,836	(1,826)	74,010
TOTAL EXPENDITURES	75,836	(1,826)	74,010
REVENUES			
Budgeted Beginning Fund Balance	75,836	(1,826)	74,010
TOTAL REVENUES	75,836	(1,826)	74,010

Bureau Description:

This request is to adjust beginning fund balance and increase miscellaneous services for the Revenue Division's Convention & Tourism Fund.

CBO Discussion and Recommendation

Recommended with adjustment.

The requested adjustment brings the budgeted balance to the GAAP fund balance. This is slightly overstated since it shows unrealized gains on investments. The adjusted ending balance, after this change, is \$135,216.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_059 - BRFS - Revenue - Fund 223000 - Increase Fund Bal

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	1,407,000	(37,062)	1,369,938
TOTAL EXPENDITURES	1,407,000	(37,062)	1,369,938
REVENUES			
Budgeted Beginning Fund Balance	1,407,000	(37,062)	1,369,938
TOTAL REVENUES	1,407,000	(37,062)	1,369,938

Bureau Description:

This request is to adjust beginning fund balance and increase miscellaneous services for the Revenue Division's Arts Education & Access Fund.

CBO Discussion and Recommendation

Recommended with adjustment.

The requested adjustment brings the budgeted balance to the GAAP fund balance. This is slightly overstated since it shows unrealized gains on investments. The adjusted budgeted balance is \$7,970,990 after the changes included in this request.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_060 - PSSRP - Beg. Fund Bal. Recognition TS Fund

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	1,589,564	(82,535)	1,507,029
TOTAL EXPENDITURES	1,589,564	(82,535)	1,507,029
REVENUES			
Budgeted Beginning Fund Balance	1,507,029	0	1,507,029
Fund Transfers - Revenue	82,535	(82,535)	0
TOTAL REVENUES	1,589,564	(82,535)	1,507,029

Bureau Description:

This request recognizes \$1,589,564 of unused FY 2015-16 resources as additional beginning fund balance in the Technology Services fund. The majority of these funds, \$1,479,523 is the transfer of unused RegJIN project funds to program contingency in the FY 2015-16 Spring BMP (MF_243). The other \$27,506 are interest earnings from FY 2015-16. Additionally, the RegJIN project ended on time and under budget. The project ended with \$82,535 in unused resources, which is requested to be recaptured and moved to program contingency.

CBO Discussion and Recommendation

Partially recommended.

CBO recommends that the \$1,507,029 be transferred to contingency in the program. The original source of this funding was General Fund and the settlement of a lawsuit in FY 2006-07. However, the transfer of underspending in the General Fund from the prior year is not necessary for operations of the program and should remain in the General Fund as a contingency resource.

CBO notes that Radio Project has a contingency of \$4.175 million. That project, the last scheduled PSSRP project, is expected to be completed by the end of this fiscal year. This request brings the PSSRP program contingency - a contingency separate from the project contingency - to \$4.09 million. Utilization of this contingency, should it be unspent at the end of the Radio project (and thus, the PSSRP program), should be an issue for City Council to address during the FY 2017-18 budget development.

According to the bureau response to questions regarding this request:

"PSSRP would advise that the money be used to seed the eventual replacement of the updated systems implemented during the life of the PSSRP program or other public safety technology major maintenance projects or upgrades. The City should continue to provide leadership in the public safety technology field to preserve their investment in these and future public safety technology focused projects. The PSSRP division will likely make recommendations with advise from a combination of the public safety stakeholders and the TSC for future use of funds, the final determination would be made by Council."

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_061 - PSSRP - Beg. Fund Bal. Recognition GO Bond Fund

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	3,927,245	0	3,927,245
Internal Materials and Services	275,000	0	275,000
Contingency	4,175,000	0	4,175,000
TOTAL EXPENDITURES	8,377,245	0	8,377,245
REVENUES			
Budgeted Beginning Fund Balance	8,377,245	0	8,377,245
TOTAL REVENUES	8,377,245	0	8,377,245

Bureau Description:

In the GO Bond Fund, where the Radio project is funded, the PSSRP ended FY 2015-16 with \$8,377,245 in unused resources. This request recognizes this amount as additional beginning fund balance in the Public Safety GO Bond fund in the current fiscal year. The total carryover includes \$4,175,000 of project contingency. The remaining \$4,202,245 was budgeted as a precautionary measure in FY 2015-16 to hedge risk in case a large unexpected expenditure arose. The planned project close is June 2017.

CBO Discussion and Recommendation

Recommended as requested.

This project is anticipated to close in June 2017. Spending this year is anticipated to be \$4.2 million with a \$4.175 project contingency. In addition, MF_060 requests a PSSRP program contingency. Total PSSRP expenses, assuming all BMP requests are approved, in FY 2016-17 include \$477,093 for personnel, \$6.0 million in external materials and services, and \$515,508 in internal materials and services. The total of all contingencies would be \$8.0 million.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_062 - PSSRP - Management Analyst, Sr Position Transfer

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
FTE			
Full-Time Positions	-1.00	1.00	0.00
TOTAL FTE	-1.00	1.00	0.00

Bureau Description:

As part of a PSSRP budget note, a consulting firm was brought in to provide a public safety technology assessment. The Gartner Public Safety Assessment recommended key changes to the way technology services are organized and delivered to public safety bureaus. One key change is to have one TBC for all public safety bureaus, instead of numerous TBCs having one or two public safety bureaus in their portfolios. The Public Safety TBC will be focused on improving coordination and collaboration in delivering technology services and identifying strategic initiatives that benefit public safety bureaus as a whole.

This request transfers a Management Analyst position from PSSRP to BTS. Once in BTS, the position will be reclassified to a Technology Services Bureau Business Representative position. The position will be on the BTS Customer Relations Team as a Technology Business Consultant (TBC). The Public Safety TBC will be responsible for providing technology business consulting services to all public safety bureaus including: Portland Police Bureau, Portland Fire Bureau, Bureau of Emergency Communications and the Portland Bureau of Emergency Management. BTS will be conducting an open competitive recruitment to fill this role.

CBO Discussion and Recommendation

Not recommended.

While the narrative indicates this would be a transfer, there has been an expectation that the PSSRP program would wind down as the projects are completed by June 2017. The funding source for PSSRP is distinct from the proposed new position. Therefore, the two actions are more appropriately construed as separate actions. One to eliminate a position in a closing program funded with dedicated resources and one to increase a position in a program funded by BTS corporate charges to customers. As noted in MF_060, there has been no determination regarding the disposition or use of the PSSRP contingency. CBO does not recommend that the portion of that funding that is from the General Fund and General Fund sources (e.g. lawsuit settlement) fund what would otherwise be a BTS customer cost. To allocate this resource in this manner would set a precedent for the process by which this resource is allocated. CBO believes that this discussion should be had comprehensively as part of the FY 2017-18 budget process.

The requested position in BTS is more thoroughly discussed as part of that request (MF_093).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_063 - BTS - BOEC IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	50,000	0	50,000
TOTAL EXPENDITURES	50,000	0	50,000
REVENUES			
Interagency Revenue	50,000	0	50,000
TOTAL REVENUES	50,000	0	50,000

Bureau Description:

This request is to increase the interagency agreement between Technology Services (BTS) and Emergency Communications (BOEC). Work is continuing on the BOEC VCAD project. That work includes services provided by BTS. This request appropriates funds to cover interagency expenses for BTS services on the project.

CBO Discussion and Recommendation

Recommended as requested.

Additional information provided by BTS: "There are two VCAD Refresh tasks remaining to be completed in FY 2016-17. One is the purchase of three (3) VCAD Training Environments. BOEC's request for three VCAD training servers was delayed pending vendor and BTS analysis to produce an accurate cost estimate. The second is completion of the VCAD Support Plan. BTS will continue working with BOEC and BTS functional teams involved in VCAD support to update existing VCAD Support Plan documentation to align with the refreshed VCAD environment. Although Dispatch Technology Support is taking the lead in preparing the documentation in consultation with the PMO, the final document is scheduled to be distributed to BTS functional managers in October, if not sooner. Each BTS functional team involved in VCAD support will then be tasked with reviewing the final document in preparation for formal approval by the BTS and BOEC directors."

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_064 - BTS - PSSRP IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	275,000	0	275,000
TOTAL EXPENDITURES	275,000	0	275,000
REVENUES			
Interagency Revenue	275,000	0	275,000
TOTAL REVENUES	275,000	0	275,000

Bureau Description:

This request is to increase the BTS interagency with PSSRP. Work on the PSSRP Radio project is continuing into FY 2016-17. Additional interagency appropriations are needed to cover anticipated expenses from BTS personnel working on the project.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Program Carryover Request

Request: MF_065 - Fac - DePaul Property Reimbursement

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	22,975	0	22,975
TOTAL EXPENDITURES	22,975	0	22,975
REVENUES			
Fund Transfers - Revenue	22,975	0	22,975
TOTAL REVENUES	22,975	0	22,975

Bureau Description:

This decision package requests \$22,975 of General Fund one-time appropriation to reimburse the Facilities Services Fund for due diligence costs incurred for the DePaul property that were not reimbursed by Multnomah County. This funding is available due to PHB's return of unspent General Fund appropriation in the FY 2015-16 Over-expenditure Ordinance.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_066 - BTS - Facilities IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	18,500	0	18,500
Contingency	13,580	0	13,580
TOTAL EXPENDITURES	32,080	0	32,080
REVENUES			
Interagency Revenue	32,080	0	32,080
TOTAL REVENUES	32,080	0	32,080

Bureau Description:

This request is to increase the BTS interagency agreement with Facilities Services to cover anticipated expenses related to additional position requests as well as new camera purchases for the City Hall video system.

CBO Discussion and Recommendation

Recommended to balance recommendations in customer bureaus.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_067 - CityFleet - Purchase Order Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	3,090,768	0	3,090,768
Contingency	(3,090,768)	0	(3,090,768)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

Carryover of \$3,090,768 for the purchase of vehicles and equipment on purchase orders as of June 30, 2016.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_068 - CityFleet - BDS IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	120,000	0	120,000
TOTAL EXPENDITURES	120,000	0	120,000
REVENUES			
Interagency Revenue	120,000	0	120,000
TOTAL REVENUES	120,000	0	120,000

Bureau Description:

The Bureau of Development Services has requested to increase the interagency by \$120,000 to cover fleet expenses related to the purchase of new vehicles and equipment in accordance with Resolution 35960 requiring Council approval of new vehicle additions.

CBO Discussion and Recommendation

Recommended as requested to balance with DS_001.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_069 - CityFleet - Salary Adjustment Contingency

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	276,412	0	276,412
Contingency	(276,412)	0	(276,412)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to move \$276,412 in bureau contingency funds budgeted for cost of living and health care increases.

CBO Discussion and Recommendation

Recommended as requested.

Based on FY 2015-16 patterns, CityFleet would have overspent the FY 2015-16 Adopted Budget personnel services line item without the addition of the compensation set-aside contingency in the fall. It is early in the fiscal year, but very preliminary CBO projections show CityFleet being very close to budget.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_070 - P&D - Technical Adjustments

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

Bureau Description:

This request is to correct budget that was loaded to the wrong account/commitment items and there will be no change in appropriation between categories.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_071 - P&D - Capital Equipment Collator Purchase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	52,500	0	52,500
Contingency	(52,500)	0	(52,500)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to move \$52,500 in bureau contingency to fund the purchase of a new collator for the print shop. This new collator would replace a 20-year-old booklet maker piece of equipment which has become hard to maintain and use because of replacement parts becoming unavailable. The new collator would increase efficiencies and productivity.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_072 - P&D - Salary Adjustment Contingency

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	39,768	0	39,768
Contingency	(39,768)	0	(39,768)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to move \$39,768 in salary contingency funds to personnel services for cost of living and health care adjustments awarded on July 1, 2016.

CBO Discussion and Recommendation

Recommended as requested.

Based on FY 2015-16 patterns, P&D would have overspent the FY 2015-16 Adopted Budget personnel services line item without the addition of the compensation set-aside contingency in the fall. It is early in the fiscal year, but very preliminary CBO projections show P&D being very close to budget (within 1%).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_073 - P&D - Add Limited Term RO I Position

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	47,200	0	47,200
Contingency	(47,200)	0	(47,200)
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	0.75	0.00	0.75
TOTAL FTE	0.75	0.00	0.75

Bureau Description:

This request is to move \$47,200 in bureau contingency to fund a limited term Reporographic Operator I position. This position will be a part of a team which is providing service to P&D's customers, there is an increased demand within the building permit business. They will mainly be focused on scanning/printing of large documents and microfiche projects from BDS, Fire and Rescue, Revenue and other bureaus as requested. On occasion this position may be called to fill in on Distribution type work or assist in the main print shop. The costs of the position will be covered by IA billings for services provided.

CBO Discussion and Recommendation

Recommended as requested.

While the narrative states that the position will be covered by IA billings, no new revenues are budgeted and the position is funded out of contingency. Based on seasonal interagency revenue collection patterns and actuals through AP2 this year, CBO projects revenues 2-3% higher than budget – about \$130,000. This projection would accommodate the increased staffing in the event that additional revenue does not materialize.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_074 - P&D - Revenue Division Interagency Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	12,500	0	12,500
TOTAL EXPENDITURES	12,500	0	12,500
REVENUES			
Interagency Revenue	12,500	0	12,500
TOTAL REVENUES	12,500	0	12,500

Bureau Description:

The Revenue Division has requested an increase of \$12,500 to the interagency with P&D to cover additional costs in postage.

CBO Discussion and Recommendation

Recommended as requested per MF_031.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_075 - BIBS I&C - True-up Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	2,032,126	0	2,032,126
TOTAL EXPENDITURES	2,032,126	0	2,032,126
REVENUES			
Budgeted Beginning Fund Balance	2,032,126	0	2,032,126
TOTAL REVENUES	2,032,126	0	2,032,126

Bureau Description:

This request increases the beginning fund balance by \$2,032,126 to true up the budgeted beginning fund balance for the Insurance and Claims Fund to match the actual balance at July 1, 2016 and place the resulting appropriation in fund contingency.

CBO Discussion and Recommendation

Recommended as requested. This increases the beginning balance to reflect the draft CAFR figure of \$28,541,749. Over the last six years, the balance has been equivalent to 4.9 to 7.2 times total claims. That is, claims in any given year total about 14-20% of total balance. Claims in FY 2015-16 were roughly 16% of this balance.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_076 - BIBS WC - True-up Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	723,746	0	723,746
TOTAL EXPENDITURES	723,746	0	723,746
REVENUES			
Budgeted Beginning Fund Balance	723,746	0	723,746
TOTAL REVENUES	723,746	0	723,746

Bureau Description:

This request increases the beginning fund balance by \$723,746 to true up the budgeted beginning fund balance for the Workers' Compensation Fund to match the actual balance at July 1, 2016 and place the resulting appropriation in fund contingency.

CBO Discussion and Recommendation

Recommended as requested. This increases the beginning balance to reflect the draft CAFR figure of \$14,471,420. Over the last six years, the balance has been equivalent to 5.4 to 8.9 times total claims. That is, claims in any given year total about 11-18% of total balance. Claims in FY 2015-16 were roughly 17% of this balance.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_077 - Fac - Clean Start Program Expansion

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	202,635	(202,635)	0
TOTAL EXPENDITURES	202,635	(202,635)	0
REVENUES			
Fund Transfers - Revenue	202,635	(202,635)	0
General Fund Discretionary	0	0	0
TOTAL REVENUES	202,635	(202,635)	0

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_077 - Fac - Clean Start Program Expansion

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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Bureau Description:

OMF Facilities currently has no dedicated resources to address isolated campsites in a timely manner. The current Citywide Coordinated Campsite Cleanup Program does not allow for rapid response to address livability issues that result from unattended to urban camping. The standard turnaround time for a Coordinated Campsite Cleanup is roughly 3-4 weeks. Without the ability to rapidly respond, these camps accumulate garbage, generate complaints, damage environmentally sensitive areas and vegetation, and decrease neighborhood livability. The cost for campsite cleanups grows exponentially without rapid intervention. This decision package requests \$202,635 in General Fund one-time resources to extend the Clean Start program with two additional crews to provide benefits/services to additional neighborhoods, provide service navigation opportunities for isolated campsites, and triage immediate needs for camps causing livability issues, complaints, and concerns.

This program has the following objectives:

- Create the capability for proactive campsite cleanup
- Reduce the costs of cleaning isolated campsites
- Improve response time for immediate triage
- Strategic and coordinated efforts of cleanup resources
- Develop enhanced coverage for triage cleanup services

An extended contract with Central City Concern (CCC) adds two Clean Start crews and allows the Coordinated Campsite Cleanup to direct preemptive cleanup services to growing camps. The current crew for the Clean Start completes the following each week:

- visits 20-25 camps
- covers 150 miles
- distributes 300-450 trash bags
- collects back approximately 275 trash bags, resulting in 6,875 pounds of trash collected every week
- recovers approximately 50 discarded needles each month

These services will be increased and coupled with navigation services. The navigation services will share information to homeless individuals concerning available CCC programs in health care, detoxification and stabilization, and benefits, if applicable.

The increased service provision allows homeless individuals to connect with services, reduces the cost of future cleanups, creates a healthier environment for homeless campers, and creates a network of informed and responsible conversations for available options in the existing system.

The primary purpose of this proposal is to reduce the cost of future cleanups and camping impact on neighborhoods. In addition, the proposal will create a healthier environment for homeless campers and improve the network concerning homeless issues, including leveraging the Mayor's One-Stop program.

Expected results include:

- Increased livability for Portland communities
- Mitigation of future environmental damage
- Directed engagement for campers into the existing Continuum of Care
- Reduction of biohazard exposure

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_077 - Fac - Clean Start Program Expansion

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Not recommended as requested. Facilities is an internal service provider that serves internal bureau customers and to some external paying customers. All work performed by the Facilities Division should be work performed on behalf of customers on a full cost recovery basis. The scope of work described in this request would be work provided to customer bureaus and should be charged to bureaus appropriately.

Facilities Services has indicated that the target expansion of the Clean Start program is limited to City-owned properties. CBO sees potential benefits to this program and agrees cost savings could be achieved by performing upstream interventions at nascent campsites on City-owned property. CBO recommends that Facilities Services propose this program expansion to property-owning bureaus as a cost-saving intervention. To the degree that property-owning bureaus are interested in piloting this early intervention approach, a one-time increase to interagency agreements would be an appropriate method to fund this request.

Facilities Services and customers have cited a concern that the current turnaround time for campsite clean-ups is three to four weeks due to time spent approving work orders and developing scopes of work. However, as Facilities Services has described the Clean Start program, there would be a set contract with CCC, directed by Facilities Services rather than specific task orders, that would enable quick responses to nascent campsites. CBO recommends that, to the degree this program is funded – either with General Fund or, as recommended, with interagency resources from customer bureaus – the prioritization of the crew deployment be at the direction of the customer bureaus.

It remains the responsibility of the City to manage the clean-up of City-owned properties, but CBO maintains that the planning and resource-marshalling for any other homelessness related services should be led by the Joint Office for Homeless Services (JOHS). JOHS is the lead agency for homelessness services provision and coordination, and is funded in large part by City of Portland General Fund resources. Any expansion of the Clean Start program for social services or non-City properties should be at the direction of the Joint Office, and such work should be funded through the resources of that office.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_078 - CityFleet - EJ Ward 4 Upgrade

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	35,000	0	35,000
Capital Outlay	110,000	0	110,000
Contingency	(145,000)	0	(145,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

The City is in the process of upgrading its antiquated fuel stations. During the upgrade, 5 stations will receive upgraded components that work with the City's fuel management software system. The purpose of this decision package is to replace existing fuel monitoring systems (at already upgraded sites) so that fuel control terminals and leak detection systems are the same throughout the system.

This request is to transfer appropriation from CityFleet's capital contingency to capital and external materials and services for the cost of upgrading the EJ Ward terminals and Veeder-Root to Ward 4 at the following fuel stations:

- Kerby Fuel Station (\$104,000)
- East Precinct Fuel Station (\$41,000)

In addition:

- Sandy River Fuel Station (\$41,000) will be funded by the Water Bureau
- Headworks Fuel Station (\$21,000) will be funded by the Water Bureau

Project total is \$207,000, but a portion of the project will be funded by the Water Bureau (\$62,000).

CBO Discussion and Recommendation

Recommended as requested. The Water portion of this project will be billed directly to a Water Bureau cost center. Customers benefit from vehicle and equipment fueling without the need for keys, cards, or PIN's and rely on the data captured by the system for reporting purposes. The new technology enhances the City's ability to wirelessly track vehicle data and provides vehicle diagnostic reporting. The upgraded system will significantly improve fuel accountability and audit preparation.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_079 - CityFleet - PBOT IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	136,000	0	136,000
TOTAL EXPENDITURES	136,000	0	136,000
REVENUES			
Interagency Revenue	136,000	0	136,000
TOTAL REVENUES	136,000	0	136,000

Bureau Description:

PBOT has requested to increase the interagency by \$136,000 to cover fleet expenses related to the purchase of new vehicles and equipment in accordance with Resolution 35960 requiring Council approval of new vehicle additions.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_080 - BTS - Secure Web Gateway Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	200,000	0	200,000
Contingency	(200,000)	0	(200,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance of \$100,000 for the Secure Web Gateway Technology Refresh project. In addition to the work not completed last year, it has been determined that additional purchases will be needed this fiscal year. So along with the carryover is a request to increase the budget by an additional \$100,000, bringing the total FY 2016-17 budget to \$200,000.

CBO Discussion and Recommendation

Recommended as requested.

The business use cases for web content filtering have changed dramatically over the past two years, driven by two major factors: ineffective technology and changing business requirements. The revision and review process has significantly delayed the selections and procurement processes. Dependencies on other BTS technical teams has contributed to the delay, but staff resources, within Information Security and BTS, are not the determining factor for the delays. The planned technology refresh objective has been determined to not meet City business or compliance objectives. A refresh of the existing technology platform would not deliver value to the City. A long and extensive use case review, with City Attorney's Office, Bureau of Human Resources and Portland Police Bureau, has produced a new set of requirements. The overhaul of the scope and requirements has delayed the selection and procurement cycle.

The current budget carry-over was intended to cover a 'refresh' of the technology, not to purchase, in part or whole, an 'upgraded' capability. The requested additional funds are intended to secure an effective, hosted service, that meets City use cases and information security requirements. The significant change in scope and cost was not predicted during the budget cycle.

As described in the Adopted budget:

This project will upgrade the BTS internet filtering system to prevent malicious software (malware) as well as restrict inappropriate access. In addition, this project will allow BTS to replace two Symantec secure web gateways in use in the Portland Police Bureau (PPB). Symantec Web Gateways are a City standard technology and are critical to aid in protecting the Police network from malware and other threats on the web. The devices protect the PPB from toxic web site access and from incoming malware embedded in web traffic.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_081 - BTS - Firewall Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	187,000	0	187,000
Contingency	(187,000)	0	(187,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance for the Firewall Technology Refresh project. Last year's work was not completed on this ongoing, multi-year project, so funds are needed to cover anticipated expenses this year.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_082 - BTS - Replacement of Telecomm Mgmt. System

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	60,000	0	60,000
Contingency	(60,000)	0	(60,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to appropriate an additional \$60,000 for the Replacement of Telecommunications Management System project. This project will replace the existing StellarRad telecommunications system. Replacing that system in a complete, accurate and timely manner will require extensive data entry work by non-city personnel.

CBO Discussion and Recommendation

Recommended as requested. This request would increase the FY 2016-17 budget from \$321,784 to \$381,784.

Per the Adopted Budget:

This project replaces StellarRad with a comprehensive and forward-looking Telecomm Management System. This system will serve to organize and streamline customer support and delivery processes, and will automate financial accounting functions.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_083 - BTS - VDI Proof of Concept (COP) and Pilot

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	125,000	0	125,000
Contingency	(125,000)	0	(125,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the FY 2015-16 budget balance and add additional funds to the VDI Proof of Concept and Pilot project. The project initially had \$97,290 in funding for FY 2015-16. Expenses for the year were expected to be closer to \$20,000, so the budget was reduced to \$27,290. The project subsequently incurred no expenses in FY 2015-16. This request is to reappropriate the entire \$97,290 in FY 2016-17, plus add an additional \$27,710, bringing the total budget to \$125,000 for the year. This should be sufficient to complete the planned work in FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_084 - Fac - Springwater Corridor Cleanup Reimbursement

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	150,000	(150,000)	0
TOTAL EXPENDITURES	150,000	(150,000)	0
REVENUES			
General Fund Discretionary	150,000	(150,000)	0
TOTAL REVENUES	150,000	(150,000)	0

Bureau Description:

This package requests reimbursement from the General Fund for anticipated costs of the Springwater Corridor cleanup. Cleanup will begin September 1st. Costs are unknown at this time as the entrenched camps have likely accumulated a lot of refuse. Costs to include refuse disposal.

Until the Fall BMP is approved, Facilities Services is using appropriation from the \$690,000 Campsite Services program. Approval of this reimbursement request will allow the Campsite Services program to complete its planned tasks.

CBO Discussion and Recommendation

Not recommended as requested. This request seeks \$150,000 in General Fund discretionary resources to reimburse Facilities Services for costs incurred for refuse removal along Springwater Corridor during the September 2016 clean-up efforts. According to Facilities Services, the work performed along Springwater Corridor is not distinct from services already provided to customer bureaus under the Coordinated Campsite Cleanup program except for the larger scale of the project. Facilities Services also indicated that no services were provided under the Springwater Corridor Cleanup to non-bureau customers, and that services are largely discontinued after each section of the trail is cleaned.

Per Facilities Services, approximately 50% of the trail had been cleared as of September 19, 2016, and actual costs incurred by Facilities Services at that point were estimated at \$30,000. Facilities Services has requested General Fund resources for this work, as opposed to charging property-owning bureaus for work performed, primarily because the cleanup was initiated by elected officials outside of the normal work order approval process.

The property-owning bureaus relevant to the Springwater Cleanup are Portland Parks & Recreation (PP&R) and the Bureau of Environmental Services (BES). Per Facilities Services, the Facilities Services-BES interagency agreement for campsite cleanup is budgeted at \$90,000 for FY 2016-17, with actual costs incurred of \$5,223 to date. The Facilities Services-PP&R interagency agreement for campsite services is budgeted at \$72,933 for FY 2016-17, with actual costs incurred to date of \$11,832. CBO recommends that property-owning bureaus pay the actual costs of the Springwater Corridor Cleanup within their existing interagency agreements with Facilities Services. Facilities Services has requested General Fund resources for this work, as opposed to charging property-owning bureaus for work performed, primarily because the cleanup was initiated by the Commissioner-in-Charge rather than customer bureaus directly. If the absorption of these costs requires an increase in the interagency agreements with Facilities Services, this issue should be revisited in the FY 2016-17 Spring BMP.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_085 - EBS – Additional Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	195,145	0	195,145
TOTAL EXPENDITURES	195,145	0	195,145
REVENUES			
Budgeted Beginning Fund Balance	195,145	0	195,145
TOTAL REVENUES	195,145	0	195,145

Bureau Description:

This request is to recognize \$195,145 in additional beginning fund balance for Fund 708000. These funds will be appropriate for use in future fiscal years where projects are currently unfunded.

CBO Discussion and Recommendation

Recommended as requested. CBO notes that, as mentioned in the bureau narrative, these funds would be appropriate for use in future fiscal years where projects are currently unfunded, another alternative is to provide a rebate to customer bureaus.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_086 - EBS – Enterprise Asset Management Project

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	400,000	0	400,000
Internal Materials and Services	200,000	0	200,000
Contingency	(600,000)	0	(600,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to align the Enterprise Asset Management (EAM) project budget estimate with better informed amounts. EBS will add \$600,000 to the project budget to cover an additional \$400,000 of consulting costs based on the actual contract amount after negotiations and the inclusion of GIS (Geographic Information System) and GEO.e (GEOgraphical Enablement of SAP) work needed for the project and \$200,000 for BTS work needed for GIS implementation. The funding will come from EBS reserves.

The purpose of this project is to implement an enterprise asset management solution for property and facilities, and to better systematically support project management. The EAM will include Mobile Solution (work order display and time entry features), inventory management (basic functionality for a small set of use cases), plant maintenance (provides a supported and integrated work order and asset management system), flexible real estate (building and floor data and property leasing functionality), land date GIS mapping integration, and updated project systems functionality (collect work order costs, project templates, and reporting).

CBO Discussion and Recommendation

Recommended with conditions.

The Fall Supplemental includes a request to increase appropriation by \$600,000 for the Enterprise Asset Management project in EBS. This system builds out SAP's workorder functionality, real property management, and several other modules as a successor and enhancement to the existing system used by OMF-Facilities. The project is intended as a pilot with the goal of making the new functionality available to bureaus Citywide. The increase in costs is funded out of EBS contingency and brings the total estimated project cost to \$2.2 million. In the FY 2015-16 Adopted Budget, an early medium-confidence placeholder was budgeted at \$450,000. These subsequent increases are the result of increased functionality included in the scope. This additional functionality was determined through engagement with Facilities as well as an ad hoc subcommittee of technical experts from around the City and then through price discovery in the competitive proposal process.

Concurrent with the Fall Supplemental, the contract for the implementation vendor is coming before City Council. That contract has a not-to-exceed amount of \$1.85 million. The total \$2.2 million includes software, consultant costs, and anticipated additional BTS costs, including \$200,000 for GIS services.

The project is funded with EBS rate-payer funds in the form of fund balance. While the project is primarily focused on the OMF-Facilities Division business needs, there is an expectation that this implementation will become an enterprise solution, the functionality of which will be made available to other City bureaus at their option. According to EBS staff, several bureaus have expressed interest in participating in a future roll-out.

In reviewing this request, CBO identified several potential project risks which we have discussed with the bureau. We anticipate these risks will be explored by the project team and, if validated, will be mitigated as part of the project and the engagement with the Technology Oversight Committee. In addition, in reviewing this specific project, CBO noted some opportunities for general improvement of the EBS governance structure to ensure continued customer engagement subsequent to initial Program Advisory Committee and Technology Executive Steering Committee approvals— particularly with regard to cost increases. We will work with the bureau to explore these opportunities.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_088 - BIBS - Risk Mngt Personnel Services Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	76,035	0	76,035
Internal Materials and Services	0	0	0
Contingency	(76,035)	0	(76,035)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	0.75	-0.75	0.00
Limited Term Positions	0.00	0.75	0.75
TOTAL FTE	0.75	0.00	0.75

Bureau Description:

The purpose of this budget adjustment request is to transfer appropriation from Insurance and Claims and Workers' Compensation funds' administration contingency accounts to personnel services for:

- The cost of upgrading and Office Support Specialist II to a III (\$11,000).
- The cost of a temporary Assistant Claims Tech (\$65,034).

This total of \$76,034 would be split between the two funds at \$38,017 each.

These two actions will provide Risk Management with additional staffing resources and higher level staffing resources to address an increasing workload managing claims and complex administrative functions.

CBO Discussion and Recommendation

Recommended with adjustment. Risk has used a temporary position for over a year to address claims workload and expects to request this position be converted to a regular position as part of FY 2017-18. This request was entered as an ongoing position. Based on the response to CBO questions, the bureau indicated that the position will be requested as ongoing in the FY 2017-18 budget process. As such, the position has been recommended as limited term.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_089 - BIBS - Risk Mgmt Technical Corrections to Budget

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
Internal Materials and Services	0	0	0
Contingency	0	0	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

The purpose of this budget adjustment request is to make two technical corrections to the Insurance & Claims Fund budget that were identified after the Adopted Budget:

- Move a negative \$1,337 amount in a contingency account in cost center MFOP000056 to MFOP000006
- Move a \$119,000 IA with the City Attorney as provider from functional area LARM to LARMCL
- Move a negative \$3,034 amount in a casual-unbudgeted personal account (511400) in cost center MFOP000006 to regular personal account (511100)
- Move a negative \$7,056 amount in a casual-unbudgeted personal account (511400) in cost center MFOP000007 to regular personal account (511100)

This request will correct errors in the Adopted Budget.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_090 - CityFleet - BES IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	10,000	0	10,000
TOTAL EXPENDITURES	10,000	0	10,000
REVENUES			
Interagency Revenue	10,000	0	10,000
TOTAL REVENUES	10,000	0	10,000

Bureau Description:

BES has requested to increase the interagency by \$10,000 to cover fleet expenses related to the lease of a truck.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_091 - Fac - Citywide Security Assessment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	225,000	0	225,000
Contingency	(225,000)	0	(225,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package funds a comprehensive security review of approximately 100 City-owned properties across all property-owning Bureaus. An outside security consulting firm will be hired to evaluate risks and vulnerabilities of City properties and provide their recommendations for security enhancements. The consultant's report will address physical security infrastructure design, security staffing, and policies and procedures.

Properties anticipated for inclusion in the report are city office buildings, community centers & pools, police and fire stations, marquee Parks properties and other destination properties with high visitation, and other critical City infrastructure.

The cost of this contract and project management time would be allocated to each building the plan will address. For buildings that Facilities Services owns the costs would be funded out of the building's major maintenance account. For buildings that other bureaus own, the costs would be funded through an interagency agreement. Assessment will evaluate items such as physical hardening, technology, policies and procedures, staffing, and building access control.

Based on preliminary discussions with security consultants, the scope of work is expected to include the following:

- Threat assessment for the City and facilities including interviews of appropriate facility management and security personnel associated with each building to become familiar with the building security program and operations; review past criminal incidents, and the overall security climate of each facility.
- Review of existing security documentation specific to each building to include guard force post orders, as-built security systems drawings, incident reports, and security related policies and procedures.
- Interior and exterior site surveys for each facility to include the site perimeter and access points, campus signage, and building perimeters. Consultant will be expected to utilize crime prevention through environmental design (CPTED) strategies or other accepted standards. CPTED is a multi-disciplinary approach to deterring criminal behavior through environmental design.
- Review building pedestrian and vehicular protocols (parking, deliveries, etc.).
- Conduct an exterior lighting survey at each building.
- Inspect and evaluate currently installed electronic security systems associated with each building to include access control and alarm monitoring, video surveillance, intercom communications, duress activation, etc. The statement of work will focus on existing security systems and recommend systems integration paths for the City as a whole.
- Review and evaluate current security staffing and guard posts as assigned for each building.

Results of the assessment will be used to develop the FY 2017-18 budget.

CBO Discussion and Recommendation

The Citywide Security Assessment will take a comprehensive look at security provisions (electronic surveillance, lighting, security staffing, etc.) across 100 City-owned properties, employing a tiered approach to evaluate critical properties more intensively than non-critical facilities. This new information will help to identify security risks and contextualize them within a Citywide framework. It is unclear to what degree the information from the Citywide Security Assessment will address the lack of centralized decision-making on the optimal levels of protection and/or deterrence measures for tenants. CBO recommends that Facilities Services use this information to develop clearly defined service level provisions around security management for its various tenant types.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_092 - BTS - Enterprise Network Technology Refresh

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	318,908	0	318,908
Contingency	(318,908)	0	(318,908)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This request is to carry over the remaining budget balance from FY 2015-16 for the Enterprise Network Technology Refresh project. This is a multi-year BTS project and the additional appropriation is needed to cover anticipated expenses in FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested.

This is a 6-year lifecycle replacement program for network switch and router equipment. The request carries over funding and adds \$32,655, bringing the total in FY 2016-17 to \$537,708.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_093 - BTS-Public Safety Technology Business Consultant

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	87,696	87,696
Contingency	0	(87,696)	(87,696)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	1.00	-1.00	0.00
Limited Term Positions	0.00	0.75	0.75
TOTAL FTE	1.00	-0.25	0.75

Bureau Description:

The Bureau of Technology Services (BTS) is requesting the creation of a Technology Services Bureau Business Representative position. The position will be on the BTS Customer Relations Team as a Technology Business Consultant (TBC). The position will be created by realigning a Senior Management Analyst position from the PSSRP program. The Public Safety TBC will be responsible for providing technology business consulting services to all public safety bureaus including: Portland Police Bureau, Portland Fire Bureau, Bureau of Emergency Communications and the Portland Bureau of Emergency Management. BTS will be conducting an open competitive recruitment to fill this role.

As part of a PSSRP budget note, a consulting firm was brought in to provide a public safety technology assessment. The Gartner Public Safety Assessment recommended key changes to the way technology services are organized and delivered to public safety bureaus. One key change is to have one TBC for all public safety bureaus, instead of numerous TBCs having one or two public safety bureaus in their portfolios. The Public Safety TBC will be focused on improving coordination and collaboration in delivering technology services and identifying strategic initiatives that benefit public safety bureaus as a whole.

CBO Discussion and Recommendation

Recommended as limited term and funded from the technology reserve. As noted in MF_62, CBO does not recommend funding this position with PSSRP resources. TBC's are funded through a corporate charge and CBO does not see any reason to create a new precedent. As an ongoing position, this would be an impact to all bureaus through the corporate charge; CBO recommends that ongoing positions are more appropriately requested through the FY 2017-18 budget process so that the Budget Advisory Committee can make an informed decision. While this position was discussed very briefly at a recent meeting, it was not clear that the BAC understood the rate impact or actively endorsed the add.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_094 - CityFleet - Police IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	25,000	0	25,000
TOTAL EXPENDITURES	25,000	0	25,000
REVENUES			
Interagency Revenue	25,000	0	25,000
TOTAL REVENUES	25,000	0	25,000

Bureau Description:

Police has requested to increase the interagency by \$25,000 to cover additional fleet lease expenses.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_095 - BTS - EBS IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	200,000	0	200,000
TOTAL EXPENDITURES	200,000	0	200,000
REVENUES			
Interagency Revenue	200,000	0	200,000
TOTAL REVENUES	200,000	0	200,000

Bureau Description:

This request is to increase the BTS interagency with EBS to cover anticipated charges for BTS GIS services on the Enterprise Asset Management Project.

CBO Discussion and Recommendation

Recommended as requested. GIS staff are otherwise funded with a corporate charge. This request indicates no additional expenses are incurred so these additional resources fund contingency. To the degree that costs in the GIS group are lower overall than the sum of the corporate charge and all interagency billings, CBO will explore the opportunity to rebate payers of the corporate charge in the FY 2017-18 budget.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_096 - BTS - Police IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	13,633	0	13,633
Contingency	3,130	0	3,130
TOTAL EXPENDITURES	16,763	0	16,763
REVENUES			
Interagency Revenue	16,763	0	16,763
TOTAL REVENUES	16,763	0	16,763

Bureau Description:

This request is to increase the BTS interagency with Police to cover anticipated Telecomm billable and Operations billable expenses related to Police grant PL000143.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_097 - P&D - Increase Budgeted Beginning Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	552,257	0	552,257
TOTAL EXPENDITURES	552,257	0	552,257
REVENUES			
Budgeted Beginning Fund Balance	552,257	0	552,257
TOTAL REVENUES	552,257	0	552,257

Bureau Description:

This request increases the beginning fund balance by \$552,257 to match the projected ending fund balance for FY 2015-16.

CBO Discussion and Recommendation

Recommended with adjustment. Since this request was submitted, a correction has been made at the request of OMF, reducing the original figure and bringing it in line with the draft CAFR figure. The request increases balance to \$1,064,187. This is an increase over the FY 2015-16 beginning balance and shows a positive trend in P&D. While revenues across all categories were lower than budgeted, expenses were also lower, generating the net revenue.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_098 - CityFleet –True-up Budgeted Beginning Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	(1,526,102)	0	(1,526,102)
TOTAL EXPENDITURES	(1,526,102)	0	(1,526,102)
REVENUES			
Budgeted Beginning Fund Balance	(1,526,102)	0	(1,526,102)
TOTAL REVENUES	(1,526,102)	0	(1,526,102)

Bureau Description:

This request decreases the beginning fund balance by \$1,526,102 to true-up ending fund balance for FY 2015-16.

CBO Discussion and Recommendation

Recommended as requested. The lower than anticipated ending fund balance is a timing issue. CityFleet received many requests for early replacement, upgrades to vehicles, and new vehicles and many of these purchases happened in the latter part of the fiscal year, resulting in expenses incurred by CityFleet. The revenue for those purchases has not yet been received because these vehicles still need to be outfitted and have not been placed into service. Once vehicles are placed into service, CityFleet will bill the customer. This will result in increased revenue in the current year.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_099 - BTS - BHCD IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	3,500	0	3,500
TOTAL EXPENDITURES	3,500	0	3,500
REVENUES			
Interagency Revenue	3,500	0	3,500
TOTAL REVENUES	3,500	0	3,500

Bureau Description:

This request is to increase the interagency between BTS and BHCD for additional expenses BHCD is anticipating for internet access.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: Technical Adjustment

Request: MF_100 - Debt - UR Debt Fund True up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	12,263	0	12,263
Bond Expenses	2,498,807	0	2,498,807
TOTAL EXPENDITURES	2,511,070	0	2,511,070
REVENUES			
Budgeted Beginning Fund Balance	2,511,070	0	2,511,070
TOTAL REVENUES	2,511,070	0	2,511,070

Bureau Description:

These adjustments true up the fund balance of the urban renewal debt service from the prior fiscal year and request appropriation for the corresponding payment of debt service (the only legally allowable use).

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: Technical Adjustment

Request: MF_101 - Debt Harbor Restoration Proceeds to debt service

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Bond Expenses	250	0	250
Fund Transfers - Expense	250	0	250
TOTAL EXPENDITURES	500	0	500
REVENUES			
Budgeted Beginning Fund Balance	250	0	250
Fund Transfers - Revenue	250	0	250
TOTAL REVENUES	500	0	500

Bureau Description:

This adjustments authorizes the transfer and use of unspent tax-exempt proceeds originally borrowed to pay cost of issuing the Harbor Restoration line of credit. The actual costs of issuance were less than what was borrowed to pay them, therefore the balance is being transferred to the debt fund and will be used for the payment of debt service.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Fund & Debt Management

Type: New Request

Request: MF_102 - Debt - UR Proceeds to PDC

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	4,300,000	0	4,300,000
TOTAL EXPENDITURES	4,300,000	0	4,300,000
REVENUES			
Bond and Note	4,300,000	0	4,300,000
TOTAL REVENUES	4,300,000	0	4,300,000

Bureau Description:

The PDC has requested additional borrowing of \$4.3 million for the Lents URA. This adjustment will record the City's receipt of proceeds and the release to PDC. This is a technical adjustment for the City as the control of PDC expenditures flow through the PDC budget process. If the request is not approved via the PDC budget and/or there are insufficient resources in accordance with policy requirements, funds will not be borrowed by the City and released to PDC.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_103 - P&D - Police IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	4,200	0	4,200
TOTAL EXPENDITURES	4,200	0	4,200
REVENUES			
Interagency Revenue	4,200	0	4,200
TOTAL REVENUES	4,200	0	4,200

Bureau Description:

Police has requested to increase the interagency by \$4,200 to cover additional printing services awarded with grant funding.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_104 - Fac - True Up Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	5,455,385	0	5,455,385
TOTAL EXPENDITURES	5,455,385	0	5,455,385
REVENUES			
Budgeted Beginning Fund Balance	5,455,385	0	5,455,385
TOTAL REVENUES	5,455,385	0	5,455,385

Bureau Description:

This decision package requests to true-up beginning fund balance. The increase is due to projects budgeted, but not completed in FY 2015-16.

CBO Discussion and Recommendation

Recommended as requested. The total beginning fund balance with this true-up is \$40,782,540, broken out as follows:

Major Maintenance accounts: \$34,373,022

Portland Building: \$11,904,498

City Hall: \$3,982,686

1900 Building: \$3,539,930

Police Facilities: \$6,582,463

Walnut Park - Retail: \$712,785

Kerby Garage: \$1,646,508

PCC: \$1,469,036

ECC: \$39,549

Archives: \$2,149,521

Union Station: \$1,995,558

Sears: \$356,723

Yeon Building at Waterfront: (\$7,237)

Other Accounts Total: \$529,369

Police fitness equipment: \$182,143

Daycare center: \$353,996

Centennial Mills Final Billing: (\$6,770)

Capital Projects Total: \$2,891,291

PCC Roof: \$2,891,291

Other projects (from 1x funding) Total: \$929,557

R2DToo: \$511,363

Coordinated Cleanup: \$118,193

Sears Shelter Project (9MFFA0000904): \$37,107

SOE Project Funding: \$306,094

Bureau IA Billing Corrections: (\$20,225)

DePaul Property Billing to PHB: (\$22,975)

Operating Reserve Total: \$2,050,302

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_105 - Fac - Campsite Service Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	306,094	0	306,094
Contingency	(306,094)	0	(306,094)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests to appropriate unspent funds from ordinance 187629, housing state of emergency funds awarded in FY 2015-16, to continue projects budgeted in that year.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_106 - BTS - PBEM IA Increase

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	70,000	0	70,000
TOTAL EXPENDITURES	70,000	0	70,000
REVENUES			
Interagency Revenue	70,000	0	70,000
TOTAL REVENUES	70,000	0	70,000

Bureau Description:

This request is to increase the interagency between BTS and PBEM for additional expenses PBEM is anticipating for telecomm service and desktop support.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_107 - BHR GF - Conversion of Limited Term to Permanent

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
Contingency	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

This request converts a limited-term Senior Administrative position into a permanent Senior Administrative position within the Bureau of Human Resources in the Diversity Outreach Employment Resources program.

No additional funds are requested for this action. This position will be funded within the current service level target within the Bureau of Human Resources.

CBO Discussion and Recommendation

Recommended as requested. There is sufficient flexibility in BHR personnel services to fund this position out of the existing budget.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_108 - Fac - Increase BES IA for OCIP with TPB Project

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	46,847	(46,847)	0
Contingency	(46,847)	46,847	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This decision package requests to move appropriation from project contingency to establish an interagency agreement with BES for the owner controlled insurance program for the Portland Building Reconstruction Project.

CBO Discussion and Recommendation

Not recommended. Subsequent to submittal, BES and OMF indicated that they were not moving forward with this interagency yet.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_109 - BRFS - Revenue - Increase Water IA

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	202,000	0	202,000
TOTAL EXPENDITURES	202,000	0	202,000
REVENUES			
Interagency Revenue	202,000	0	202,000
TOTAL REVENUES	202,000	0	202,000

Bureau Description:

This request is to match Water Bureau's decision package WA_003, which increases interagency with the Revenue Division by \$202,000 for the Cayenta upgrade and Customer Self Service Function Upgrade.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: Technical Adjustment

Request: MF_110 - BRFS - Revenue - LT Conversion in IRS Program

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	1.00	-1.00	0.00
Limited Term Positions	-1.00	1.00	0.00
TOTAL FTE	0.00	0.00	0.00

Bureau Description:

The Revenue Division is requesting the Sr. Management Analyst position supporting the IRS Data Exchange program be converted from limited term to regular. For the past two years (FY 2015-16 and FY 2016-17), the Division has asked for a regular position in the Requested Budget, along with ongoing General Fund resources to support the program. However, CBO has recommended one-time funding and a limited term position until operating costs have stabilized and negotiations with Multnomah County to fund a portion of the program have concluded.

The Revenue Division is not requesting any change to FY 2016-17 funding, but the Division would like to convert the position type to regular during the Fall BMP. As an ongoing, long-term program aimed at increasing business tax revenues and taxpayer compliance, the Division fully expects the IRS Data Exchange program will continue to be a priority for the City's tax collection efforts well into the future. Accordingly, the Revenue Division anticipates an ongoing need for this Sr. Management Analyst position. Reclassifying this position as permanent during the Fall BMP will aid employee retention efforts, and will help the Division ensure the IRS Data Exchange program implementation efforts continue uninterrupted.

In the FY 2017-18 budget, the Revenue Division plans to request ongoing General Fund resources to support this position and the IRS Data Exchange program going forward.

CBO Discussion and Recommendation

Not recommended. Ongoing General Fund is not available mid-year and CBO does not recommend funding regular positions without ongoing funding.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Management & Finance

Type: New Request

Request: MF_111 - BTS - Text Message Archiving

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	55,000	55,000
Contingency	0	(55,000)	(55,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This is not a BTS request. This request has been added to reflect the City Budget Office recommendation regarding a request made by the Office of the City Attorney for an archiving solution for text messages. See CBO discussion below.

CBO Discussion and Recommendation

The following is excerpted from the budget request made by the Office of the City Attorney:

"An enterprise solution for multiple media types is a wise investment in ensuring City compliance [with records retention and public information laws] at a reasonable cost. The Smarsh enterprise platform cost is \$12,000 per year. Each social media account costs \$60 per year and text message capturing is \$48 per year per device. The City Attorney's Office plans to work with Council and the City Budget Office to develop a policy and funding mechanism for Citywide application in the next fiscal year.

However, due to the high level of legal risk this year, the City Attorney's Office is requesting funding for the enterprise platform cost and text message archiving on high priority phones including elected officials and their staff, bureau directors, and the Portland Police Bureau - about 1200 phones. The cost for the remainder of this fiscal year to continuously capture all text messages for these phones, including the enterprise platform, is \$55,000."

While CBO looks forward to developing a policy and funding mechanism for next fiscal year, we recommend that the interim source be BTS reserves. These reserves represent underspending by BTS on services provided to customers. And, to the degree that, through the permanent funding structure, these costs will be paid for by bureaus in relation to their utilization of electronic devices, the BTS reserve seems an appropriate proxy in the interim.

With regard to the development of the permanent funding and service delivery structure, CBO recommends that we convene a workgroup with representation from the Office of the City Attorney, BTS, and the Office of the City Auditor. To date, CBO is aware that meetings between those parties have taken place, but the results of those discussions seem unclear. BTS has indicated that the understanding was that the City Attorney would be the business owner. However, the narrative above states that the City Attorney is requesting General Fund merely as an interim measure. We look forward to working with the relevant parties to ensure that this service is delivered in a way that is efficient and effective and that the costs are borne by the users of the technology.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of the Mayor

Type: New Request

Request: MY_002 - Mayor's Office - Technology Package

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	15,000	(15,000)	0
TOTAL EXPENDITURES	15,000	(15,000)	0
REVENUES			
General Fund Discretionary	15,000	(15,000)	0
TOTAL REVENUES	15,000	(15,000)	0

Bureau Description:

This request asks for \$15,000 in unspent FY 2015-16 funds from the Mayor's Office to subscribe to BuildingBlocks Data Tool through the vendor Opportunity Space. BuildingBlocks is a cloud-based web application that seamlessly integrates data from across City departments (code violations, tax delinquency, public safety calls, 311 data, utility shut-offs, and more), into a single, map-based dashboard that provides granular property details. The office overlay's market-strength indicators—including income levels, vacancy rates, and home sales—to inform corrective actions and policies. Workflow tools manage internal processes and communicate progress. And our powerful analytics serve up valuable insights with a few clicks of a mouse, combining and comparing data to guide decision-making and generate compelling reports.

CBO Discussion and Recommendation

While no resources were allocated specifically for this purpose in FY 2016-17, as the Mayor's Office learned about this tool after budget development, CBO recommends that the pilot costs be absorbed through current year vacancy savings. CBO will work with finance staff to continue to monitor the office's budget, and will recommend amendments as necessary in the Spring BMP to prevent any over-expenditures at year's end.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: Technical Adjustment

Request: NI_001 - Technical adjustments/corrections

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

Move \$10,000 of ongoing funding from special projects to Disability for leadership training. This was added as an ongoing program in FY2016 but was mis-allocated to special projects in our requested budget.

Move 15,171 from special projects to EPAP for David Douglas IGA. This contract agreement should have been funded from FY16 funds but was added late and was not encumbered. We are covering the expense with special projects funds from FY2017.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: Encumbrance Carryover Request

Request: NI_002 - Encumbrance carryovers

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	80,476	0	80,476
TOTAL EXPENDITURES	80,476	0	80,476
REVENUES			
General Fund Discretionary	80,476	0	80,476
TOTAL REVENUES	80,476	0	80,476

Bureau Description:

Encumbrance carryover of 9 contracts/POs that were not completed by the end of FY2016:
 22139247 – FFA Architects - Kenton Firehouse: 8,741
 22175526 – Neighbors West/NW - Small Grants: \$11,555
 22191393 – Community Alliance of Tenants - EPAP Grant: \$5000
 22191513 – SBS Construction - Kenton Firehouse construction: \$26,362
 22193798 – Kenton Action Plan – NPNS Small Grants: \$12,527
 22193866 – Compview – Radio headsets for Disability program: \$4541
 22193916 – Kristen Lensen Consulting: \$7500
 22193917 – George Austin Consulting: \$1250
 22193948 – Portland State University – Anne Curry research: \$3000

CBO Discussion and Recommendation

Recommended as requested. Funding for one of the projects, the Kenton Firehouse, has been carried over since original appropriation in FY 2014-15 due to project delays; however, the project is underway and the bureau anticipates completion by November 2016.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: Encumbrance Carryover Request

Request: NI_003 - Advance Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	294,617	0	294,617
TOTAL EXPENDITURES	294,617	0	294,617
REVENUES			
Intergovernmental Revenues	0	0	0
General Fund Discretionary	294,617	0	294,617
TOTAL REVENUES	294,617	0	294,617

Bureau Description:

Encumbrance carryover for contracts with advances that cross fiscal years.

Since SAP budget to actual reports do not consume budget for these items, we isolate the budget carryover amounts in our special projects funds.

In total we are carrying over:

\$1191 in CNIC

\$86,843 in Neighborhood Coalition Small Grants

\$153,722 in EPAP General Grants

\$30,000 in EPNO small grants

\$11,555 in NWNW small grants

\$12,527 in NPNS small grants

\$295,837 in total.

CBO Discussion and Recommendation

Recommended with slight modification. The bureau initially requested \$295,837; accounting modules in SAP suggest the actual balance requiring carryover to be slightly less at \$294,617.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: NI_004 - Increased Noise Revenues

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	33,624	0	33,624
External Materials and Services	3,876	0	3,876
TOTAL EXPENDITURES	37,500	0	37,500
REVENUES			
Charges for Services	37,500	0	37,500
TOTAL REVENUES	37,500	0	37,500
FTE			
Limited Term Positions	0.50	0.00	0.50
TOTAL FTE	0.50	0.00	0.50

Bureau Description:

Council recently adopted a 15% increase to the Noise Control Fee Schedule. This package recognizes those increased fees and provides funding for a limited term Code Specialist II to perform inspections. The Noise Control Program has experienced increased workload with only one other dedicated inspector unable to manage the number of inspections required to effectively monitor and enforce the code. This will double the capacity for inspections in 2017, allowing improved responsiveness on complaints. The program is undergoing a more thorough evaluation of fees for Council to consider establishing funding at a level that would more adequately staff the ongoing program.

CBO Discussion and Recommendation

Recommended as requested. There are two factors influencing the projected increase in revenues: 1) the fee increase as passed by Council and 2) the recognition of greater-than-anticipated actual revenue receipts. Given early revenue receipts as well as recent revenue trends, CBO finds it reasonable to assume that noise revenues will exceed \$200,000. Currently, there is \$172,000 budgeted; thus, CBO would find it reasonable to assume receipt of \$18,000 in additional revenue. Assuming that the recently passed 15% fee increase does not change behavior, the fee would yield an estimated \$21,923. These two factors would combine for a total increase over budget of \$39,923. Thus, CBO finds the requested increase of \$37,000 to be reasonable. It is important to note, however, that the fee increase alone is not sufficient to support the ongoing position; the bureau will need to reassess budgetary and staffing needs with FY 2017-18 budget development.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: NI_005 - EPNO Director: Part-time to Full-time

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	9,331	(9,331)	0
External Materials and Services	0	0	0
TOTAL EXPENDITURES	9,331	(9,331)	0
REVENUES			
General Fund Discretionary	9,331	(9,331)	0
TOTAL REVENUES	9,331	(9,331)	0
FTE			
Full-Time Positions	0.58	-0.58	0.00
Part-Time Positions	-0.44	0.44	0.00
TOTAL FTE	0.15	-0.15	0.00

Bureau Description:

This package requests ongoing funding to increase the East Portland Neighborhood Office (EPNO) Director from .75 part-time position to a 1.0 FTE. The long time EPNO director is anticipating retiring this year and though the incumbent has been able to manage the office as a part-time employee historically, it is more appropriately staffed with a full-time director in the future as the workload and complexity has significantly increased over the years. The addition of oversight of the East Portland Action Plan implementation doubled the budget for the office and significantly increased the overall workload of management and oversight of grants and services. ONI desires to fill the position to manage the complex workload of the neighborhood office and oversight of the East Portland Action Plan implementation.

CBO Discussion and Recommendation

CBO does not recommend new funding for this request. There is only one-time funding available in General Fund contingency during supplemental budget processes; there is no ongoing support available for this request. To the extent that increased funding for EPAP programming has increased workload on existing staff, CBO recommends that the bureau prioritize adequate funding from the increased EPAP resources to ensure that the bureau and its partners are able to successfully manage new responsibilities.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: NI_006 - Permanent increase for Part-time employee hours

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	12,801	0	12,801
External Materials and Services	(12,801)	0	(12,801)
TOTAL EXPENDITURES	0	0	0
FTE			
Part-Time Positions	0.12	0.00	0.12
TOTAL FTE	0.12	0.00	0.12

Bureau Description:

Permanent increase to hours for two half-time employees. Employees are increasing to .625 and .55FTE. Previously, the North Portland Neighborhood Office used a combination of casual/seasonal employees and part-time permanent employees to staff the office. This shifts more workload to the permanent employees.

CBO Discussion and Recommendation

Recommended as requested. The bureau is internally reprioritizing funds to fit workload needs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: New Request

Request: NI_007 - Funding for part-time casual at NPNS

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	3,000	0	3,000
External Materials and Services	0	0	0
TOTAL EXPENDITURES	3,000	0	3,000
REVENUES			
Miscellaneous	3,000	0	3,000
TOTAL REVENUES	3,000	0	3,000

Bureau Description:

North Portland Neighborhood Services runs the North Portland Tool Library and is reimbursed for hours worked by casual/temporary employees by North Portland Community Works. \$3000.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Neighborhood Involvement

Type: Technical Adjustment

Request: NI_008 - Casual/temporary employees at EPNO

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	6,000	0	6,000
External Materials and Services	(6,000)	0	(6,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

EPNO often employs Community Service Aides to assist with neighborhood outreach. \$6000.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Equity & Human Rights

Type: New Request

Request: OE_001 - Implement Centralized Service Delivery Model

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	243,460	(243,460)	0
External Materials and Services	20,000	(20,000)	0
TOTAL EXPENDITURES	263,460	(263,460)	0
REVENUES			
General Fund Discretionary	263,460	(263,460)	0
TOTAL REVENUES	263,460	(263,460)	0
FTE			
Full-Time Positions	2.33	-2.33	0.00
TOTAL FTE	2.33	-2.33	0.00

Bureau Description:

City Council included a budget note in the FY 2016-17 Adopted Budget directing OEHR to "...carry out an assessment to identify a staffing model that will allow the bureau to balance its programmatic, training, and policy needs in order to meet its mission and mandate as set by Council." OEHR completed this assessment in advance of the December 1, 2016 deadline and is submitting it as part of the Fall BMP.

OEHR proposes a centralized staffing model to serve the growing need of bureaus for technical assistance and education. In order to implement a portfolio model similar to HR Business Partners or Budget Office analysts, OEHR is requesting funding to support four new full-time equity specialists -- each of whom would support and advise a portfolio of city bureaus. This, in conjunction with the current Equity Managers in five bureaus, would allow full coverage of all city bureaus and council offices.

Under this centralized model, authority and responsibility for equity programs and policies would no longer be so widely dispersed throughout the City. Rather, it would ensure an increased the level of assistance, focused and consistent methodology and practice across bureaus, and fiscal efficiency by eliminating the need for additional bureaus to find funding for equity positions.

Please refer to OEHR's "Staffing Assessment & Centralized Service Delivery Model" report submitted as part of the Fall BMP for additional detail.

CBO Discussion and Recommendation

Not recommended. The Budget Monitoring Process is not typically used to make permanent position changes requiring General Fund resources, as these require ongoing funds not available during the supplemental budget processes. In addition, Council does not have an opportunity to weigh these ongoing changes against other ongoing City priorities. CBO recommends new requests in the Fall Supplemental Budget that are one-time, unforeseen, urgent, fully developed, and unlikely to be absorbed in existing bureau budgets. Consistent with the budget note direction, CBO recommends that Council consider this proposal as part of FY 2017-18 budget development.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Equity & Human Rights

Type: New Request

Request: OE_002 - Equitable Contracting & Purchasing Commission

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	26,320	18,690	45,010
External Materials and Services	8,680	(18,690)	(10,010)
TOTAL EXPENDITURES	35,000	0	35,000
REVENUES			
General Fund Discretionary	35,000	0	35,000
TOTAL REVENUES	35,000	0	35,000
FTE			
Limited Term Positions	0.29	0.15	0.44
TOTAL FTE	0.29	0.15	0.44

Bureau Description:

On February 25, 2015, ordinance 187030 was passed by Council to establish the Commission on Equitable Contracting and Purchasing (ECPC) to increase inclusion of minorities and women in the workforce on City-funded projects. At the request of the mayor, OEHR is requesting \$35,000 in unspent FY 2015-16 budget from the Mayor's Office to fund a half-time program coordinator to support of the ECPC initiative. Responsibilities would include:

- Coordinating with the Chair and the ECPC, the work to create and submit periodic reports at least annually on utilization to the Council, including data on City spending and contract awards to minorities and women owned-business and data on minorities and women in the construction workforce on City-funded projects.
- Coordinating with the ECPC to host a minorities and women-owned business summit designed to solicit direct community feedback and reporting about the effectiveness of the City's policies, processes and programs to increase minorities and women owned business in City contracting and to increase minorities and women in the construction workforce on City funded projects.
- Assisting the Chair in presenting a status report of Commission work to the Fair Contracting Forum on a regular basis.
- Providing staff support necessary for the conduct of the Commission work, as well as coordinating assistance from other bureaus, as directed by the Chair and Mayor's Office.
- Coordinating the collection of data from City bureaus, who will be responsible for submitting procurement plans and recording their actual utilization.
- Assisting the Mayor's Office, which shall serve as a liaison between the Commission and city bureaus, to facilitate the exchange of data and information.
- Administratively managing resources provided by City Council and City bureaus for successful implementation and ongoing operations of the ECPC.

CBO Discussion and Recommendation

While not unforeseen, the need for additional support is urgent in order to meet the City's obligation to the commission as outlined in the authorizing ordinance (#187030). The level of support and data analysis required to help the commission meet its mission and recommendations cannot be provided within existing bureau resources, and failure to allocate funding for this purpose at this time would severely limit the commission's work in the current fiscal year. As such, CBO recommends funding the position with one-time General Fund resources in the current year, and recommends that the bureau consider the ongoing needs for this commission and other data analysis functions as part of its proposed staffing structure.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Equity & Human Rights

Type: New Request

Request: OE_003 - Racial Equity Roadmap Support

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	15,000	0	15,000
External Materials and Services	(5,000)	0	(5,000)
Internal Materials and Services	(5,000)	0	(5,000)
TOTAL EXPENDITURES	5,000	0	5,000
REVENUES			
Intergovernmental Revenues	5,000	0	5,000
TOTAL REVENUES	5,000	0	5,000

Bureau Description:

OEHR is requesting Council approval for three minor budget adjustments to reallocate \$15,000 to fund part-time staff support of the Racial Equity Roadmap process. This will be accomplished by consolidating staff space to lower office lease costs; reducing employee development budget by 50% on a one-time basis; and realizing \$5,000 of intergovernmental revenue from the City of Oakland for ongoing executive loan services provided by the OEHR director.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Office of Equity & Human Rights

Type: Encumbrance Carryover Request

Request: OE_004 - Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,000	0	2,000
TOTAL EXPENDITURES	2,000	0	2,000
REVENUES			
General Fund Discretionary	2,000	0	2,000
TOTAL REVENUES	2,000	0	2,000

Bureau Description:

OEHR is requesting Council approval to carry over \$2,000 to fund the remaining work on a professional services contract for the Culturally-Specific Mentorship Pilot. This pilot program has been successful and is now being implemented more broadly.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: Encumbrance Carryover Request

Request: PA_001 - GCDV - Encumbrance Carry-Overs

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	110,178	0	110,178
TOTAL EXPENDITURES	110,178	0	110,178
REVENUES			
General Fund Discretionary	110,178	0	110,178
TOTAL REVENUES	110,178	0	110,178

Bureau Description:

This package requests one-time General Fund discretionary to fund the following encumbrance carryovers: 1) Catholic Charities 22100668 = \$16,342, 2) Catholic Charities 22100668 = \$1,773 3) Catholic Charities 22100669 = \$29,273, 4) Language Fusion 22147753 = \$4,959, 5) IRCO 22153744 = \$8,964, 6) NAYA 22154025 = \$14,200, 7) YWCA 22157552 = \$3,688, 8) Catholic Charities 22158443 = \$1,845, 9) Ecumenical Ministries of Oregon 22177877 = \$2,350 10) Bradley Angle 22177878 = \$7,103, 11) River City Rush 22180008 = \$1,689, 12) Catholic Charities 22180950 = \$17,992

CBO Discussion and Recommendation

Recommended as requested. The bureau has sufficient General Fund discretionary ending balance to fund this carryover.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: New Request

Request: PA_002 - CPA - Carry-Over

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	2,622	(2,622)	0
TOTAL EXPENDITURES	2,622	(2,622)	0
REVENUES			
General Fund Discretionary	2,622	(2,622)	0
TOTAL REVENUES	2,622	(2,622)	0

Bureau Description:

This request asks for \$2,662 (DPO #22197013) in unspent FY 2015-16 balance from the Commissioner of Public Affairs budget for the payment of invoice #68062 with Harris WorkSystems for FY 2015-16 office expenses.

CBO Discussion and Recommendation

Because it is still early in the fiscal year, CBO recommends waiting to determine if this cost can be absorbed in the current year budget. CBO will work with finance staff to continue to monitor the office's budget, and will recommend amendments as necessary in the Spring BMP to prevent any over-expenditures at year's end.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Affairs

Type: New Request

Request: PA_003 - CPA - GCDV Economic Empowerment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	20,000	0	20,000
TOTAL EXPENDITURES	20,000	0	20,000
REVENUES			
General Fund Discretionary	20,000	0	20,000
TOTAL REVENUES	20,000	0	20,000

Bureau Description:

This request asks for \$20,000 in unspent FY 2015-16 balance from the Commissioner of Public Affairs budget to support a pilot program through the Gateway Center for Domestic Violence. The program would contract with a private job developer to work alongside an economic empowerment position funded with one-time money from Multnomah County provided this fiscal year. The private job developer assists the survivor in recruitment of employment while removing the stigma that can be associated with being a victim of domestic violence. At the Gateway Center there are dedicated housing specialists who provide housing placement and eviction prevention services through an already established contract with YWCA of Greater Portland. The program goal is to obtain or maintain safe and stable housing. The program guidelines dictate that they only invest in placements that can be sustained by the survivor after the assistance ends. Because housing is so expensive in today's market, often a housing placement can only be sustained if the survivor also obtains a good job, or a better paying job than they previously had while in a domestic violence situation. Housing specialists work with survivors alongside the economic empowerment specialists to ensure a safe home is also financially sustainable for the survivor.

CBO Discussion and Recommendation

CBO recommends this request, which addresses an unforeseen and urgent need. CBO notes that this would provide one-time General Funds to meet an unexpected service gap; should the Gateway Center determine that it is the best provider of this service on an ongoing basis, the center will need to identify grant funding or be considered among other requests for ongoing General Fund resources in FY 2017-18 Budget Development.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Technical Adjustment

Request: PK_001 - Fall - Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
External Materials and Services	(125,000)	0	(125,000)
Internal Materials and Services	3,000	0	3,000
Bond Expenses	0	0	0
Contingency	125,000	0	125,000
TOTAL EXPENDITURES	3,000	0	3,000
REVENUES			
Charges for Services	0	0	0
Fund Transfers - Revenue	3,000	0	3,000
General Fund Discretionary	0	0	0
TOTAL REVENUES	3,000	0	3,000

Bureau Description:

Technical adjustments between major object categories, cost centers, and/or commitment items that do not impact fund size or contingency. Note - Included are shifts to fund additions to City Fleet inventory with new vehicle purchases for new employees (inc. per Resolution 35960).

CBO Discussion and Recommendation

Recommended as requested.

Included within this request are a series of adjustments that are intended to more accurately budget for the arbitration settlement, which will be implemented as of October 1st per the terms of the agreement.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: New Request

Request: PK_002 - Fall - New Revenue Requests

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	207,347	0	207,347
External Materials and Services	3,751	0	3,751
Internal Materials and Services	21,399	0	21,399
Capital Outlay	223,000	0	223,000
Bond Expenses	(224,073)	0	(224,073)
Fund Transfers - Expense	223,000	0	223,000
Contingency	977,000	0	977,000
TOTAL EXPENDITURES	1,431,424	0	1,431,424
REVENUES			
Charges for Services	(224,073)	0	(224,073)
Interagency Revenue	232,497	0	232,497
Fund Transfers - Revenue	1,312,473	0	1,312,473
Miscellaneous	110,527	0	110,527
TOTAL REVENUES	1,431,424	0	1,431,424

Bureau Description:

This package recognizes changes in fund size due to new revenues or adjusted revenue projections. This package is highlighted by a \$1.2 million sale of the Tabor Annex property to Portland Housing Bureau.

CBO Discussion and Recommendation

Recommended as requested.

As part of this package, the bureau is requesting to increase cash transfers from the Housing Bureau to the Parks' Capital Fund in order to recognize the sale proceeds of the Tabor Annex. Parks identified this property as surplus, and consistent with City protocol on the sale of surplus property, Parks solicited interest from all bureaus. Portland Housing Bureau is the only bureau that expressed interest, and has offered the appraised value of \$1.2 million. Parks is not currently using this property, but the YMCA operates a day care center in the building. Per the agreement with the Portland Housing Bureau, the lease will be honored through 2016, and once the new development is completed, the YMCA will be allowed to maintain its day care center.

The bureau is requesting that the sale proceeds be transferred to the Parks Memorial Fund and then be used for a future project. As currently drafted, the ordinance for the sales agreement does not specify how these funds should be used, whether for new parks or facilities for services, facilities to house administrative and maintenance staff, or for major maintenance needs. For future projects that add capacity for Parks services, CBO recommends that system development charge revenues be prioritized rather than the surplus sale proceeds. Given the significant major maintenance needs of the bureau, CBO recommends that the funding be used as the 25% match of FEMA grants for projects related to the December 2015 storm.

Also included within this request is an increase of \$190,465 in interagency revenues from BES for additional Park Ranger presence on BES properties. CBO recommends this adjustment, seeing that homelessness along the Springwater Corridor Trail presents a unique challenge because of proximity of BES to Parks' properties, for which the most efficient solution appears to be to consolidate patrol services into the ranger program. However, as discussed in PK_007, CBO notes that efforts to enforce camping regulations will result in displacement of camps to other locations.

The staffing, as agreed upon by Parks and BES, would fund three seasonal rangers through December, and then 1.0 FTE Park Ranger and 1-2 seasonal rangers for the remainder of the fiscal year. The agreement also provides for an ongoing 1.0 FTE ranger and 1-2 seasonal rangers beginning in FY 2017-18. These rangers will be primarily used for patrolling BES properties along the Springwater Corridor and elsewhere, and enforcing trespassing and camping regulations.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Encumbrance Carryover Request

Request: PK_003 - Fall - Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	451,811	0	451,811
TOTAL EXPENDITURES	451,811	0	451,811
REVENUES			
General Fund Discretionary	451,811	0	451,811
TOTAL REVENUES	451,811	0	451,811

Bureau Description:

PP&R recognizes encumbrances for one-time purchases that were over \$5,000 in value and encumbered in the prior year, but not received or accrued in the prior year, limited to the General Fund underspending by PP&R in the prior year. In FY 2015/16, PP&R was underspent by \$451,811, and contained \$489,479 in eligible encumbrances. Thus, this request is for the lesser of the two amounts of \$451,811 in General Fund underspending.

CBO Discussion and Recommendation

Recommended as requested.

As noted by the bureau, the bureau's net underspending of FY 2015-16 General Fund resources totaled \$451,811, thereby limiting the amount that the bureau can request in encumbrance carryover.

Included within this carryover request is \$120,000 to carryover resources to fund an agreement with Portland State University's Survey Research Lab. This survey was intended to be deployed this summer, but per direction from PSU, this multimodal survey should be delayed until after the November 2016 elections, so as to avoid polling fatigue. Survey findings will be used to update the 2020 Vision – the bureau's long-term strategic plan – which has not been updated since 2008.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Program Carryover Request

Request: PK_004 - Fall - Grant Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	633,764	0	633,764
TOTAL EXPENDITURES	633,764	0	633,764
REVENUES			
Budgeted Beginning Fund Balance	633,764	0	633,764
TOTAL REVENUES	633,764	0	633,764

Bureau Description:

This package recognizes changes in or carryovers from prior year grants.

CBO Discussion and Recommendation

Recommended as requested.

The bureau requests adjustments to five grants in order to more accurately reflect project expenditures and expected reimbursements, including

- \$106,539 for the Springwater Trail Gap
- \$100,010 for the Whitaker Pond Access Improvements
- \$427,215 for the Thomas Cully project, which includes funding from the Oregon Parks and Recreation Department and from the DEQ.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Technical Adjustment

Request: PK_005 - Fall - Beginning Fund Balance Adj.

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	54,166	0	54,166
External Materials and Services	326,242	0	326,242
Internal Materials and Services	0	0	0
Capital Outlay	41,079,039	0	41,079,039
Contingency	(835,733)	0	(835,733)
TOTAL EXPENDITURES	40,623,714	0	40,623,714
REVENUES			
Budgeted Beginning Fund Balance	40,623,714	0	40,623,714
TOTAL REVENUES	40,623,714	0	40,623,714

Bureau Description:

This package is to adjust the beginning fund balances for PP&R funds to align with the CAFR.

CBO Discussion and Recommendation

This request adjusts beginning fund balance for specific projects within the Grants Fund, the subfunds within the Parks Memorial Trust Fund, the Parks Construction Fund, the Golf Fund, and the Portland International Raceway Fund. Notable adjustments include the following:

- Beginning fund balance in the Golf Fund decreased by \$126,534 due to the under collection of revenues at Colwood Golf Center. As noted in prior CBO analyses, in the near term, the Golf Program will need to be carefully monitored so as to avoid overspending; over the long term, the bureau will need to decide how to "right size" the program to align with current demand and overall recreation service goals.
- Increase beginning fund balance by \$36.0 million in the SDC subfund due to the underspending of project budgets in FY 2015-16 and the over collection of SDC revenues. Service charge revenues in the SDC Capital Fund also exceeded budget of \$19.1 million by \$2.5 million (for a total of \$21.6 million), primarily driven by the collection of residential SDCs. This marks a continued trend over the past three years, during which SDC revenues have exceed \$20.0 million per year, resulting in a balance of \$61.5 million.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Technical Adjustment

Request: PK_006 - Fall - Position Changes

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
Miscellaneous	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Full-Time Positions	5.00	0.00	5.00
Limited Term Positions	-3.00	0.00	-3.00
TOTAL FTE	2.00	0.00	2.00

Bureau Description:

This package converts six limited-term positions and adds four positions which have been funded since the Adopted Budget. They are a mix of positions that were newly created due to the expansion of the capital program, clean-up of prior year positions that were funded but P-4's not completed by the budget deadline, or positions funded through FY 2016/17 Operations & Maintenance funding that included funding but not position authority. They include conversions of positions 40024852, 40025797, 40025960, 40025961, 40026134 and 40026183. And the creation of (1) Capital Project Manager III, (1) Rec Coordinator I, (1) Community Outreach and Information Representative, and (1) Horticulturist.

CBO Discussion and Recommendation

Recommended as requested.

Three of the positions are being created or converted to support the 2014 bond program (Capital Project Manager and Capital Project Manager III); two are created within Urban Forestry (Botanic Specialist II and Asst Program Specialist) to be funded by the Tree Planting and Preservation Trust Fund and Tree Code fees. Two of these positions have been previously approved by Council in the FY 2015-16 Fall BMP; however, these positions were not created by the bureau, and as such, the FY 2016-17 Adopted Budget includes funding for these positions but not position authority.

As noted by the bureau, two of these positions will be funded by a portion of resources appropriated by Council for the operations and maintenance of recently completed new parks or natural acquisitions. The current O&M methodology is based on recovering the full cost of service for operating and maintaining parks, a portion of which is for administrative support. Rather than creating positions that directly support newly completed parks, the bureau uses the funding to address the most urgent operations and maintenance needs within the system, as a result of which, the new parks are served by both new and previously created positions. Earlier this year, the bureau created two limited-term positions with these resources, however, because Council approval is required for permanent positions, the bureau is requesting the conversion of these positions within the Fall BMP.

Notably, as a reduction package, the bureau eliminated the administrative assistant to the Asst. Director of Parks during the FY 2016-17; the bureau is now recreating that position using recently appropriated O&M resources. Despite concerns with how eliminating this position would shift administrative functions onto other senior staff, CBO ultimately recommended that the position be eliminated because of the other relatively higher priorities within the City. Similarly, the bureau requested a position to assist with the bureau's emergency preparedness efforts as part of its FY 2016-17 Requested Budget. Council did not approve funding for the position, but the bureau is now requesting to create this position using recently appropriated O&M resources. As part of the FY 2016-17 budget analysis, CBO recognized the need for the position but did not recommend funding because of other, more urgent priorities within the bureau and City. The bureau has confirmed that these two administrative functions address their most pressing priorities.

CBO recommends the creation of these two positions but notes that Council previously intended that these positions not be created.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: New Request

Request: PK_007 - Fall - SpringwaterTrail Rangers/Campsite Clean-up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	186,483	0	186,483
External Materials and Services	55,000	0	55,000
TOTAL EXPENDITURES	241,483	0	241,483
REVENUES			
General Fund Discretionary	241,483	0	241,483
TOTAL REVENUES	241,483	0	241,483

Bureau Description:

One of the central issues facing the City is lack of shelter for our houseless neighbors. As such, the city has seen a significant increase in people camping along the Springwater trail and east Portland parks. Furthermore, the Mayor's efforts to ban camping enforcement on the trail and complete the comprehensive camp clean-up along the trail have illustrated the need for more Park Ranger patrols at the site and nearby locations on a daily basis. It will be critical to anticipate and mitigate the impacts on other east Portland properties before large campsites form and create negative impacts on neighborhood livability and the natural habitat. The success of the Springwater cleanup will require increased and ongoing Park Ranger presence along the Springwater to ensure that campers do not return and in other east Portland park properties that campers may move to. Additional Park Rangers are necessary to ensure the success of the post-cleanup security plan. This package includes a total of four Rangers for the remainder of the fiscal year, along with \$55,000 in campsite cleanup funding. This package is offset by current year vacancy savings.

* Note - this doesn't include any other possible clean-up sites, such as Gateway Green.

CBO Discussion and Recommendation

Recommended as requested.

The bureau is requesting 4.0 limited-term ranger positions specifically to address homelessness issues along Springwater Corridor and parks within East Portland. Concurrently, Parks is also requesting to increase an interagency agreement with the Bureau of Environmental Services in order to provide patrol and response services for BES natural areas (see PK_002).

Camping along the Springwater Corridor Trail and other public spaces has caused an increase in the need for ranger services in parks across the city. Recently, the Mayor's Office has directed the Ranger Program to play a central role in enforcing camping restrictions along the corridor. As part of their efforts, rangers notify and ask homeless persons to leave camps along the corridor, refer vulnerable individuals to social services, and when necessary post, remove and clean-up camps on parks properties.

This request raises several questions about the role of Park Rangers in addressing homelessness. While rangers are trained in providing referral services, the primary function of Rangers has been previously focused on securing parks and working with visitors to achieve compliance with park rules rather than working with the homeless population. The requested expansion of the program would provide a positive security presence, but the primary purpose is focused on mitigating the negative impact of homelessness, discouraging re-occupancy, and addressing violations of park camping rules. The strategy is likely to lessen visible camping along the corridor, but this strategy will not address the broader issue of how to serve the estimated 500 homeless persons that are being displaced as a result of the sweeps. The bureau is anticipating that homeless persons along the corridor are likely to relocate to other nearby parks and neighborhoods, thereby encouraging camping in less visible areas. Tracking these camps, mitigating the negative impacts, and serving this homeless population will become more difficult and may result in the need for additional City resources.

The bureau anticipates an ongoing need for the six requested positions, indicating that an additional \$400,000 to \$500,000 for additional ongoing ranger programs will be requested in the FY 2017-18 budget process. CBO recommends the requested positions due to the urgency around the issue of camping in the City's parks, but recommends that also encourages the bureau to work with the Joint Office of Homeless Services in order to better define the Ranger Program's role over the remaining eight months of the fiscal year.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: New Request

Request: PK_008 - Fall - Stage 1: Health, Safety & Environment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	60,000	(60,000)	0
External Materials and Services	350,000	(200,000)	150,000
Capital Outlay	50,000	0	50,000
TOTAL EXPENDITURES	460,000	(260,000)	200,000
REVENUES			
General Fund Discretionary	460,000	(260,000)	200,000
TOTAL REVENUES	460,000	(260,000)	200,000

Bureau Description:

In response to community concerns this past summer, PP&R embarked on an evaluation and some limited implementation of a portion of needed Health, Safety, and Environmental (HSE) projects, specifically related to Lead Hazard Reduction.

Much work remains including: definition of a comprehensive and proactive strategic approach targeted to all of PP&R's greatest HSE risks; remediation or permanent mitigation of issues understood thus far; and project administration of Lead Hazard Reduction projects during transition to an ongoing program (thus allowing staff to reorient from the Lead Hazard Reduction Project back to their core work).

This package is responsive to community concerns while setting the stage for implementation of an HSE program suitable for PP&R's unique asset portfolio, inherent risks, and operating context and includes:

- Remediation to reduce lead content in drinking water sources at Multnomah Arts Center.
- HSE Consultant for sampling testing & remediation recommendation for priority 1 & 2 water and playground equipment.
- Development of PP&R HSE program
- Abatement of lead paint at various PP&R assets
- Arc flash electrical hazard analysis at Children's Museum & Matt Dishman CC.

CBO Discussion and Recommendation

CBO recommends \$200,000 of the requested total of \$460,000.

Included within this request are several items, all of which fall under improvements to health, safety and environment; however, the primary purpose of this this request is to address the recent findings of lead in Parks' facilities and playgrounds. CBO recommends the components of this request that address lead issues totaling \$200,000, but recommends that bureau request the remaining components of the request as part of the FY 2017-18 budget process. Those items that are not directly related to lead mitigation include the scoping and program design of a bureauwide Health, Safety and Environment program (\$125,000), testing of Arc Flash at Matt Dishman Community Center and the Children's Museum (\$75,000). To the degree that the bureau has projected underspending in the last quarter of FY 2016-17, CBO recommends that these items be funded within the bureau's current General Fund appropriation.

CBO also notes that this request only includes funding to remediate lead issues at Multnomah Arts Center and that the remaining funding will be used for additional testing of water, soil and paint on playground structures. To the degree that these tests return positive lead results, the bureau is likely to ask funding for additional remediation costs, including the decommissioning or replacement of playgrounds. Requests for funding these items will be submitted in the FY 2017-18 budget process or the FY 2016-17 Spring BMP.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Capital Set-Aside Request

Request: PK_009 - Fall - Capital Set-Aside - Halprin Sequence

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,500,000	(1,500,000)	0
TOTAL EXPENDITURES	1,500,000	(1,500,000)	0
REVENUES			
Fund Transfers - Revenue	1,500,000	(1,500,000)	0
Miscellaneous	0	0	0
TOTAL REVENUES	1,500,000	(1,500,000)	0

Bureau Description:

This package addresses the most critical repair needs at the four Halprin Sequence iconic park fountains to correct unsafe, non-compliant electrical service violations; outdated fountain equipment room ventilation; water filtration and water treatment equipment; exposed electrical conduit, wiring and rebar; and lack of functioning lighting. Degrading fountain walls and basins, failing fountain and stormwater piping, and failing electrical systems pose critical life of asset and safety concerns, and result in significant water leaks and loss. This project leverages \$200,000 in existing City funds for schematic design of renovations. Additionally, there is a \$2.15 million planned voluntary Local Improvement District (LID) investment, the first of its kind, and \$350,000 in additional anticipated private fundraising.

CBO Discussion and Recommendation

The bureau requests \$1,500,000 to fund a portion of costs to restore the Halprin Fountain Sequence (Keller Fountain, Pettygrove Park, Lovejoy Fountain, and the Source Fountain, and connecting pedestrian walkways). A similar request was included in the bureau's FY 2016-17 Requested Budget, and as a budget note in the FY 2016-17 Adopted Budget, Council directed the bureau to request funding of \$1,500,000 in the Fall BMP. Per the budget note, "Funding for the fountains will be contingent upon approval of a Local Improvement District." Total project cost is estimated to be \$3.85 million, and in addition to the requested funding, Parks also anticipates \$2.15 million from a planned LID and the potential for additional private funding. Support for the LID may be contingent upon Council's approval of the total \$1.5 million, and so if only a portion of the funding is approved, then other improvements may not be addressed. The bureau estimates the total improvement needs for all four fountains to be approximately \$10 million.

Within these spaces, there are sections of broken concrete, exposed electrical services, inoperable lighting, and failing fountain infrastructure. If the full amount is not funded for the project, Council could choose to fund the electrical improvements, which are considered to pose the greatest risk. Specifically, the narrow electrical vault and outdated electrical system pose the most significant risk to bureau employees who service the Lovejoy Fountain (estimated repairs cost \$400,000). Additionally, lighting around Keller Fountain has needed to be repaired for many years, and because of drop offs greater than 6 feet, there is risk during nighttime hours due to the unlit pathways (estimated repairs cost \$880,00). Without funding, the Lovejoy fountains would likely be turned off.

This project ranked third of 20 in the FY 2016-17 Infrastructure Project Ranking due to the safety hazards and service disruption (greater than 10,000 customers). Intercept surveys of users or visitation counts have not been conducted to assess the public's interest in these assets; however, the fountains adjacent to Keller Auditorium are considered to be historically significant and receive the greatest number of visits. Although there is no user data available, given the fountains locations near Keller Auditorium and the South Auditorium district, it seems reasonable to assume that visitors skew towards higher-income Portlanders. The Halprin Sequence is frequented less often than other Parks' assets and given other major maintenance needs that will likely cause greater service disruption (Parks had an estimated asset management backlog of \$24.8 million in 2015), CBO does not recommend funding.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Capital Set-Aside Request

Request: PK_010 - Fall - Capital Set-Aside - Boiler Replacements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	750,000	0	750,000
TOTAL EXPENDITURES	750,000	0	750,000
REVENUES			
Fund Transfers - Revenue	750,000	0	750,000
Miscellaneous	0	0	0
TOTAL REVENUES	750,000	0	750,000

Bureau Description:

This package replaces failing boilers, piping, and heat registers at Mt. Scott Community Center (MSCC), Columbia Pool, and Peninsula Park Community Center (PPCC). The MSCC and PPCC boilers have been experiencing frequent failures, causing reductions in levels of service and increasing reactive maintenance; the Columbia Pool boiler is at imminent failure. Each of these locations has only one boiler, meaning that boiler failures cause facility closures. If the \$750,000 is funded, energy rebate funds would be available to leverage up to \$86,600 in additional funding towards these repairs.

CBO Discussion and Recommendation

Recommended as requested.

Parks requests one-time General Fund discretionary resources of \$750,000 to replace failing boilers at Mt. Scott Community Center, Columbia Pool, and Peninsula Park Community Center. A similar request was included in the bureau's FY 2016-17 Requested Budget but was not funded in the Adopted Budget.

Funding for these three boilers is requested because of the lack of system redundancy at the three, highly-used sites; however, the bureau has identified seven other boilers that are at high-risk for failure. New boilers are expected to reduce the amount of reactive maintenance, eliminate programming disruptions, and increase energy efficiency of these buildings. If replaced, the expected asset life of a boiler is 25 years.

Leaking in boilers at all three centers have caused disruptions to programming and increased reactive maintenance activities. Specifically, in the past year, there have been 71 disruptions at the Mt. Scott Community Center, nine disruptions at Columbia Pool, and four disruptions at Peninsula Park. Disruptions last for several hours or up to days, depending upon the complexity of repairs. The specific number of residents potentially impacted by boiler failures at these three sites cannot be estimated, however, based on 2014 visitation data, Mt Scott received 341,000 visitations, Columbia Pool had 129,000 visitations, and Peninsula Park had 50,000 visitations.

This project ranked seventh of 20 in the FY 2016-17 Infrastructure Project Ranking primarily due to the potential service disruption (greater than 10,000 customers) of not replacing the boiler.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Capital Set-Aside Request

Request: PK_011 - Fall - Capital Set-Aside - CC Fire & Life Safety

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	750,000	(750,000)	0
TOTAL EXPENDITURES	750,000	(750,000)	0
REVENUES			
Fund Transfers - Revenue	750,000	(750,000)	0
Miscellaneous	0	0	0
TOTAL REVENUES	750,000	(750,000)	0

Bureau Description:

This project seeks to replace and modernize the detection and alarm systems, upgrade security cameras, and install lockdown mechanisms at up to five community centers listed below. Project economies will be realized due to the breadth (multiple community centers) and depth (multiple systems) of the project:

- Mt. Scott Community Center
- Southwest Community Center
- East Portland Community Center
- Charles Jordan Community Center
- Matt Dishman Community Center

In the past three years, there have been over 75 failures, needed repairs, or identified code discrepancies from the ADA Transition Plan of the fire and smoke alarm systems at these five community centers. The enhanced security systems will also improve reliability and aid our effort to support the police in their investigation of criminal activity. These centers support millions of visits every year, have a very high occupancy which includes programs for seniors, preschools, and programs targeted to low-income or at-risk teens. Where they exist, these systems are obsolete with proprietary and at times difficult to obtain parts. Thirty code deficiencies have been documented, and this package will address the most problematic among those. When the alarm system malfunctions, staff must monitor the alarm panel rather than rely on automated alarm relay to Portland Fire & Rescue. These are among the most important life-safety systems at Community Centers.

CBO Discussion and Recommendation

This request includes funding for several improvements related to fire and safety at the bureau's community centers. As noted in the request, the bureau is requesting funding for three different systems (alarm systems, automatic door locks, and closed-circuit cameras) at the five, highest priority community centers (Mt. Scott, Southwest, East Portland, Charles Jordan and Matt Dishman).

As noted by the bureau, there have been 75 incidents of alarm failure at these sites in the past three years and 30 code deficiencies. Given the frequency of incidents and the critical nature of these systems and need for automatic locks, these projects are likely to rank high within the bureau's current major maintenance rankings and should be funded within the annual major maintenance allocation.

This package would also provide \$165,000 in one-time General Fund resources to upgrade or add closed-circuit cameras at four sites. Areas that typically lack coverage are daycare rooms, front desk areas, and entry/exit doors. Security cameras are used for several purposes: security incident deterrence, loss prevention (due to theft/ vandalism), and creation of records for liability protection in the event of a claim. Currently, the bureau has budgeted \$50,000 per year for technology costs, which could be used toward the security cameras. However, the bureau typically has competing IT needs, limiting resources available for cameras. CBO recommends that the bureau continue to make periodic investments in security cameras at the highest need sites. CBO does not recommend any new General Fund resources in the Fall BMP.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Capital Set-Aside Request

Request: PK_012 - Fall - Capital Set-Aside - SWCC Natatorium Roof

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,300,000	0	1,300,000
TOTAL EXPENDITURES	1,300,000	0	1,300,000
REVENUES			
Fund Transfers - Revenue	1,300,000	0	1,300,000
Miscellaneous	0	0	0
TOTAL REVENUES	1,300,000	0	1,300,000

Bureau Description:

The Southwest Community Center supports over 300,000 visits a year and largely supports its own daily operation with \$2M in revenue. This high-use, high-visibility facility was also selected for additional rooftop solar panels in the Mayor's Solar Initiative. Programming includes pre-school programming, programming for teens as well as for honored citizens and nearby low-income housing. The roof in the natatorium leaks and has been patched in the past, but has continued to deteriorate causing dry rot and damage. In its current state, facility closure and emergency repair become highly likely within the next two years, as does more extensive damage. Worst case scenario includes more extensive wood, membrane, and facility damage, resulting in prolonged closure of the pool or center. This project proposes to accomplish the necessary roof and structure repairs to assure reliable integrity in rain and storm events. Removal of a portion of the metal roof is necessary to accomplish complete repairs. A portion of the known damage is on the same section of the roof where the Mayor's solar project is planned. This project is necessary before that solar installation can proceed.

CBO Discussion and Recommendation

Recommended as requested.

The bureau requests \$1,300,000 of General Fund one-time resources to repair a portion of roof covering the pool at Southwest Community Center. Currently, most of the leaking has been in the pool area, and as such, has not resulted in any service disruptions, but ongoing roof leaks will compromise the building structure over the long-term. Southwest Community Center pool receives approximately 57,000 visitors per year (based on 2014 estimates).

This project is eligible for bond proceeds but is not included in current plans for either bond issuance. Alternatively, the bureau's major maintenance allocation could be used to fund a portion of this project; however, as CBO has previously noted, major maintenance needs significantly exceed its current \$1.7 million allocation.

This project ranked sixth of 20 on the FY 2016-17 Infrastructure Project Ranking due to the potential financial impact of delayed maintenance, safety hazards, service disruption (greater than 10,000 customers).

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: Capital Set-Aside Request

Request: PK_013 - Fall - Capital Set-Aside - Montavilla CC Roof

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,877,000	(1,877,000)	0
TOTAL EXPENDITURES	1,877,000	(1,877,000)	0
REVENUES			
Fund Transfers - Revenue	1,877,000	(1,877,000)	0
Miscellaneous	0	0	0
TOTAL REVENUES	1,877,000	(1,877,000)	0

Bureau Description:

The Montavilla Teen / Community Center supports over 75,000 visits per year with important youth and teen-oriented programming.

There are visible leaks inside the building and paint continues to peel with water damage and evidence of water intrusion in a majority of the rooms of the building. This project intends to re-roof the building while improving roof drainage to restore building envelope integrity and prevent further asset damage. The roof is well-beyond intended service-life.

CBO Discussion and Recommendation

The bureau requests \$1,877,000 of General Fund one-time resources to replace the roof at Montavilla Community Center. The majority of the community center roof has exceeded its useful life, resulting in leaking in multiple locations. The current roof has exceeded its intended useful life and ongoing roof leaks will compromise the building structure over the long-term.

This project is eligible for bond proceeds but is not included in current plans for either bond issuance. Alternatively, the bureau's major maintenance allocation could be used to fund a portion of this project; however, as CBO has previously noted, major maintenance needs significantly exceed its current \$1.7 million allocation.

Montavilla Community Center receives approximately 35,000 visitors per year and currently serves as the central location of the Teen Center. The households in the service area for Montavilla Community Center serve a higher percentage of non-white and low-income residents than the City average. This project ranked 18 of 20 in the FY 2016-17 Infrastructure Project Ranking due to the potential financial impact of delayed maintenance, safety hazards, service disruption (greater than 10,000 customers). Because of these concerns and because this investment further reduces other long-term major maintenance needs by preserving critical, highly-used assets, CBO recommends that the bureau request funding for this project in the FY 2017-18. However, due to the limited resources in the Fall BMP, CBO does not recommend funding.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Parks & Recreation

Type: New Request

Request: PK_014 - Fall - FEMA 25% Match for December Storm

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,678,641	(478,641)	1,200,000
Contingency	0	(1,200,000)	(1,200,000)
TOTAL EXPENDITURES	1,678,641	(1,678,641)	0
REVENUES			
Fund Transfers - Revenue	1,678,641	(1,678,641)	0
Miscellaneous	0	0	0
TOTAL REVENUES	1,678,641	(1,678,641)	0

Bureau Description:

The President of the United States of America declared that a major disaster exists in the State of Oregon, based on damage resulting from Straight Line Winds, Flooding, Landslides, and Mudslides, as a result of the Severe Winter Storms that happened December 6th - 23rd, 2015.

Federal funding will be provided by the Federal Emergency Management Agency and is administered by Oregon Emergency Management (OEM) under the authority of Presidential Major Disaster Declaration FEMA 4258-DR-OR (FEMA Declaration). OEM will reimburse the City of Portland for eligible costs and activities necessary for the repair and restoration of public facilities damaged within the City of Portland, during the period December 6th – 23rd, 2015. FEMA has agreed to contribute 75% of eligible project costs for any eligible project identified. The City is responsible for providing the required 25% match for any eligible project costs identified.

This package requests General Fund one-time funds to fund the 25% match for PP&R identified projects approved by FEMA. The match includes roughly \$1 million towards a number of failed culverts in Forest Park, \$438k in match going towards landslides and undermined roadways, \$127k in match of washed-out trails, and \$50k in other damaged infrastructure.

CBO Discussion and Recommendation

Funding would provide reimbursement for a remaining 37 projects in Parks that were damaged as a result of the storm. As noted in the following information, the majority of costs are due to culvert repair - \$4.2 million of an estimated \$6.7 million. Most of these projects are within Forest Park along Leif Erikson Road, which serves as the primary emergency access to the park and is used by Parks staff on a daily basis. Significant repairs are also needed at Washington Park due to a landslide at SW Fairview Blvd and SW Knights, resulting in approximately \$500,000 of damage. Of the total \$6.7 million in damages, the bureau considers the highest priority projects to costs \$5.4 million.

Compared to the bureau's other major maintenance needs (for example, the replacement of roofs, electrical systems, ADA improvements), the repair of these culverts is less pressing; however, eventually, overflows of damage culverts will damage trail and road infrastructure in Forest Park and may impact neighboring private property owners. Due to the availability of FEMA grants to match 75% of costs and because of the potential for increased damages due to culvert overflows, addressing these damages now is most cost efficient.

Alternatively, Council could choose to fund a portion of the request for the most critical projects. In order to qualify for FEMA match funding, Parks must submit invoices for reimbursement within 18 months of the incident (August 2017); however, Parks can file extensions for projects that may be completed after this deadline.

CBO recommends that the sale proceeds of \$1.2 million for Tabor Annex be used to fund the most critical projects in this request. To the degree that remaining \$400,000 is needed, CBO recommends that the bureau submit a request for this funding in the FY 2017-18 budget process.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: Encumbrance Carryover Request

Request: PL_001 - PPB encumbrance carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	3,045,281	0	3,045,281
Capital Outlay	153,014	0	153,014
TOTAL EXPENDITURES	3,198,295	0	3,198,295
REVENUES			
General Fund Discretionary	3,198,295	0	3,198,295
TOTAL REVENUES	3,198,295	0	3,198,295

Bureau Description:

The Police Bureau requests an encumbrance carryover of \$3.20 million for purchase activity begun but not completed within FY 2015-16. The bureau established strict spending controls October 2015 to avert over-expenditure due to a high level of personnel shortage backfill overtime early in the year. The self-imposed spending restrictions were lifted in April, which allowed the bureau to initiate many of the less complex purchasing transactions in the last quarter of the fiscal year, though many were not delivered within the fiscal year.

CBO Discussion and Recommendation

Recommended as requested. The Police Bureau significantly curtailed discretionary, non-contractual service spending in October 2015 as a means to ensure adequate funding of personnel services expenses. There were approximately 637 purchase orders initiated during this time, a 42% percent decrease when compared to the total count of orders from the same time period in the previous year. As such, the bureau was unable to proceed through the procurement process for equipment, tactical safety gear, ammunition, and technology systems until very late in the fiscal year. CBO does recommend the bureau assess the possibility to smooth out the procurement of routine goods and services throughout the year in order to make transparent the base operating budget as compared to the truly one-time schedule and prioritized projects.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: Program Carryover Request

Request: PL_002 - Fund 222 begining balance adjustment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	905,346	0	905,346
Internal Materials and Services	(120,828)	0	(120,828)
TOTAL EXPENDITURES	784,518	0	784,518
REVENUES			
Budgeted Beginning Fund Balance	654,518	0	654,518
Intergovernmental Revenues	130,000	0	130,000
TOTAL REVENUES	784,518	0	784,518

Bureau Description:

The adjustments in this package true-up the FY 2016-17 Adopted begining balance within each subfund of Fund 222 to equal the actual ending balance for FY 2015-16.

CBO Discussion and Recommendation

Recommended as requested. Due to the unpredictable nature of the resource collection through the use of civil asset forfeitures, the bureau collected \$654,518 more in resources than expenses in the previous fiscal year and this is a technical adjustment to recognize these funds. Adjustments to sub-fund 222005 includes an increase in fund balance as beginning in September 2016 the bureau began to receive forfeiture proceeds, where in the past the subfund was dormant. It is anticipated that approximately \$130,000 of new resources will be received by this subfund and the BMP adjustment recognizes this resource. .

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: Technical Adjustment

Request: PL_003 - Increase City Attorney service level

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	(336,552)	0	(336,552)
Internal Materials and Services	336,552	0	336,552
TOTAL EXPENDITURES	0	0	0

Bureau Description:

Increase City Attorney Service Level funding for additional temporary staffing to support Portland Police Bureau (PPB) policy development and training. (refer to package AT_001 for offset)

Work includes researching relevant legal standards, synthesizing input from multiple internal and external stakeholders, producing documents and training materials, and negotiating with the US Department of Justice (DOJ) and the Compliance Officer and Community Liaison (COCL) where necessary to obtain approvals in conformance with the City's Settlement Agreement. There are approximately 47 policies subject to DOJ/COCL approval. The City's strategic objective is to obtain approval for all policies by the end of 2017. PPB has added additional internal staff to meet that objective. This will result in an increased demand for legal review of the policies as well as requests for training on the new policies. Attorneys and support staff are currently working at or above capacity and attorneys are working extra hours for the City to expedite policy review. In FY2013, the office anticipated the need for two to three additional full time attorneys to handle implementation of the Settlement Agreement but requested only for 1 FTE attorney with no additional support staff to keep initial costs as low as possible. However, it was also noted that "FY 13/14 and beyond will require one additional attorney with staff support and may need to request additional attorney or paralegal FTEs if workload demands." So far, the City Attorney's Office has been able to provide timely and cost-effective legal services related to implementation without additional resources. However, the workload demand has increased, is expected to rise significantly in the next year, and work must be completed in an expedited manner to meet the City's legal obligations under the Settlement Agreement.

CBO Discussion and Recommendation

Recommended with reservations. This request if implemented by PPB has the potential to set up an ongoing expense funded with one-time resources. The bureau has identified internal salary savings due to the significant number of current year vacancies and has requested to use this funding source to establish an interagency with the City Attorney's Office. The funds would allow the City Attorney's Office to hire 1.0 Sr. Deputy Attorney and 1.0 Paralegal to provide additional legal counsel for support of the settlement agreement between the City and the United States Department of Justice (DOJ). These positions would be hired as limited term positions, and new ongoing resources would be required to convert the positions to ongoing in FY 2017-18. In the event new ongoing resources are not approved by Council in FY 2017-18, PPB will need to determine what internal resources can be shifted, and what the subsequent impact on services provided become due to a reallocation of existing resources.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_004 - Background Investigator FTE

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	2.50	0.00	2.50
TOTAL FTE	2.50	0.00	2.50

Bureau Description:

Non-sworn Background Investigators – Personnel Division (3.00 FTE)

These positions will allow the bureau to redeploy three sworn officers to patrol duties while keeping up with the volume of new-hire background investigations. The bureau will absorb the cost of these limited-term position with sworn salary savings from vacancies.

CBO Discussion and Recommendation

Recommended with reservations. The bureau received new ongoing resources to both civilianize and increase the total number of backgrounders to conduct investigations prior to hire for non-sworn and sworn positions. This funding was to ensure that adequate resources and staffing would be available to accelerate the hiring process so the City would not lose viable candidates during the process. Adding three additional backgrounders is anticipated to continue to alleviate the backlog in time to hire, and return two more sworn members to patrol. PPB has indicated that the bureau will be requesting additional ongoing funding in FY 2017-18. CBO encourages the bureau to continue to use limited term resources while streamlining the process prior to the creation of additional regular civilian background positions.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_005 - Crime Analysts - Strategic Services

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	1.67	0.00	1.67
TOTAL FTE	1.67	0.00	1.67

Bureau Description:

Non-sworn Crime Analysts – Strategic Services (2.00 FTE)

The addition of these two positions will allow the bureau to redeploy two sworn officers to patrol duties while keeping up with crime analysis responsibilities in the Strategic Services Division. The bureau will absorb the cost of these two limited-term positions with sworn salary savings from vacancies.

CBO Discussion and Recommendation

Recommended with reservations. In order to fill patrol operations positions, the bureau has undergone an additional review of work assignments to further determine if the work requires sworn members or could be better performed by non-sworn positions. There are two officers filling the role of crime analysts in the Strategic Services Division (SSD), and through the addition of two limited-term crime analysts, the bureau will be able to add these resources to the daily patrol staffing roster. CBO supports the bureau's efforts to ensure that the sworn resources, of any classification, are assigned to units where sworn expertise and workload is appropriate and likewise, the non-sworn work is assigned to the appropriate classification of FTE.

In FY 2015-16, there were six crime analysts added with ongoing resources for support of the settlement agreement between the City of Portland and the United States Department of Justice (DOJ). These analysts are not focused on daily crime reporting, pattern identification or support of precinct patrol analytics. The two officer's in SSD are focused more on traditional crime analytics, and when these positions return to patrol there will leave only one non-sworn analyst to provide all crime reporting that is not in a dedicated specialty unit (such as Gang Enforcement, Drugs and Vice, and TriMet Transit Division).

The use of data analytics and its impact on crime reduction is a proven strategy for supporting patrol and crime prevention tactics and the bureau has indicated that there is an ongoing need to have dedicated crime analysts in SSD. The use of data-driven decision in patrol operations is expected in 21st Century policing, however, without identifying ongoing resources these positions will no longer exist when the limited-term expires.

Given the immediate operational need to have more sworn officers available to fill patrol positions, the CBO concurs with the bureau's request to use one-time salary savings as a funding mechanism. As this is not a long-term solution, the CBO recommends the bureau look to additional funding options outside of new General Fund resources. Such options may be converting existing vacant sworn officer positions to ongoing analysts, and reducing or realigning other less critical programs. When the bureau has been able to fill officer positions, then it may be appropriate to request the officer positions to be funded with new resources.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_006 - Crime Analyst - Detectives

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	0.83	0.00	0.83
TOTAL FTE	0.83	0.00	0.83

Bureau Description:

Non-sworn Crime Analyst – Detective Division (1.00 FTE)

The non-sworn Crime Analyst will address the requirements of the Detective Division to integrate data and criminal intelligence, perform analyses, and produce findings in support of criminal investigations of person and property crimes. The bureau will absorb the cost of this limited-term position with sworn salary savings from vacancies.

CBO Discussion and Recommendation

Recommended with reservations. The Detectives Division in the Investigations branch currently does not have assigned crime analysts to assist detectives in major person or property cases. In addition, there currently are eight detective positions vacant and with the current staffing constraints the bureau is not anticipating the ability to promote persons into this classification. As there are limited sworn member resources, the CBO recommends the bureau use of a dedicated crime analysts in the Investigation Branch. PPB has indicated that the bureau will request new ongoing resources for this position in FY 2017-18. In the event new resources are not available CBO recommends the bureau consider converting one of the eight vacant Detective positions to an ongoing crime analyst position.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_007 - Sr PASS - Professional Standards

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	0.83	0.00	0.83
TOTAL FTE	0.83	0.00	0.83

Bureau Description:

Senior Police Administrative Support Specialist – Professional Standards (1.00 FTE)

The City is weighing changes to the administrative process for resolution of public allegations of police misconduct filed with the Independent Police Review Division of the Auditor's Office. A major reason for change is to hold a hearing within the 21-day limit required by the DOJ Settlement Agreement. The various proposals are each expected to further increase the volume of administrative work required to manage these cases in the bureau's Professional Standards Division. One Sr. PASS position will be added to manage this workload. The bureau will absorb the cost of this limited-term position with sworn salary savings from vacancies.

CBO Discussion and Recommendation

Recommended with reservations. In FY 2015-16, the PPB, Auditor's Office, and other stakeholders began work to develop a new process for persons seeking resolution of allegations of misconduct made through the Independent Police Review (IPR) Division in the Auditor's Office. The US DOJ has instructed the City to hold hearings within 21 days, in conjunction with revising and streamlining the current hearing and appeals process. Potential options are still under discussion, and the bureau has determined that all options result in an increased workload of the administrative support in the Professional Standards Division. It is the bureau's plan to use current year salary savings to fund a limited-term Sr. Police Administrative Specialist (Sr. PASS) and request new ongoing resources in FY 2017-18. CBO recommends the bureau continue with the plan to use limited-term resources as it is unknown what the new process will consist of at this time. CBO also recommends that the bureau determine if there are any existing Sr. PASS positions that may be repurposed to the Professional Standards Division as this is explicitly tied to gaining compliance with the terms of the DOJ agreement.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_008 - Program Administrator – BoyStrength

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Limited Term Positions	0.83	0.00	0.83
TOTAL FTE	0.83	0.00	0.83

Bureau Description:

Crime Prevention Program Administrator – Family Services' Strength Programs (1.00 FTE)

The BoyStrength program's mission is to foster awareness, promoting healthy choices and empowering boys to be leaders in nonviolence. The program coordinates with volunteer instructors and local schools to deliver a curriculum to reduce violent behavior and violence toward women and girls. The bureau will establish a limited-term Crime Prevention Program Administrator position to direct this program. The bureau will absorb the cost of this limited-term position from sworn salary savings from vacancies.

CBO Discussion and Recommendation

Recommended with reservations. The Family Services Division runs three strength programs: WomenStrength, GirlStrength, and BoyStrength. There is ongoing funding for WomenStrength and GirlStrength, however new ongoing resources to add a Crime Prevention Program Administrator have not been appropriated for BoyStrength. The current practice has been to internally fund a limited-term position to support the BoyStrength program and the bureau will continue this practice in FY 2016-17 with the expectation that there will be a request for new ongoing resources in FY 2017-18. The program is geared towards educating at-risk boys to promote healthy choices and to become leaders in nonviolence. Salary savings from the current vacant positions are anticipated to fund this position in the current fiscal year, and the bureau will need to manage within these resources to ensure overspending does not occur.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_009 - Program Carryover - PPCOA

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	59,549	0	59,549
TOTAL EXPENDITURES	59,549	0	59,549
REVENUES			
General Fund Discretionary	59,549	0	59,549
TOTAL REVENUES	59,549	0	59,549

Bureau Description:

Program Carryover - PPCOA

The Collective Bargaining Agreement with the Portland Police Commanding Officers Association includes funding professional development with \$30,000 per year, with carryover of any unused portion to future years. The bureau requests carryover appropriation of \$59,549 not used in FY 2015-16 for this purpose.

CBO Discussion and Recommendation

Recommended as requested. This carryover is per the current collective bargaining agreement to carry forward any unspent funds of the previous fiscal year into the new fiscal year that are dedicated to the member's professional development.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_010 - Grant Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	203,682	0	203,682
External Materials and Services	290,313	0	290,313
Internal Materials and Services	45,963	0	45,963
Capital Outlay	40,398	0	40,398
TOTAL EXPENDITURES	580,356	0	580,356
REVENUES			
Intergovernmental Revenues	580,356	0	580,356
General Fund Discretionary	0	0	0
TOTAL REVENUES	580,356	0	580,356

Bureau Description:

Grant Fund Appropriations

Various adjustments to appropriations are requested to match award amounts to their related operational budgets, which are included in this request.

CBO Discussion and Recommendation

Recommended as requested. These are technical adjustments to existing grants received by the City.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: New Request

Request: PL_011 - MCDA Investigators

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	(360,000)	0	(360,000)
External Materials and Services	360,000	0	360,000
TOTAL EXPENDITURES	0	0	0

Bureau Description:

This package will return to precinct patrol three sworn Police Officers from duty as investigators at the Multnomah County District Attorney's Office under the terms of an intergovernmental agreement with the County. The transfer of these officers is driven by the need to increase the number of patrol officers during the current sworn staffing shortage. The duties they perform in conjunction with the MCDA are investigations directly and indirectly related to the prosecution of crimes within Multnomah County's jurisdiction. The bureau has provided these officers to the MCDA because the investigations are critical to the success of the prosecutions, and must continue to be performed. The bureau and the MCDA have agreed to enter into a new IGA under which the MCDA will hire three civilian investigators and the City will pay \$360,000 per year. This will allow the bureau to bolster precinct patrol staffing and the MCDA to maintain this critical investigative process.

CBO Discussion and Recommendation

Recommended as requested. The most immediate impact to the bureau will be the ability to redirect three officers to patrol operations where there is the most critical staffing need. The intergovernmental agreement has not been finalized, but the term is likely to be for multiple years and this sets up a potentially ongoing cost obligation for the PPB. In the short term, it is probable that internal salary savings can pay for the service with the Multnomah County District Attorney's Office. However, in the event this contract extends into longer time periods the bureau will need to either realign existing program resources or receive new discretionary resources.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Police Bureau

Type: Program Carryover Request

Request: PL_013 - EPAP English Language Learner Driver Ed.

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	30,479	0	30,479
TOTAL EXPENDITURES	30,479	0	30,479
REVENUES			
General Fund Discretionary	30,479	0	30,479
TOTAL REVENUES	30,479	0	30,479

Bureau Description:

This is a carryover item from FY 2015-16 to FY 2016-17 in the Fall BMP. The East Portland Action Plan has granted \$30,479 of existing FY 2015-16 General Fund ONI appropriation for the Police Bureau's Traffic Division to coordinate and conduct English Language Learners' driver education classes for a population of immigrants, refugees and new Portlanders. This is the second such grant provided through ONI for the ELL driver education classes. The bureau anticipates that the program will be conducted within FY 2016-17.

CBO Discussion and Recommendation

Recommended as requested. This is a prior year programmatic carryover where resources have previously been identified for this program.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: Encumbrance Carryover Request

Request: PN_001 - ENCUMBRANCE CARRYOVER

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	96,967	0	96,967
TOTAL EXPENDITURES	96,967	0	96,967
REVENUES			
General Fund Discretionary	96,967	0	96,967
TOTAL REVENUES	96,967	0	96,967

Bureau Description:

To request General Fund one-time budget appropriation to cover bureau encumbrance carried over from prior year and continue Central City, Residential Infill, and bureau-wide trainings and outreach efforts.

CBO Discussion and Recommendation

Recommended as requested. The bureau has sufficient General Fund discretionary ending balance to fund this carryover.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: Program Carryover Request

Request: PN_002 - GRANTS CARRYOVER & TRUEUP

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	131,198	0	131,198
External Materials and Services	189,947	0	189,947
Internal Materials and Services	40,750	0	40,750
TOTAL EXPENDITURES	361,895	0	361,895
REVENUES			
Intergovernmental Revenues	361,895	0	361,895
TOTAL REVENUES	361,895	0	361,895
FTE			
Limited Term Positions	0.50	0.00	0.50
TOTAL FTE	0.50	0.00	0.50

Bureau Description:

To request grants carryover and trueup for various multi-year grants.

CBO Discussion and Recommendation

Recommended as requested. This request includes creation of a full-time, limited term Senior Policy Analyst. With Master Planning for the Broadway Corridor set to begin in early 2017, BPS has a need for a senior-level position to integrate climate and energy goals, systems, and technologies into the early stages of the process. The position will also facilitate internal processes to revise program delivery across BPS's sustainability programs. This position is a six-month assignment and ends on 6/30/2017.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: New Request

Request: PN_003 - IAA W/ BUREAUS

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	75,000	0	75,000
External Materials and Services	136,002	0	136,002
TOTAL EXPENDITURES	211,002	0	211,002
REVENUES			
Interagency Revenue	211,002	0	211,002
TOTAL REVENUES	211,002	0	211,002
FTE			
Limited Term Positions	0.33	0.00	0.33
TOTAL FTE	0.33	0.00	0.33

Bureau Description:

To appropriate bureau to bureau IAA's for services provided by BPS. Services include DOZA with BDS, Mapping Application and Street Car Analysis with PBOT, and Business Outreach with Water.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: New Request

Request: PN_004 - CONTRACT CARRYOVER

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	39,534	0	39,534
TOTAL EXPENDITURES	39,534	0	39,534
REVENUES			
General Fund Discretionary	39,534	0	39,534
TOTAL REVENUES	39,534	0	39,534

Bureau Description:

To request General Fund one-time budget appropriation to cover contracts (w/ Metro and JLA) committed in prior year and support planning efforts. Funds were encumbered to fulfill prior year contracts, but PO's were closed by error and funds were un-encumbered during year-end. Therefore, bureau isn't able to request encumbrance carryover, instead bureau requests it as a new budget request as suggested by CBO.

CBO Discussion and Recommendation

Recommended as requested. The bureau has sufficient General Fund discretionary ending balance to fund this carryover.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: New Request

Request: PN_005 - OFF-ROAD CYCLING

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	20,000	0	20,000
External Materials and Services	20,000	0	20,000
TOTAL EXPENDITURES	40,000	0	40,000
REVENUES			
General Fund Discretionary	40,000	0	40,000
TOTAL REVENUES	40,000	0	40,000

Bureau Description:

Off Road Cycling project is proving to be more complex and taking more time to work through issues with Bureau staff and Project Advisory Committee (and eventually public). Schedule is expected to extend to June 2017. BPS has some funds in reserve that could cover any needed additional technical consultant work, but we need additional funds for facilitation of 3-4 additional Project Advisory Committee meetings and a half-time CSA to support the public engagement process.

CBO Discussion and Recommendation

Recommended as requested. The need for additional resources is unforeseen in that there was not a clear sense of what would be required to carry out a comprehensive assessment and plan development on a citywide scale during the initial request. Waiting until the next fiscal year to allocate additional resources will result in further delays, and could critically impact the City's effort to develop a final, comprehensive off-road cycling plan.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: New Request

Request: PN_006 - GREEN LOOP

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	10,000	(10,000)	0
External Materials and Services	80,000	(80,000)	0
TOTAL EXPENDITURES	90,000	(90,000)	0
REVENUES			
General Fund Discretionary	90,000	(90,000)	0
TOTAL REVENUES	90,000	(90,000)	0

Bureau Description:

This request funds the next step toward implementation for the "Green Loop." The Green Loop, a defining part of the Central City 2035 Plan, would be a 6-mile linear park linking the east and west sides of the Central City. It would connect and bring more business to multiple districts and destinations. It creates another feature that can increase activity and health for more Portlanders. It increases safety of getting around the Central City. The funding will be used for engineering work to evaluate specific potential route options, opportunities and obstacles to overcome for building the Green Loop (\$80k for Professional Services). It will also support technical services to help set up a non-profit entity to support future funding for development of the project (\$10k for Personnel Services).

CBO Discussion and Recommendation

CBO does not recommend this request. While the bureau is requesting one-time dollars to support the first phase of the Green Loop, the future costs and policy implications of the project have not yet been identified or reviewed by Council. Accordingly, CBO recommends that this policy discussion takes places before committing to what will ultimately be ongoing project costs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: Technical Adjustment

Request: PN_007 - BUDGET REALLOCATION BETWEEN PROGRAMS

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
TOTAL EXPENDITURES	0	0	0

Bureau Description:

To adjust and reallocate budget appropriation to appropriate functional areas and funded programs.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: New Request

Request: PN_008 - REBATE CARRYOVER

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	58,402	0	58,402
TOTAL EXPENDITURES	58,402	0	58,402
REVENUES			
Budgeted Beginning Fund Balance	58,402	0	58,402
TOTAL REVENUES	58,402	0	58,402

Bureau Description:

To request carryover of prior year recycle rebates received from haulers to support recycling efforts of various city bureaus.

CBO Discussion and Recommendation

Recommended as requested. BPS manages these funds for other bureaus and must carryover garbage recycling rebate revenues in order for the funds to be available for bureaus to spend against.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Bureau of Planning & Sustainability

Type: New Request

Request: PN_009 - GIS II

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	56,879	0	56,879
External Materials and Services	(56,879)	0	(56,879)
TOTAL EXPENDITURES	0	0	0
REVENUES			
Interagency Revenue	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Limited Term Positions	0.67	0.00	0.67
TOTAL FTE	0.67	0.00	0.67

Bureau Description:

To reallocate contract dollars which would have been used for technical analysis in support of the Comprehensive Plan and related zoning code projects. At this stage of the work and given the complexity of how zoning and other changes affect the Comprehensive Plan outputs, the work is most efficiently and effectively completed by internal GIS staff. The workload requires supplemental staff assistance for the GIS group.

CBO Discussion and Recommendation

Recommended as requested. This position will also be partially supported by changes to interagency agreements requested in PN_003.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Commissioner of Public Utilities

Type: Encumbrance Carryover Request

Request: PU_001 - Commissioner of Public Utilities - Enc Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	14,974	0	14,974
TOTAL EXPENDITURES	14,974	0	14,974
REVENUES			
General Fund Discretionary	14,974	0	14,974
TOTAL REVENUES	14,974	0	14,974

Bureau Description:

This package requests \$14,974 in one-time General Fund Discretionary for an encumbrance carryover to fund the remaining contract services provided by the Oregon Bureau of Labor and Industries (BOLI) to enforce the City of Portland Sick Leave Ordinances. BOLI invoices are submitted quarterly and based on actual time spent enforcing the program. BOLI will submit third and fourth quarter invoices in FY 16-17. This requests ensures the balance on contract is available to pay invoices.

CBO Discussion and Recommendation

Recommended as requested. The bureau has sufficient General Fund discretionary ending balance to fund this carryover.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Special Appropriations

Type: Encumbrance Carryover Request

Request: SA_001 - OYVP - Encumbrance Carry-Over

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	12,054	0	12,054
TOTAL EXPENDITURES	12,054	0	12,054
REVENUES			
General Fund Discretionary	12,054	0	12,054
TOTAL REVENUES	12,054	0	12,054

Bureau Description:

This package requests one-time General Fund discretionary to fund the following encumbrance carryover: 1) Portland Opportunities Industrialization Center (POIC) 22150681 = \$12,054.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Special Appropriations

Type: New Request

Request: SA_002 - COCL - Carryover of unspent funds

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	84,000	(84,000)	0
TOTAL EXPENDITURES	84,000	(84,000)	0
REVENUES			
General Fund Discretionary	84,000	(84,000)	0
TOTAL REVENUES	84,000	(84,000)	0

Bureau Description:

This request asks for \$84,000 unspent FY 2015-16 funds for the Compliance Officer Community Liaison (COCL) program in Special Appropriations. The program has a number of critical one-time needs which it was unable to encumber last year. \$54,000 The Community Oversight Advisory Board (COAB) plans to conduct six focus groups as part of the work to inform development of a Community Engagement and Outreach Plan, as called for in the Settlement Agreement garnering feedback from groups underrepresented in the Community Survey is essential to our work, and utilizing an outside firm ensures that all aspects of running focus groups, from the planning stages through analysis and reporting, are completed in a professional manner with quality results. \$30,000 for the payment of Sign Language Interpretation Services relating COAB meetings and other community interactions. The unspent appropriation for FY 2015-16 was in the Mayor's Office. In the FY 2016-17 Budget Development Process, the appropriation for COCL was moved to Special Appropriations.

CBO Discussion and Recommendation

Not recommended. Because it is still early in the fiscal year and there remains many uncertainties regarding the program costs, CBO does not recommend funding this request at this time and instead recommends that the program absorb these expenses within the existing budget. CBO has only recommended new requests in the Fall Supplemental Budget that are one-time, unforeseen, urgent, fully developed, and are unlikely to be absorbed in existing bureau budgets. CBO will continue to monitor the program's budget and will recommend amendments as necessary in the Spring BMP to prevent any over-expenditures at year-end.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Special Appropriations

Type: Encumbrance Carryover Request

Request: SA_003 - SA Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	169,947	0	169,947
TOTAL EXPENDITURES	169,947	0	169,947
REVENUES			
General Fund Discretionary	169,947	0	169,947
TOTAL REVENUES	169,947	0	169,947

Bureau Description:

Contract #30005119 Specified Animals: \$62,035. Contract #30005315 Springwater Corridor: \$40,000. Outstanding advances: \$67,912.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_001 - OMF Revenue Division Interagency

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	0	0	0
Internal Materials and Services	211,777	0	211,777
Contingency	(211,777)	0	(211,777)
TOTAL EXPENDITURES	0	0	0
REVENUES			
Budgeted Beginning Fund Balance	0	0	0
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

PBOT is requesting revenue collection services from the OMF Revenue Division to administer the Heavy Vehicle Use Tax - \$65,000 in one-time costs and \$146,777 in ongoing costs. This budget increases the OMF interagency by \$211,777 and reduces general contingency by \$211,777.

CBO Discussion and Recommendation

Recommended as requested. The \$211,777 draw is 8% of PBOT's general contingency, which the bureau is replenishing from additional ending fund balance from FY 2015-16.

PBOT expects to collect \$1.25 million in heavy vehicle use taxes this year and projects collection in the subsequent years to be \$2.5 million each year over the life of the tax.

The one-time costs of \$65,000 in the current fiscal year include programming and mailers to the companies that pay a material amount of the tax to the State. The ongoing costs represent one FTE to administer the program and associated costs of administration.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Technical Adjustment

Request: TR_002 - Water Bureau IA - SW Corridor Light Rail Project

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(10,000)	0	(10,000)
Internal Materials and Services	10,000	0	10,000
TOTAL EXPENDITURES	0	0	0

Bureau Description:

PBOT is requesting services from Portland Water Bureau (PWB) for SW Corridor Light Rail Project. This request moves \$10,000 in existing appropriation from miscellaneous services to PWB interagency for participating in the development of the project's draft environmental impact statement.

CBO Discussion and Recommendation

Recommended as requested. In addition to participating in the development of the project's Draft Environmental Impact Statement, PWB is also engaging in discussions about the jurisdictional transfer of Highway 99. See write-up for request TR_003 for an update on the SW Corridor Light Rail Project.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Program Carryover Request

Request: TR_003 - General Fund Carryovers

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	662,943	0	662,943
External Materials and Services	1,577,768	0	1,577,768
Internal Materials and Services	0	0	0
Capital Outlay	2,288,126	0	2,288,126
Contingency	460,000	0	460,000
TOTAL EXPENDITURES	4,988,837	0	4,988,837
REVENUES			
Budgeted Beginning Fund Balance	4,988,837	0	4,988,837
TOTAL REVENUES	4,988,837	0	4,988,837

Bureau Description:

A carryover is requested for projects from General Fund in prior fiscal years. The appropriation will adjust beginning fund balance.

- SW Trails - Special Appropriation \$8,498
- LED Lighting Upgrade - Innovation Fund \$10,000
- Tool Management Assessment - Innovation Fund \$70,000
- Mobile Tech - Post-Earthquake - Innovation Fund \$20,000
- T00xxx - Renewal Power-Public Space - Innovation Fund \$66,440
- T00055 - Paving Preservation \$305,444
- T00058 - Signal Reconstruction \$757,064
- T00318 - Oak St: Naito - 10th Ave, SW \$443,655
- T00466 - Willamette Blvd Semi-Viaduct @ MP 2.3, N (\$143,529)
- T00467 - Broadway Dr Wall E of House #980, SW \$46,491
- T00505 - SW Corridor Light Rail Project \$595,232
- T00540 - Out of the Mud \$1,012,711
- T00500 - Burnside St: 16th-Cesar Chavez, E \$78,829
- T00501 - 122nd Ave: I-84 Ramp-Skidmore, NE \$863,601
- T00504 - 122nd Ave Safety Improvements, NE/SE \$38,875
- T00507 - Glisan St at 90th Ave, NE \$117,813
- T00508 - Taylor's Ferry Rd Rockslide Abatement \$156,966
- T00509 - Streetcar \$283,264
- T00538 - Burnside St: 16th-Cesar Chavez, E \$257,483

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Program Carryover Request

Request: TR_003 - General Fund Carryovers

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested. PBOT has provided updates and project statuses on the projects with large carryover amounts, and the highlights are listed below.

Out of the Mud - Of the three associated projects, one will be in construction, another will be out to bid, and the third will have its design completed soon.

122nd Ave: I-84 Ramp-Skidmore, NE - The project is in the construction phase.

Signal Reconstruction - PBOT has just accepted the bid.

Paving Preservation - Project is in construction, with an estimated completion date of November.

122nd Ave Safety Improvements, NE/SE - Construction on Prescott will start in January. Rapid Flashing Beacons are out to bid. The original bid for 92nd and Sandy was rejected, and PBOT has to rebid. The Foster Sidewalk Infill project will be out to bid in September.

SW Corridor Light Rail Project - In June 2016, the SW Corridor Project Steering Committee made several major decisions on alignments and selected light rail as the transit mode. The project is currently in a mandatory Draft Environmental Impact Statement (DEIS) scoping phase which will provide the public and regulatory agencies information on the various options and environmental impacts that will be evaluated and solicit feedback. In December, PBOT will form a Citywide Technical Advisory Committee with representatives from bureaus with infrastructure interests, environmental expertise, and policy oversight as a way of coordinating the City's participation in the development of the DEIS. PBOT has also begun work on development of a funding strategy for the City's local match for the project. It is anticipated that the City will need to make its local match commitment by Summer 2018.

Only two projects received funding in FY 2014-15 or earlier:

SW Trails - The site was evaluated by various bureaus as is outlined in PBOT's Community Initiated Trails Program process, and the bureau is moving into the permitting stage.

Paving Preservation's Naito/1st & Main component - The scope of the project was increased, and there was not enough funding to pay for the increase. The project will be combined with the new Fixing Our Streets Naito paving project which is in design and will go out bid during the spring of 2017 and begin construction in the summer of 2017.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Technical Adjustment

Request: TR_004 - BPS Interagency for Streetcar Analysis

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(5,000)	0	(5,000)
Internal Materials and Services	5,000	0	5,000
TOTAL EXPENDITURES	0	0	0

Bureau Description:

Bureau of Transportation (PBOT) will provide funding to the Bureau of Planning and Sustainability (BPS) for real estate and zoning analysis of potential streetcar system expansion. This is a brief two-month project, occurring in tandem with a broader feasibility analysis directed by Portland Streetcar Inc. This request moves \$5,000 existing appropriation from operating supplies to BPS interagency.

CBO Discussion and Recommendation

Recommended as requested. For four identified corridors, the analysis includes providing a Buildable Lands Inventory and city growth forecast data; up-to-date parcel and zoning data; and running an economic impact model, among other tasks.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Program Carryover Request

Request: TR_005 - Carryover for BPS Interagency– Map Based Web App

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	20,000	0	20,000
TOTAL EXPENDITURES	20,000	0	20,000
REVENUES			
Budgeted Beginning Fund Balance	20,000	0	20,000
TOTAL REVENUES	20,000	0	20,000

Bureau Description:

PBOT is requesting services from BPS for work on the map based web application in the Transportation System Plan proposals. A carryover of \$20,000 is requested to complete work from the prior year.

CBO Discussion and Recommendation

Recommended as requested. BPS's Comprehensive Plan Map App is an interactive, map-based web application that presents the TSP proposals in a web interface allowing for easy viewing of multiple proposals and address-based search; presents detailed information about each proposal; and allows the public to provide comments and public testimony through a simple web form that feeds into a testimony management database.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Program Carryover Request

Request: TR_006 - GTR Carryovers

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	538,947	0	538,947
External Materials and Services	2,139,185	0	2,139,185
Internal Materials and Services	0	0	0
Capital Outlay	632,360	0	632,360
Contingency	256,060	0	256,060
TOTAL EXPENDITURES	3,566,552	0	3,566,552
REVENUES			
Budgeted Beginning Fund Balance	3,566,552	0	3,566,552
TOTAL REVENUES	3,566,552	0	3,566,552

Bureau Description:

A carryover is requested for the projects below to complete the purchase of equipment and the design and construction of the projects.

- 9TR000001632 - School Beacon \$174,000
- 9TR000002327 - Livable Streets Strategy \$150,000
- TX0005 - Gibbs St Elevator Audit/Repair \$50,000
- T00272 - Sidewalk Infill Projects, CW \$425,927
- T00465 - Powell-Division High Capacity Transit \$56,060
- T00048 - Boones Ferry Stephson \$50,000
- T00148 - NW Naito Crossing \$21,000
- T00208 - Deficient Bridges/Overpasses \$85,142
- T00333 - OR99W: SW 19th Ave to SW 26th (\$355)
- T00383 - East Portland Access to Transit \$130,560
- T00414 - Central City Multi-Modal Safety Project \$7,875
- T00454 - Southwest In Motion \$15,500
- T00460 - Connected Cully, NE \$8,730
- T00462 - Barbur Corridor Safety \$91,197
- T00385 - Neighborhood Transp Safety & Livability \$636,910
- T00207 - Terwilliger-PSU Access \$105,590
- T00305 - Ramona & Holgate: 122nd- 136th, SE \$35,055
- T00326 - Sandy Blvd: 86th- 92nd, NE \$18,174
- T00344 - Naito at Whitaker \$27,303
- T00348 - 19th Ave Bikeway: Tacoma \$32,587
- T00463 - HSIP \$407,305
- T00591 - Naito: Harrison - Jefferson, SW \$40,000
- T00603 - Immediate Opportunity Safety Grant \$460,000
- T00xxx - 130th & Stark \$200,000
- T00064 - Harbor Dr & River Pkwy \$221,759
- T00185 - Moody Blvd \$66,233
- T00509 - Streetcar \$50,000

CBO Discussion and Recommendation

Recommended as requested. PBOT has provided updates and project statuses on the projects with large carryover amounts, and the highlights are listed below. No projects were initially budgeted in FY 2014-15 or earlier, although some of the work may have existed within programs at that time.

Sidewalk Infill Projects, CW - The projects are in construction.

Neighborhood Transportation Safety & Livability - PBOT's Maintenance section is scheduled to do construction in the fall of 2016 and the spring of 2017.

Highway Safety Improvement Project (HSIP) - PBOT was negotiating the IGA and the scope of the project with the Oregon Department of Transportation, and the process took longer than anticipated. The IGA was approved by Council in the spring of 2016, and the project is in the design phase.

Immediate Opportunity Safety Grant - PBOT's Maintenance section will do construction in the fall of 2016 or the spring of 2017.

Harbor Dr. & River Parkway - The major component of the project is completed, and PBOT is working with the neighborhood coalition/association to make minor fix and improvements.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Program Carryover Request

Request: TR_007 - Grant and other Funding Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	45,000	0	45,000
External Materials and Services	67,356	0	67,356
Internal Materials and Services	0	0	0
Capital Outlay	175,000	0	175,000
Contingency	25,000	0	25,000
TOTAL EXPENDITURES	312,356	0	312,356
REVENUES			
Budgeted Beginning Fund Balance	50,000	0	50,000
Intergovernmental Revenues	262,356	0	262,356
TOTAL REVENUES	312,356	0	312,356

Bureau Description:

A carryover is requested in projects to complete design and construction

- Rapid Flash Beacon Projects, \$262,356 Grants
- Boones Ferry Stephenson, \$50,000 SDC

CBO Discussion and Recommendation

Recommended as requested. PBOT realized expenditures for the Rapid Flashing Beacons projects starting in FY 2013-14. The State of Oregon advanced \$1.75 million to the City in May of 2014 for a total of 19 projects, and PBOT has spent almost \$1.5 million up to FY 2015-16, leaving a balance of \$262,356.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_008 - Dev Permitting and Transit Group - New Vehicles

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	136,000	0	136,000
TOTAL EXPENDITURES	136,000	0	136,000
REVENUES			
Charges for Services	136,000	0	136,000
TOTAL REVENUES	136,000	0	136,000

Bureau Description:

With the increase in staff and workload demands, PBOT is requesting to purchase four new clean-fuel trucks in the Development Permitting and Transit Group. The request is in accordance with Resolution 35960 requiring Council approval of new vehicle additions.

3 New Trucks \$96,000 - Utility, Construction, and Inspections

The construction inspections group has been borrowing vehicles from other groups for their inspectors to do on-site utility and construction inspections to ensure compliance with permits and city standards. They need to purchase 3 new trucks for their inspectors, because they have to return the vehicles they have been borrowing.

New Truck \$40,000 - Streetcar

Streetcar program needs to purchase a truck for incident responses relating to streets operations.

CBO Discussion and Recommendation

Recommended as requested. The Utility Inspections group borrowed a vehicle from the Construction Inspections group, which is requesting the vehicle back because it is hiring an additional staff person. The Utility Inspections group also intends to hire additional staff in the near future and therefore, needs the additional vehicles. In regards to the Streetcar program, staff have had to use motor pool vehicles in the past, and the motorpool vehicles are not always readily available.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Technical Adjustment

Request: TR_009 - 1% for Green Streets - Transfer to BES

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(3,503)	0	(3,503)
Fund Transfers - Expense	3,503	0	3,503
TOTAL EXPENDITURES	0	0	0

Bureau Description:

The City's Green Streets Policy requires that infrastructure projects in the right of way incorporate green street facilities (infiltrating or flow-through systems), or that a contribution equal to 1% of the construction costs be made to the City's "% for Green Streets" fund. Since it is not feasible to incorporate green-street facilities into street resurfacing and preservation projects, Transportation Maintenance instead transfers 1% of the cost of its street preservation projects to the green street fund. This request adjusts the Adopted Budget cash transfer of \$50,000 to reflect the correct contribution of \$53,503 for FY 2016-17, based on the cost of street preservation projects completed in FY 2015-16. Materials and Services within the street maintenance program will be reduced by \$3,503 to fund the increased transfer

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Program Carryover Request

Request: TR_010 - Maintenance Fitness Center Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	7,519	0	7,519
TOTAL EXPENDITURES	7,519	0	7,519
REVENUES			
Budgeted Beginning Fund Balance	7,519	0	7,519
TOTAL REVENUES	7,519	0	7,519

Bureau Description:

PBOT maintains a fitness center for employees at Maintenance Operations. This adjustment increases the FY 16-17 Maintenance facility budget to cover the fitness center costs that were budgeted in FY 15-16, but that will occur during FY 16-17. The new appropriation will be funded by increased beginning fund balance.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_011 - Dev Permitting and Transit Group – New Positions

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	253,000	0	253,000
External Materials and Services	(50,000)	0	(50,000)
TOTAL EXPENDITURES	203,000	0	203,000
REVENUES			
Charges for Services	203,000	0	203,000
TOTAL REVENUES	203,000	0	203,000
FTE			
Full-Time Positions	6.00	0.00	6.00
Limited Term Positions	1.00	0.00	1.00
TOTAL FTE	7.00	0.00	7.00

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_011 - Dev Permitting and Transit Group – New Positions

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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Bureau Description:

PBOT is requesting to add six permanent positions and one limited-term position in the Development Permitting and Transit Group to address workload demands.

Sr Engineer

Permit Engineering

Due to the increase in development, Permit Engineering continues to be behind on serving customers. In addition, the need for design manual and continuous program monitoring and management oversight requires a structural change to add back a direct section supervisor, rather than report to the higher level, more removed, Division Manager.

Engineering Associate

Permit Engineering

Due to the increase in development, Permit Engineering continues to be behind on serving customers. The position will help in reviewing engineering plans to improve turnaround time for developers,

PW Inspector Supervisor I

Utility, Construction, Inspections (UCI)

With the increased permit requests for both private and public utilities and due to the UCI Division taking on the public works inspection duties from Construction Inspection, this position is needed to manage two inspection work groups – Utility Inspection and Public Works Inspection. The funding for this position is cost recovery coming from a combination of public/private utility revenue and cost recovery from the fees from Permit Engineering Review (PER). This position will supervise Public Works inspectors and Public Works contract inspectors, as needed.

Development Supervisor II

Development Review Division

Due to delays in implementing comprehensive systems for tracking and reporting permits with on-site permits, the addition of a process manager is required to input, track and analyze the PW program and to serve customers most effectively.

Safety and Risk Officer I

Streetcar Operation and Maintenance

As noted in the 2015 Triennial Review by ODOT's State Safety Oversight office, PSC (Portland Streetcar) has grown as large as (or larger than) some other US light rail systems that each have significantly more safety program resources, including at least one independent safety officer. PSC faces significant challenges in successfully implementing the safety program without dedicated management level resources devoted to safety that are independent of operations and maintenance.

Engineering Tech I

Development Review Division

Due to a large increase in workload, Public Works Permitting is requesting an additional Engineering Technician I (30000324). This position will also have a tie to Permit Engineering (PER) as a support for their workgroup.

RWA Agent III (Limited Term)

Right of Way Acquisition

Due to the sharp increase in rental activity associated with existing lease programs, the implementation of new leasing programs associated with development, the need to dispose of surplus real property in PBOT's inventory, and the need to maintain effective service delivery, PBOT is requesting to add one new Right of Way Agent III to lead these programs. The lease revenue generated by this position is projected to be significantly higher than the funding required for the position.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_011 - Dev Permitting and Transit Group – New Positions

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Recommended as requested. The funding for these new positions mostly consists of additional permit fees (\$203,000) and an internal transfer from part-time salaries (\$100,000).

In addition to this request, PBOT is converting three (3) limited term positions to permanent to address workload demands in request TR_016. The write-up below pertains to both requests.

The bureau has provided data from the Bureau of Development Services to show the increase in workload and has noted that public works permits have increased from a volume of 97 in FY 2011-12 to 240 projected for FY 2016-17 (the actual year-to-date figure is 226). The permit engineering group is currently late on approximately 40% of the active public works permits. Furthermore, building permit and land use review activity has increased and put additional workload on PBOT development staff. Residential and commercial plan reviews have increased 58% from 2011 to 2015, and the bureau believes that they are on pace to exceed last year's volumes in the current year. Overtime use has risen greatly in an attempt to reduce late review times. The bureau states that in the past three months, seven staff have charged 334 hours of overtime, and many additional hours are recorded as comp time.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_012 - Capital Projects – Capital Project Manager II

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
Budgeted Beginning Fund Balance	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

With the increase in funding for PBOT capital projects, recent successful state and federal grant requests, and anticipated new major projects, the PBOT Capital Projects Division requires additional project management support. This request adds a Capital Project Manager II to support the delivery of a variety of capital projects included in the bureau's 5 year CIP. This position would also support the bureau's continued work related to the Smart Cities Challenge and Electric and Autonomous Vehicles.

CBO Discussion and Recommendation

Recommended as requested. PBOT is transferring funds from its part-time salary line item to fund this position. There are seven Capital Project Managers in the Project Development group, but the bureau notes that it also has engineering and program managers managing projects. In the FY 2015-16 Capital Improvement Plan (CIP), there were 133 projects of various sizes, while in the FY 2016-17 CIP, there are 69 total projects, of which 29 are funded by the federal government, the State of Oregon, PDC, and other location jurisdictions. The number of projects handled by managers varies depending on the size, funding, and complexity of the project. In addition, some project managers also manage programs as a part of their responsibilities. The bureau cites, for example, that it has one project manager handling two projects, while another manager is managing 15 projects that are smaller and less complex.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_013 - Complete Streets Supervising Planner

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	72,500	0	72,500
Contingency	(72,500)	0	(72,500)
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

This request is to create a Supervising Planner to oversee a new Complete Streets transportation planning section that includes the PBOT Modal Coordinators (Pedestrian, Bicycle, Freight and ADA) and general transportation planners. This position will oversee the bureau's relationship with the modal advisory committees, lead the bureau's integration of modal specific plans into multimodal policy recommendations, make recommendations to resolve conflicting right of way priorities, create conceptual street designs that reflect city policy direction, and ensure that transportation projects adequately address the needs of all roadway users. This budget increases personnel services \$72,500 and reduces general contingency \$72,500.

CBO Discussion and Recommendation

Recommended as requested. The \$72,500 draw is 3% of general contingency which the bureau will replenish from additional ending fund balance from FY 2015-16. Prior to this addition, PBOT had 16 FTE to do planning work. While the bureau is funding the position this year with a draw from contingency, the intention is for the position to be an ongoing one funded by General Transportation Revenues and overhead recovery.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_014 - Material Distribution Ctr – Storekeeper Position

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	77,700	0	77,700
External Materials and Services	(77,700)	0	(77,700)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

The increased workload from ongoing work plus new Fixing Our Streets projects creates the need for more materials and distribution services from the Distribution Center. This adjustment creates a Storekeeper I position to handle the increased workload. This request moves existing budget from the Facilities Section to the Material Distribution Center at the main Kerby building.

CBO Discussion and Recommendation

Recommended as requested. PBOT states that it is impossible to reasonably determine and assign a specific portion of the position to the Fixing Our Streets program, and therefore, it cannot fund a portion of the position with the program's revenues. The bureau believes that the loss of \$77,700 from the Facilities Section's materials budget leaves an amount that is still sufficient for the section's needs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_015 - Parking Operations Program – Add position

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	100,000	0	100,000
External Materials and Services	(100,000)	0	(100,000)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	1.00	0.00	1.00
TOTAL FTE	1.00	0.00	1.00

Bureau Description:

This request adds one position in Parking Operations - a Management Analyst position to support key security, meter shop inventory, contracts and back of house system management. The request also reduces appropriation for Miscellaneous Services (529000) to reflect reduced costs of processing bankcard transactions.

CBO Discussion and Recommendation

Recommended as requested. The position is funded by savings from the reduced costs of processing bankcard transactions. The reduced costs were achieved by the City's Treasury contracting with Elavon, a processor of credit card transactions, to negotiate lower interchange rates (from the standard published rates) for PBOT's unattended small-ticket debit card transactions processed by on-street parking meters.

There are currently five vacancies in Parking Operations, out of 29 budgeted positions, which the bureau is in the process of filling.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_016 - Utility, Construction, Insp – Convert LT to FT

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	3.00	0.00	3.00
Limited Term Positions	-3.00	0.00	-3.00
TOTAL FTE	0.00	0.00	0.00

Bureau Description:

PBOT is requesting to convert three limited-term positions into permanent positions in the Utility, Construction, Inspections (UCI) Division to address workload demands.

Engineering Tech II

With the increased permit requests for both private and public utilities, this position is needed to process this increased volume. This increase in volume is partly due to recent changes to Administrative Rules governing who is required to apply for and obtain Street Opening permits prior to construction work in the City of Portland public right of way, which now includes entities such as ODOT, Tri-met, and other governmental agencies which were not previously defined. In addition to this change, industry, both public and private, have been increasing the volume of work in the public right of way over the past several years. This trend is likely to continue at the current level into the foreseeable future. The funding for this position will be full cost recovery coming from public/private utility revenue.

Engineering Associate

This position is responsible for the review and management of temporary traffic control plans that are associated with all street closure permits that are triggered by public street improvements, utility work, or special events. This position needs to be converted for the following reason. The above described work was previously performed by the Traffic Investigation section via an intra-bureau agreement. Work load has increased in Traffic Investigation to the point that they are no longer able to support this work.

Senior Engineering Associate

This position is responsible for the review and management of temporary traffic control plans that are associated with all street closure permits that are triggered by public street improvements, utility work, or special events. This position needs to be converted for the following reason. The above described work was previously performed by the Traffic Investigation section via an intra-bureau agreement. Work load has increased in Traffic Investigation to the point that they are no longer able to support this work.

CBO Discussion and Recommendation

Recommended as requested. In addition to this request, PBOT is adding one limited term and six permanent positions to address workload demands in request TR_011. This write-up pertains to both requests.

The bureau has provided data from the Bureau of Development Services to show the increase in workload and has noted that public works permits have increased from a volume of 97 in FY 2011-12 to 240 projected for FY 2016-17 (the actual year-to-date figure is 226). The permit engineering group is currently late on approximately 40% of the active public works permits. Furthermore, building permit and land use review activity has increased and put additional workload on PBOT development staff. Residential and commercial plan reviews have increased 58% from 2011 to 2015, and the bureau believes that they are on pace to exceed last year's volumes in the current year. Overtime use has risen greatly in an attempt to reduce late review times. The bureau states that in the past three months, seven staff have charged 334 hours of overtime and many additional hours recorded as comp time.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_017 - Maintenance Ops Facilities – Convert LT to FT

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	7,180	0	7,180
External Materials and Services	(7,180)	0	(7,180)
TOTAL EXPENDITURES	0	0	0
FTE			
Full-Time Positions	1.00	0.00	1.00
Limited Term Positions	-1.00	0.00	-1.00
TOTAL FTE	0.00	0.00	0.00

Bureau Description:

Maintenance Operations reduced the interagency with OMF-BIBS for facility support in the FY 16-17 Adopted Budget in anticipation of creating a new Site Operations Crew Leader position to enable existing Maintenance Facilities staff to provide more of the facilities support. The position was inadvertently omitted from the Adopted Budget. This adjustment converts a limited-term position to a permanent, budgeted position using budgeted savings from the interagency reduction. This request moves existing facilities budget from part-time and materials to full-time and benefits.

CBO Discussion and Recommendation

Recommended as requested. In addition to converting the position to permanent, PBOT is transferring \$7,180 from materials and services to personnel services to fund the position because the bureau had a placeholder estimate in the Adopted Budget that is lower than the actual amount needed to fund the position.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_018 - Business Services – Convert limited-term to perm

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	140,000	0	140,000
Contingency	(140,000)	0	(140,000)
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Full-Time Positions	2.00	0.00	2.00
Limited Term Positions	-2.00	0.00	-2.00
TOTAL FTE	0.00	0.00	0.00

Bureau Description:

PBOT is requesting to convert two limited-term positions into permanent positions in the Business Services Division to address workload demands.

Administrative Supervisor I

Due to the increase over the past several years in all programmatic areas of PBOT, the subsequent addition of positions, and the increase in personnel actions, PBOT needs to convert a limited-term Administrative Supervisor I position into permanent, who can prioritize the work of the four person team who handles all personnel-related activities for an 800+ organization. This position will provide oversight of the workgroup and also be a working supervisor who will take on day-to-day tasks and functions. By creating this position, PBOT will be able to restore work/life balance to two employees who are putting in significant levels of overtime. In addition, PBOT will see fewer errors and document reworking because employees will not have to rush their work due to time constraints.

Office Support Specialist III

This limited-term position is being requested to be converted to permanent in order to meet the bureau's expectations of providing excellent customer service in an equitable manner to meet the growing needs of a diverse community. Duties include assisting managers with efiles migration and archiving of documents, creating requisitions in SAP and working with procurement, coordinating input for various public requests, as well as greeting visitors and customers.

CBO Discussion and Recommendation

Recommended as requested. In addition to converting the two positions to permanent, \$140,000 is added to the bureau's personnel services budget because PBOT believes additional support is needed to address growth in program areas and to meet the bureau's expectations of providing a high level of customer service. The \$140,000 draw represents 6% of the bureau's general contingency which will be replenished from additional ending fund balance from FY 2015-16. Ultimately, the funding is from General Transportation Revenues and overhead recovery.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_019 - Paving and Safety Projects – Add Positions

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	373,440	0	373,440
External Materials and Services	(150,288)	0	(150,288)
Capital Outlay	(125,064)	0	(125,064)
Contingency	(98,088)	0	(98,088)
TOTAL EXPENDITURES	0	0	0
REVENUES			
Budgeted Beginning Fund Balance	0	0	0
Intergovernmental Revenues	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Full-Time Positions	13.00	0.00	13.00
Limited Term Positions	-7.00	0.00	-7.00
TOTAL FTE	6.00	0.00	6.00

Bureau Description:

PBOT is requesting to add six (6) new positions and convert seven (7) limited-term positions into permanent positions. The staff in these positions will work directly on delivering roadway and safety projects to improve the efficiency, safety and sustainability of Portland's transportation system. These projects will make it easier for Portlanders to get to the places they want to go and will enhance the quality of life in their neighborhoods. The paving and safety projects will also include ADA improvements.

Five positions are funded from Fixing Our Streets revenues in Adopted Budget, this requests shift limited-term dollars and materials to permanent staff dollars. \$98,088 held in contingency is used to cover increased staff in Street Repair and Traffic Safety Fund.

- One (1) Asphalt Raker (LT converting to permanent)
- One (1) Automotive Equipment Operator I (LT converting to permanent)
- One (1) Utility Worker II (LT converting to permanent)
- One (1) Eng Tech II
- One (1) Inspector I

Eight positions are supported from a variety of funding sources, an internal shift from materials and capital outlay to permanent staff dollars.

- One (1) Electrical Supv
- Two (2) Electricians (LT converting to permanent)
- One (1) Eng Tech II (LT converting to permanent)
- One (1) Sr Eng Associate
- One (1) Sr Eng Associate – Traffic (LT converting to permanent)
- One (1) Engineering Associate
- One (1) Sr Eng Associate – Civil

CBO Discussion and Recommendation

Recommended as requested. Although the new gas tax will sunset after four years, and it is unknown at this point if the tax will be renewed, PBOT is converting the limited term positions to permanent because the City's HR rules state that limited term positions are only for two years.

The addition of new positions and conversion of limited term positions to permanent are funded by various internal transfers. PBOT states that it is transferring \$125,064 from the capital budget for the Street Light Efficiency Program because LED street lights installations contribute to safety, and businesses and residents rely on street lights to illuminate hazards in the right-of-way, thereby improving safety for drivers, cyclists, and pedestrians. Moreover, \$120,180 is being transferred from the bureau's part-time salary line item, in addition to the \$98,088 transferred from contingency in the Street Repair and Traffic Safety Fund. Two of the limited term positions that are being converted to permanent were added through the HR process, and the bureau did not have the budget in personnel services. Therefore, the bureau is also transferring \$150,288 from materials and supplies to the personnel services budget to cover these costs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Capital Set-Aside Request

Request: TR_020 - GF Request - Major Maintenance & Infrastructure

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	2,915,000	(2,751,600)	163,400
External Materials and Services	3,245,000	(2,911,000)	334,000
Capital Outlay	44,325,835	(43,009,235)	1,316,600
TOTAL EXPENDITURES	50,485,835	(48,671,835)	1,814,000
REVENUES			
Fund Transfers - Revenue	50,485,835	(48,671,835)	1,814,000
TOTAL REVENUES	50,485,835	(48,671,835)	1,814,000

Bureau Description:

City Financial Policy 2.03 directs Council to dedicate a minimum of 50% of excess General Fund ending balance to major maintenance and infrastructure replacement projects. In an effort to help the City allocate resources to the most critical infrastructure needs, a citywide project ranking was developed in FY 2014-15. The FY 2016-17 Fall BMP Project Ranking Process will be built off the process used during FY 2016-17 budget development. Project ranking will begin with the existing ranked list created as a result of the FY 2016-17 budget development process, then incorporate any new information from bureaus utilizing the project scoring tool.

PBOT is requesting \$50,485,835 in general fund support for various major maintenance and infrastructure replacement projects:

- Traffic Signal System Local Controller Replacement \$4,500,000
- Traffic Signal Reconstruction Program (additional signal infrastructure) \$950,000
- Street Lighting Safety & Efficiency \$600,000
- Rapid Flashing Beacon Improvement Program \$100,000
- Guardrail upgrades \$500,000
- Pavement Reconstruction - NW 23rd Avenue: Lovejoy to Vaughn \$4,100,000
- Bridge Replacement - BR#075-NE 42nd Ave Bridge Over NE Portland Hwy \$10,489,150
- SW Naito Street Lighting - SW Caruthers to Ross Island Bridge (1st segment) \$1,083,063
- Pavement Rehabilitation - NE Cornfoot: NE 47th to 750' W of Alderwood \$8,400,000
- Safe Routes to Schools & Pavement Reconstruction - SE Mill: SE 80th to SE 82nd; SE 80th: SE Market to SE Stephens \$817,377
- Bridge Replacement - BR#025 NE 12th Avenue Bridge at I-84 \$13,236,245
- Roadway Rehabilitation - Microsurfacing \$2,000,000
- Better Naito - Sidewalk and Bicycle Facility Installation \$3,700,000
- Speed Sign Upgrading \$10,000

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: Capital Set-Aside Request

Request: TR_020 - GF Request - Major Maintenance & Infrastructure

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

Four of the projects in the request, representing 8.5% of the requested amount, are not necessarily for major maintenance but instead can be considered as new assets or upgrades for safety purposes. One of these projects, Better Naito, is discussed in the write-up for TR_023. Three of the projects, comprising 26.4% of the total requested amount, are paving or roadway rehabilitation projects. Funding is requested for two bridge replacements, amounting to 47.0% of the requested amount, in addition to two traffic signal-related projects making up 10.8% of the requested amount. Funds are requested again for two multi-year projects (Traffic Signal Reconstruction and Street Lighting Electrical Safety) with PBOT working on different locations than in previous years.

In its FY 2016-17 Adopted Budget, PBOT has devoted only \$753,942 of discretionary funds for major maintenance and is using these resources for maintenance of traffic signals and street lighting, as well as for bridge inspections. Due to the lack of discretionary resources, the bureau eliminated any funding for contracted paving years ago. About \$26.8 million of ongoing discretionary resources is dedicated to sidewalk, street pavement, structural, traffic, and electrical maintenance in the Adopted Budget, but these funds are used to ensure that the assets are usable up to the end of their useful lives and do not extend the assets' useful lives, which major maintenance aims to do. The bureau does have \$2.35 million of ongoing GTR in the Adopted Budget for its Capital Improvement Plan, with 42% of that amount used to match grants, 32.1% for major maintenance as mentioned above, and 21.9% for safety projects. Other uses of ongoing GTR are beyond the scope of this BMP review and can be found in CBO's analysis of PBOT's Requested Budget.

Based on the amount of funds available in the General Fund Capital Set-Aside and the results from the ranking committee, CBO is recommending funding for the two traffic signal-related projects: \$950,000 for the Traffic Signal Reconstruction Program (ranked first) and \$864,000 for the Traffic Signal System Local Controller project (ranked fourth). Although the total request for the Traffic Signal System Local Controller project is \$4.5 million, the request is scalable. The \$864,000 in additional General Fund resources can be matched with \$50,000 of GTR and \$1.0 million of grant funds to replace the software at about 288 intersections, although the \$1.0 million grant is for replacing the central system's software, which is a fixed cost. PBOT estimates that there at about 1,500 total intersections where the software replacements are needed.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_021 - GF Request –Maximizing Portland Streetcar System

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	125,000	(125,000)	0
External Materials and Services	160,000	(160,000)	0
Capital Outlay	215,000	(215,000)	0
TOTAL EXPENDITURES	500,000	(500,000)	0
REVENUES			
Fund Transfers - Revenue	500,000	(500,000)	0
TOTAL REVENUES	500,000	(500,000)	0

Bureau Description:

One-time General Fund support in the amount of \$500,000 is requested to maintain and enhance existing transit service in response to a number of major capital projects planned for the Central City in 2017, as well as to address vehicle fleet conditions and crashes that disrupt streetcar operations. The system improvement designs and fleet refurbishment/procurement plan would be coordinated with and implemented in anticipation of future line extension(s) and would leverage existing Streetcar resources.

The request for \$500,000 includes three components:

- I. Service planning and mitigation strategies for major shut-downs including: (\$115,000)
 - a. 60% and 90% designs for new turn back from NE Grand to NE Weidler (30% design is complete) to provide a service option during Broadway Bridge and N. Broadway/Weidler shutdowns.
 - b. Preliminary design for new A&B Loop streetcar connection through the Rose Quarter on the proposed NE Clackamas pedestrian and bicycle bridge.
- II. Assistance in vehicle procurement to better manage over-crowding on the system and to support planned mid-life refurbishments to existing streetcars. (\$95,000)
 - a. Technical assistance to evaluate options for procuring 3-5 additional streetcars by 2019.
 - b. Evaluation and analysis of useful life for used streetcars expected to be sold in 2018.
 - c. Evaluation of options for procuring new streetcars off planned procurements in other markets, or a "Portland Only" procurement.
 - d. Evaluation and work plan development for mid-life refurbishments for streetcars 001 – 010 including identification of work components, timing and scaling, staffing implications and cost estimating.
- III. Support for future extensions and improved service including: (\$290,000)
 - a. Preliminary design for anticipated minor extensions of service including SW Moody to SW Hamilton Ct. and SW Bond Ave to SW Porter.
 - b. Project development and public engagement for prioritized major extension of streetcar system (PSI recommendation expected Fall 2016).
 - c. 30% Design for potential "tail-track" in South Waterfront to support added service, particularly on the North/South line.
 - d. Service improvements to the existing system including prioritization of transit queue jumps at select locations to improve service.

CBO Discussion and Recommendation

The last major expansion of the Portland Streetcar system, the Close the Loop project, was recently completed in late FY 2014-15.

During the FY 2014-15 Spring BMP, PBOT received \$255,000 in General Fund resources to provide for streetcar capital enhancements and capital maintenance to improve transit reliability. The bureau received an additional \$250,000 of General Fund resources during the FY 2015-16 budget development process for the same purpose, and the bureau is carrying over \$283,286 of the General Fund dollars in request TR_003. PBOT is currently identifying the area for improvements and will begin construction during the spring of 2017.

CBO does not recommend General Fund resources for this request during the Fall BMP. For the Fall BMP, CBO typically only recommends additional General Fund resources for requests that are urgent, well-developed, and unforeseen since the FY 2016-17 budget development process.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_022 - GF Req-Inner Hawthorne Corridor Transit & Bikeway

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	300,000	(300,000)	0
External Materials and Services	250,000	(250,000)	0
Capital Outlay	2,050,000	(2,050,000)	0
TOTAL EXPENDITURES	2,600,000	(2,600,000)	0
REVENUES			
Fund Transfers - Revenue	2,600,000	(2,600,000)	0
TOTAL REVENUES	2,600,000	(2,600,000)	0

Bureau Description:

SE Hawthorne Boulevard between the Hawthorne bridge and SE Ladd Avenue forms an important bikeway and transit corridor between the region's economic hub and the highest bicycle and transit use residential areas of SE Portland. SE Hawthorne carries the bulk of the eastbound cyclists that daily flow from the city's busiest bikeway. In 2012, this amounted to more than 3,500 daily cycling trips. SE Hawthorne between SE Grand and Ladd Ave is one of the city's highest bicycle crash corridors, with fifty-five bicycle crashes recorded in the period 2004-2013. Four of those crashes resulted in serious injuries. Hawthorne also serves three of the city's busiest bus lines (the 4, 10 and 14) amounting to more than 3,600 daily transit trips. Bus operations are challenging given the merging of motor vehicles and cyclists across multiple lanes and bus loading and unloading that requires merging across this busy bikeway conflicting with cyclists and merging in and out of vehicle traffic at each stop.

This General Fund One-Time request is for \$2,600,000 for the design and construction of a separated bikeway, transit que jumps, and island bus stops on SE Hawthorne between SE Grand and SE 12th to improve conditions for people bicycling and taking transit along lower SE Hawthorne. \$500,000 is included in this request for an additional traffic signal at the northbound Naito Ramp entering onto the Hawthorne Bridge. A signal here would reduce vehicle delay at this location and create more regular, predictable and less stressful vehicle traffic flow for automobile traffic accessing the Hawthorne Bridge. This project would also improve the signals along the corridor and incorporate signal phase separation to reduce conflicts with right-turning vehicles.

CBO Discussion and Recommendation

\$2.1 million of this request is for the bikeway, transit que jumps, and island bus stops on Hawthorne, while \$500,000 is for the traffic signal at Naito and the Hawthorne Bridge. The island bus stops create the protected bikeway at the transit stops, while the transit queue jump is an operational feature that allows exclusive use of a travel lane for transit.

SE Hawthorne is identified as #5 in the Bicycle High Crash Network as a part of PBOT's recent Vision Zero analysis that lists roads where people riding bicycles are killed or seriously injured. Fifty-seven bicycle crashes on SE Hawthorne between Grand and 12th are recorded in ODOT's crash database. The PBOT Traffic Engineer estimates that the proposed project design could have prevented 39 of them.

For the Fall BMP, CBO typically only recommends additional General Fund resources for requests that are urgent, well-developed, and unforeseen since the FY 2016-17 budget development process. While the needs that the protected bikeway seeks to address may be urgent, they are not unforeseen from a Fall BMP perspective since they have been well-documented long before the FY 2016-17 budget development process. CBO recommends that PBOT request the General Fund resources again during the FY 2017-18 budget development process if it has not secured other resources by then.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_023 - GF Req- Seasonal Naito Parkway Bikeway & Walkway

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	150,000	(150,000)	0
External Materials and Services	200,000	(200,000)	0
TOTAL EXPENDITURES	350,000	(350,000)	0
REVENUES			
Fund Transfers - Revenue	350,000	(350,000)	0
TOTAL REVENUES	350,000	(350,000)	0

Bureau Description:

One-time General Fund support in the amount of \$350,000 is requested to provide a high-quality seasonal delineated shared bicycle and pedestrian path on the west side of Naito Parkway. The proposed design utilizes surface mounted removable bollards with the goal of reducing conflicts between cyclists and pedestrians on the Waterfront Path during the summer season, improving pedestrian access during events on the Waterfront, and increasing safety for all users. This request includes 5 years of operations cost for PBOT Maintenance crews to seasonally install and remove the facility.

CBO Discussion and Recommendation

In TR_020, PBOT is requesting \$3.7 million from the General Fund Capital Set-Aside for the full, permanent version of the "Better Naito" project. That project was deemed inappropriate for that category of funding by the scoring committee since it does not address a maintenance issue. This request (TR_023) represents a scaled down, seasonal effort that would last for five years.

PBOT states that the festivals at Waterfront Park draw almost 700,000 people between April and November, and the Naito Corridor is one of the Portland's most popular bikeways, carrying almost 6,000 daily bicycle trips in the summer. Bicycle counts taken in 2015 show that daily bike volumes exceed 3,500 trips at Waterfront Park, more than double the number of bike trips on the regular bike lanes on Naito. The eastern edge of the park lacks a continuous sidewalk despite demand demonstrated by well-worn paths, and conflicts are compounded during the festival season where fences around events constrain the existing Waterfront path and prohibit pedestrians from walking along the park's eastern edge, forcing them into the roadway. SW Naito Parkway in the proposed project area has seen 193 total crashes involving people walking and biking, including one pedestrian fatality and four serious injury crashes (three pedestrians and one bike) in the last 10 years of available crash data. The Federal Highway Administration's Crash Modification Factors Clearinghouse, shows that the type of design proposed here can reduce bicycle injury crashes by 56% to 74%. With a permanent installation, PBOT could expect this crash reduction year-round, on-going. With the seasonal installation, the crash reduction would apply seasonally for five years.

CBO does not recommend General Fund resources for either this scaled-down version, or the \$3.7 million for the full, permanent Better Naito project during the Fall BMP. For the Fall BMP, CBO typically only recommends additional General Fund resources for requests that are urgent, well-developed, and unforeseen since the FY 2016-17 budget development process. The needs that the project seeks to address are not unforeseen from a Fall BMP perspective since they have been well-documented long before the FY 2016-17 budget development process. CBO recommends that PBOT request the General Fund resources again during the FY 2017-18 budget development process if it has not secured other resources by then.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_024 - GF Req-Connecting Trolley & Springwater Corridor

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	125,000	(125,000)	0
External Materials and Services	175,000	(175,000)	0
TOTAL EXPENDITURES	300,000	(300,000)	0
REVENUES			
Fund Transfers - Revenue	300,000	(300,000)	0
TOTAL REVENUES	300,000	(300,000)	0

Bureau Description:

One-time General Fund support in the amount of \$300,000 is requested. By the end of October 2016, the City of Milwaukie will complete construction of the Trolley Trail—a regional trail running along SE 17th Avenue from downtown Milwaukie to the city boundary with Portland. Near to its terminus is the regional Springwater Corridor Trail—providing access to Portland’s Central City as well as to points east as far as Boring, OR. Separating these two regional trails is a short gap where people bicycling have no direct, safe or convenient connection between the two. This project will widen to trail width the west sidewalk of SE 17th Avenue between approximately SE St Andrews Drive (where the Trolley trail will terminate) and SE Linn Street. At Linn Street people will be able to cross SE 17th Avenue at a recently-constructed median refuge. This will provide safe access to the Springwater Trail heading east. They will also be able to travel west along Linn Street to an extension of the Springwater Trail that will be completed by October, 2016. The project will include appropriate guide signing and standard improvements to sidewalk ramps to accommodate bicycle traffic.

CBO Discussion and Recommendation

In addition to widening the sidewalk along the west side of SE 17th Avenue for a total distance of approximately 285 feet, the project seeks to rebuild the corner of SE 17th and Ochoco.

CBO does not recommend General Fund resources for this request during the Fall BMP. For the Fall BMP, CBO typically only recommends additional General Fund resources for requests that are urgent, well-developed, and unforeseen since the FY 2016-17 budget development process. CBO recommends that PBOT request the General Fund resources again during the FY 2017-18 budget development process if it has not secured other resources by then.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_025 - GF Request – Vision Zero

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	700,000	(700,000)	0
External Materials and Services	750,000	(750,000)	0
Capital Outlay	1,450,000	(1,450,000)	0
TOTAL EXPENDITURES	2,900,000	(2,900,000)	0
REVENUES			
Fund Transfers - Revenue	2,900,000	(2,900,000)	0
TOTAL REVENUES	2,900,000	(2,900,000)	0

Bureau Description:

One-time General Fund support in the total amount of \$2,900,000 is requested for PBOT's commitment to Vision Zero:

Outer Halsey Safety Streetscape Project \$2,000,000

The Outer Halsey Safety Streetscape project is from 122nd to 162nd, a corridor where a high number of crashes occur. The project will include sidewalk infill, narrowing travel lanes to add buffered bike lanes and new and/or upgraded pedestrian crossings, and reducing the posted speed from 45 mph to 35 mph. This project would support the agency's Vision Zero goals, in addition to priorities identified in East Portland in Motion, by providing infrastructure improvements that are proven to reduce crashes.

Vision Zero: Targeted Outreach \$200,000

62% of fatalities in Portland involve intoxication. Portland's Safe and Sober Streets program will tap multiple partners to help people travel safely after drinking or using other substances in downtown Portland on Friday and Saturday nights. This is a targeted education and outreach effort to reduce intoxication while driving. The joint effort will provide people with free rides and the option to pre-pay for Saturday morning parking. Oregon Liquor License Commission data indicate that downtown Portland has a high concentration of establishments linked to impaired driving, which caused 56 percent of deadly crashes in Portland between 2004 and 2013. Preventing impaired driving will improve safety for all street users across Portland and surrounding areas.

Vision Zero and Safe Routes to School in High Schools \$200,000

PBOT's Safe Routes to School program presents an opportunity to introduce traffic safety and Vision Zero education to high school students who are at the driving age. A Vision Zero SRTS program for high school students includes: 1) developing safe driving messages that reach high schoolers through targeted advertisements on social media and internet, such as with Facebook and Pandora; 2) working with schools and students to identify resources needed to make biking, walking, and taking transit safer and more convenient; and 3) empowering student leadership to promote safe transportation in their own schools, possibly through design competitions, events or promotions

Vision Zero: Community Requests \$500,000

Community members call the 823-SAFE line to request safety projects for their neighborhood. There is a huge need for small capital projects on our roads (there are over 1,000 requests in Track-It). This effort would prioritize those community requests based on PBOT's safety data analysis for Vision Zero. The funding would provide the opportunity to fund local projects on Portland's streets that are both a community need and a traffic safety need.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_025 - GF Request – Vision Zero

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

PBOT is unable to compare traffic injury trends for this year compared to prior years because it relies on the official crash record for the State of Oregon that is produced by the Oregon Department of Transportation to track injury crashes, and the most recent injury data PBOT has available is for 2014. However, the bureau does obtain traffic fatality information from the Portland Police Bureau's Major Crash Team. This data shows a total of 32 fatalities up to September 30th of this year, while the figure is 31 up to the same time in 2015, 18 for 2014, and 26 in 2013.

Outer Halsey Safety Streetscape - To develop the costs for the project, PBOT compared project costs to the actual costs of the Sandy Streetscape project, which is similar in features and context and has significantly reduced crash rates on Sandy. The Outer Halsey project consist of the following elements: 1) \$1.7 million for sidewalk infill, 2) \$220,000 for pedestrian crossings and upgrades, 3) \$80,000 for four lighting improvements for bikes and pedestrians at four intersections, and 4) \$25,000 for buffered bike lanes. Outer Halsey is identified as #9 in the Motor Vehicle High Crash Network and #12 on the Pedestrian High Crash Network as part of the Bureau's recent Vision Zero analysis, listing roads where people travelling are killed or seriously injured. 478 crashes have been reported on NE Halsey between 122nd and 162nd Aves in the past 10 years. 30% of the crashes have occurred at nighttime, with half of those being injury crashes. Enhanced intersection lighting is expected to reduce nighttime injury crashes by 38%, or 28 fewer crashes in 10 years. Adding a buffered bike lane is expected to reduce bike injury crashes by 47%. While only one bike crash (involving an injury) was reported in this segment of Halsey in the past ten years, this treatment is being proposed as a proactive measure to prevent future bike crashes as bicycling increases in East Portland. Enhanced pedestrian crossings at 137th and 143rd Aves are expected to reduced pedestrian crashes by 56%. One pedestrian crash occurred at 137th Ave, and these treatments are being proposed in order to prevent pedestrian crashes as more people walk and access transit in East Portland.

Targeted Outreach - The three components of this project are: 1) \$60,000 to develop a marketing campaign, 2) \$100,000 for staff time to develop and rollout the program, and 3) \$40,000 for graphic design and printing costs. PBOT believes that the rides for the impaired should be free or highly discounted. The bureau notes that based on TriMet's experience working with Uber on New Year's Eve to curb drunk driving, it is important that Transportation Network Companies (TNCs) do not implement their normal practice of surge pricing, which PBOT believes has the potential to encourage drunk driving and takes advantage of certain people while they are impaired. The bureau plans to partner with TNCs to make the program work.

Safe Routes to School in High Schools - The components of this effort are: 1) \$30,000 to design services to create high school specific materials that are co-developed with students, 2) \$105,000 to develop student-driven projects with a variety of media to raise awareness, 3) \$50,000 to promote the student projects via social media buys, and 4) \$15,000 for small stipends for student leads as a means of supporting low income students who might not otherwise be able to participate.

Community Requests - The average small project costs about \$75,000, and the requested amount of \$500,000 would pay for approximately seven projects. PBOT has provided CBO with the average costs of various components, not including staff time.

For the Fall BMP, CBO typically only recommends additional General Fund resources for requests that are urgent, well-developed, and unforeseen since the FY 2016-17 budget development process. CBO also typically does not recommend one-time funds for needs that are ongoing and therefore, does not recommend the funding for the Target Outreach and Safe Routes to School in High Schools components of this request. As for the Community Requests component, while the needs that the request seeks to address may be urgent, they are not unforeseen from a Fall BMP perspective since they have been well-documented before the FY 2016-17 budget development process. CBO recommends that PBOT request the General Fund resources again during the FY 2017-18 budget development process if it has not secured other resources by then.

In regards to the Outer Halsey Safety Streetscape Project, CBO does not recommend the \$2.0 million in additional General Fund resources for the same reasons mentioned above. While the High Crash Corridor issues of the street and surrounding area may be urgent, they are not unforeseen since the FY 2016-17 budget development process. However, if Council decides that an infrastructure project addressing safety issues should be funded, CBO recommends this one over the others (Inner Hawthorne Corridor Transit & Bikeway, Better Naito, and Seasonal Naito) because it addresses an equity issue. The area is in outer East Portland where a higher percentage of low-income residents live, and the City's neglect of the needs of East Portland has been well-documented. CBO recommends that PBOT request the General Fund resources again during the FY 2017-18 budget development process if it has not secured other resources by then.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_026 - Street Utility Cut Patching for Water Bureau

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	379,044	0	379,044
External Materials and Services	419,957	0	419,957
Internal Materials and Services	0	0	0
Contingency	300,999	0	300,999
TOTAL EXPENDITURES	1,100,000	0	1,100,000
REVENUES			
Interagency Revenue	1,100,000	0	1,100,000
TOTAL REVENUES	1,100,000	0	1,100,000
FTE			
Full-Time Positions	5.00	0.00	5.00
TOTAL FTE	5.00	0.00	5.00

Bureau Description:

This request increases the current interagency agreement by which PBOT Maintenance Operations provides street patching following Water Bureau street utility cuts. This request adds five positions and materials in order to respond to Water's increased need for patching services and to allow Maintenance to complete patching in a timely manner.

CBO Discussion and Recommendation

Recommended as requested. The interagency is being increased by 143% over the Adopted Budget amount. During the Spring BMP last year, the Water Bureau requested to increase its interagency agreement with PBOT for street patching by \$1.0 million. PBOT was concerned that with so little time left in the fiscal year, it could not meet its own street maintenance goals and accomplish the work that the Water Bureau wanted it to do. The two bureaus subsequently came to an agreement as to how to manage planning and communications about work that the Water Bureau needs PBOT to do and are thus making the budget adjustment earlier in the fiscal year.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_027 - OMF Facilities IA - Real Property Coordinator

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Internal Materials and Services	3,000	0	3,000
Contingency	(3,000)	0	(3,000)
TOTAL EXPENDITURES	0	0	0
REVENUES			
General Fund Discretionary	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

OMF Facilities IA is being increased to provide a Real Property Coordinator position. This position provides coordination of surplus property and assists in property ownership between bureaus. PBOT's allocated share is \$3,000. This budget adjustment increases the Facilities Interagency \$3,000 and reduces general contingency \$3,000.

CBO Discussion and Recommendation

Recommended as requested. The \$3,000 draw is about 0.1% of the bureau's general contingency, and PBOT plans to replenish the amount from additional ending fund balance from FY 2015-16.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_028 - GF Request – ADA Accessible Sidewalks

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	1,000,000	(1,000,000)	0
External Materials and Services	4,000,000	(4,000,000)	0
TOTAL EXPENDITURES	5,000,000	(5,000,000)	0
REVENUES			
Fund Transfers - Revenue	5,000,000	(5,000,000)	0
TOTAL REVENUES	5,000,000	(5,000,000)	0

Bureau Description:

The Americans with Disabilities Act (ADA) requires the City to upgrade the sidewalk system with corners accessible to those using wheelchairs and other mobility devices. Although the City's target is for 100% compliance, 50% of the City's 37,987 corners do not contain curb ramps. Construction of additional ADA-compliant curb ramps and removing barriers to the public right-of-way would improve pedestrian safety and increase service levels for all users, particularly those with mobility disabilities, which are often underserved in the transportation realm.

Allocation of City funds to accomplish this work demonstrates that the City confirms the urgent need to improve the pedestrian right-of-way for people with mobility disabilities. This one-time General Fund request in the amount of \$5,000,000 is requested to further Portland's goal to "embrace the letter and spirit of federal civil rights laws, including the Civil Rights Act (CRA) and the Americans with Disabilities Act (ADA)," as stated in The Portland Plan adopted by City Council on April 25, 2012. These funds would be used to address approximately 700 ADA curb ramp deficiencies identified by the Civil Rights Education and Enforcement Center (CREEC) and construct other high priority ADA-compliant curb ramps requested by people using mobility devices.

CBO Discussion and Recommendation

The \$5.0 million figure is based on constructing 1,000 curb ramps at an approximate cost of \$5,000 each. In addition to the 700 curb ramp deficiencies identified by CREEC, PBOT states that there are 300 high priority ADA-compliant curb ramps that are requested by people using mobility devices.

CBO does not recommend General Fund resources for this request during the Fall BMP. For the Fall BMP, CBO typically only recommends additional General Fund resources for requests that are urgent, well-developed, and unforeseen since the FY 2016-17 budget development process. The need for ADA compliant curb ramps is not unforeseen from a Fall BMP perspective since it has been well-documented long before the FY 2016-17 budget development process. CBO recommends that PBOT request the General Fund resources again during the FY 2017-18 budget development process if it has not secured other resources by then.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Bureau of Transportation

Type: New Request

Request: TR_029 - BPS Interagency Projects

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	40,750	0	40,750
Internal Materials and Services	0	0	0
Contingency	0	0	0
TOTAL EXPENDITURES	40,750	0	40,750
REVENUES			
Interagency Revenue	40,750	0	40,750
General Fund Discretionary	0	0	0
TOTAL REVENUES	40,750	0	40,750

Bureau Description:

BPS is requesting planning services from PBOT for various interagency projects below, an overall increase of \$40,750 in IA revenue to PBOT.

Multi-Dwelling Development Project \$20,000
82nd Ave Project, \$20,750

CBO Discussion and Recommendation

Recommended as requested. The IA with BPS is increased by 37% to a new total of \$150,250.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: New Request

Request: WA_001 - Lead Testing Positions

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	297,444	(297,444)	0
External Materials and Services	0	0	0
Contingency	(297,444)	297,444	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
Fund Transfers - Revenue	0	0	0
TOTAL REVENUES	0	0	0
FTE			
Full-Time Positions	3.00	-3.00	0.00
TOTAL FTE	3.00	-3.00	0.00

Bureau Description:

The recent issues nationally and locally involving lead in water along with an increase in other water quality monitoring has led to a significant increase in related sampling and analysis. For 2016 (through 8/31/16), the PWB lab has processed a total of 14,016 samples (13% increase) completing 64,120 analyses (66% increase). This compares to 10,563 samples and 71,033 analyses for all of 2015.

Currently, customer lead in water samples have increased nearly three to five times that which are normally received at this time of year. The resulting increase in work is anticipated to be greatest over the next two years as PWB conducts sampling for City facilities, daycares, schools and other public facilities. Additionally, PWB is in the middle of an intensive corrosion control study and anticipates beginning a treatment pilot study in 2017. A considerable amount of sampling work is required for the corrosion study, which will continue to increase for the anticipated corrosion treatment pilot study. Once these studies are complete, there will continue to be an indefinite increase in sampling and analysis related to recent expansion of regulatory requirements for total coliform monitoring, ongoing customer and facility lead in water testing, upcoming regulatory changes to the Lead and Copper Rule and more frequent groundwater monitoring, as it is increasingly used to meet demands.

In order to meet the demands of the shorter term requirements, the PWB plans to utilize limited term positions where feasible. The limited term positions will be assisting with receiving and logging samples, along with adding support during the corrosion control and treatment pilot studies.

In order to meet the long-term needs, the Water Bureau is requesting the following:

1 full time permanent Environmental Specialist: This position will be responsible for coordinating the facility testing done by the two limited term positions as well as communicating results to facility managers and assisting with follow-up on high results. Once the initial facility testing is complete, there will be an ongoing need for routine lead in water monitoring at all city facilities. This will be a less intensive effort but will still take a considerable amount of staff time to manage and coordinate and will be performed by this position. This position will also be able to use the experience gained in facility testing to do more work on premise plumbing water quality issues, a significant emerging issue in the water industry.

1 permanent Laboratory Analyst I: This position will increase the sample receiving and analysis capacity of the Water Quality Laboratory by 1.0 FTE and will allow the lab to process the significant increase of lead and other drinking water analytical work in a timely manner. In addition, coverage is needed when analysts are sick or on vacation, at training or working on other projects. Currently staff from the Compliance group and the Bull Run Treatment Variance Program (BRTV) are being utilized to help log samples and check for pH and turbidity, taking time away from assigned work in their programs.

1 permanent Laboratory Coordinator: This position will increase the sample results and reporting capacity of the Water Quality Laboratory by 1.0 FTE and will allow the lab to process the increase of lead and all other analysis work and compliance data validation. The lab is required to add more accredited analyses and will need increased coordination to timely process and validate the work to meet stringent accreditation requirements.

The funding for these positions in FY 2016-17 will be from vacancy savings with ongoing funding from water sales revenues. The estimated retail rate impact is 0.2%. The bureau will be incorporating this financial impact as it updates its financial and rate forecast as part of the FY 2017-18 budget development process.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: New Request

Request: WA_001 - Lead Testing Positions

Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
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CBO Discussion and Recommendation

The bureau is requesting six new positions - three limited-term and three permanent positions - to address an increase in lead testing and the potential increased monitoring requirements as a result of the Environmental Protection Agency's revisions to the Lead and Copper Rule. In addition to the requested positions, the bureau plans to create three limited-term positions to address lead testing, using bureau contingency to fund these positions. Within FY 2016-17, these positions would be funded by the reallocation of contingency and other current resources. In FY 2017-18, these positions could be funded by an ongoing rate increase of 0.2%. Because this request necessitates a rate increase, for which Council has not yet approved, it would be atypical to approve these positions in the Fall BMP.

There are several drivers of the increased workload. First, the bureau is forecasting that lead testing will remain at an elevated workload beyond the next two years for residential customers. Additionally, the bureau is anticipating increased monitoring requirements due to the revisions of the Environmental Protection Agency's Lead Copper Rule and in addition to the findings of the bureau's corrosion control study. Lead sampling and testing is also expected to increase due to commitments by the Commissioner to City bureaus and regional daycare providers and school districts. Without these commitments, the bureaus need for the new positions would be highly reduced. Moreover, to date there has been no discussions as to whether City bureaus, Portland Public Schools or other outside entities would reimburse the Water Bureau for the testing services. However, legislation is currently being considered where the Oregon Department of Education would reimburse school districts for costs related to lead testing. Council has scheduled a work session to address lead issues on October 11, during which the issue of reimbursement could be addressed.

The bureau has not yet decided whether any ongoing positions or programs will be requested in the FY 2017-18 budget process; however, division managers are beginning budget preparations under the assumption of maintaining current service levels. Currently, it is assumed by the bureau and CBO that the requested lab and regulatory monitoring positions are the highest ongoing priorities now and would be in the FY 2017-18 process.

Assuming that the requested lab and regulatory positions remain the bureau's top priority, CBO recommends that the bureau convert current vacant positions into the requested permanent positions. The bureau currently has 33 vacant positions (as of September 2016), of which 28 are under recruitment. Six of these positions have been vacant for over six months. The bureau has confirmed that they plan to reclassify and fill these six positions; however, the need for these positions is likely to be less urgent than the lab service positions. To the degree that the positions converted remain needed, then the bureau can request these positions as part of its FY 2017-18 Requested Budget. This approach allows the bureau to address its more pressing needs and also avoids a situation where a rate increase is necessitated by the pre-approval of these permanent positions. Council approval is not needed for the creation of the limited-term positions and the bureau has sufficient one-time funding to cover position costs for the next two years. Even if the permanent positions are not approved by Council, the bureau will move forward with creating these limited-term positions to address the recent acute increase in residential lead testing.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_002 - Green Street Initiative

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Fund Transfers - Expense	(40,734)	0	(40,734)
Contingency	40,734	0	40,734
TOTAL EXPENDITURES	0	0	0

Bureau Description:

Green Street Initiative - Currently there is a budget of \$150,000 with Sewer System Operating Fund for the Green Streets Initiative. The actual amount to be transferred is based on prior fiscal year actual. Therefore, the budget needs to be decreased by \$40,734 to true up the Portland Water Bureau's contribution for the Green Street Initiative fund to actual costs of \$109,266.

CBO Discussion and Recommendation

Recommended as requested.

The Green Street program of the Bureau of Environmental Services' Grey to Green Initiative requires that the Portland Water Bureau contribute 1% of the actual expenditures incurred in the bureau's prior year capital program. Each year the bureau must true-up the actual amount to be transferred to the Sewer System Operating Fund. The bureau requests to adjust the transfer amount in order to reflect actual, prior year capital expenditures.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_003 - Interagency Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(2,000)	0	(2,000)
Internal Materials and Services	1,307,000	0	1,307,000
Capital Outlay	(1,100,000)	0	(1,100,000)
Fund Transfers - Expense	0	0	0
Contingency	(195,000)	0	(195,000)
TOTAL EXPENDITURES	10,000	0	10,000
REVENUES			
Interagency Revenue	10,000	0	10,000
TOTAL REVENUES	10,000	0	10,000

Bureau Description:

- a. Interagency with PBOT – Increase interagency revenue for project number T00505 - SW Corridor Transit Project by \$10,000.
- b. Interagency with Bureau of Planning and Sustainability - Shift funds by \$2,000 to increase Interagency with Bureau of Planning and Sustainability for Water Bureau’s sponsorship of the City’s effort of the Sustainability Work Program to provide business more information on ways to be more sustainable as a business.
- c. Interagency with Revenue Bureau - Increase interagency with the Revenue Bureau by \$202,000 for the Cayenta upgrade and Customer Self Service Function Upgrade.
- d. Interagency with Facilities – Increase interagency agreement with Facilities by \$3,000 for the Real Property Coordinator position.
- e. Interagency with Portland Bureau of Transportation – Increase interagency with PBOT by \$1,100,000 to meet demand based on projections for FY 2016-17. Current analysis shows that paving will continue to increase throughout the remainder of the year.

CBO Discussion and Recommendation

Recommended as requested.

Included within this request is an increase of \$202,000 in interagency expenses with the Revenue Bureau for an upgrade to the Cayenta billing system. The bureau anticipates costs for regular upgrades every two to three years, and these expenses are included in the current financial plan. The current year costs were, in effect, carried over from FY 2015-16 due to delays in the project.

Additionally, the Portland Bureau of Transportation has requested an increase of \$1.1 million for street paving services. This increased budget is consistent with the three-year average of \$2.0 million per year. Based on current development trends and recent new install work order requests, both bureaus believe that the revised amount more accurately reflects the expected workload.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_004 - Cash Transfer

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(15,792)	0	(15,792)
Internal Materials and Services	0	0	0
Fund Transfers - Expense	15,792	0	15,792
Contingency	0	0	0
TOTAL EXPENDITURES	0	0	0
REVENUES			
Interagency Revenue	0	0	0
TOTAL REVENUES	0	0	0

Bureau Description:

- a. Transfer \$3,000 to Parks to cover the Water Bureau's contribution to the Willamette Park Concerts.
- b. Transfer \$12,792 to the General Fund for revenue collected for Dodge Park.

CBO Discussion and Recommendation

Recommended as requested.

As part of this request, the bureau will transfer all FY 2015-16 revenues of \$15,792 from Dodge Park revenues to the General Fund. This follows from a decision in the FY 2015-16 Spring BMP when Council appropriated \$35,000 to fund Water Bureau operations and maintenance of Dodge Park.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_005 - Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Unappropriated Fund Balance	124,629	0	124,629
External Materials and Services	0	0	0
Fund Transfers - Expense	0	0	0
Contingency	(3,448,677)	0	(3,448,677)
TOTAL EXPENDITURES	(3,324,048)	0	(3,324,048)
REVENUES			
Budgeted Beginning Fund Balance	(3,324,048)	0	(3,324,048)
TOTAL REVENUES	(3,324,048)	0	(3,324,048)

Bureau Description:

Adjust the Water Bureau beginning fund balances to be consistent with the City's preliminary FY 2015-16 balances.

CBO Discussion and Recommendation

The bureau will also increase the budgeted beginning balance for its operating fund due to prior year operational underspending in external materials and services and personnel services, in addition to higher than planned water sales and other revenues of \$9.1 million. In total, beginning fund balance will increase by \$4.7 million in the Water Fund; the bureau will determine the use of this balance in the FY 2017-18 budget process, and the funds may be used to cash finance a greater portion of capital projects, lessen the expected rate increase in FY 2017-18, or for other budget needs.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: New Request

Request: WA_006 - Increase Fund 601000 Authorization - PHP repair

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	175,000	0	175,000
TOTAL EXPENDITURES	175,000	0	175,000
REVENUES			
Fund Transfers - Revenue	175,000	0	175,000
TOTAL REVENUES	175,000	0	175,000

Bureau Description:

The power sales agreement for the Portland Hydroelectric Project (PHP) requires the City to reimburse the PHP's operator, Portland General Electric Co. (PGE) for necessary repair activities at the PHP. We have two separate repair projects identified at the PHP that are currently underway. We have identified further Renewal and Replacement Projects that will have to be addressed in FY 2016-17. It is now necessary to increase the FY 2016-17 authorization for miscellaneous expenditures from Fund 601000 by an amount of \$175,000 to accommodate these repair projects. The revenue to support this increase will be coming from Fund 618000 (Hydropower Renewal & Replacement Fund) via a fund cash transfer.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Water Bureau

Type: New Request

Request: WA_007 - Increase transf from Fund 618000 to Fund 601000

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Fund Transfers - Expense	175,000	0	175,000
Contingency	(175,000)	0	(175,000)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

The power sales agreement for the Portland Hydroelectric Project (PHP) requires the City to reimburse the PHP's operator, Portland General Electric Co. (PGE) for necessary repair activities at the PHP. We have two separate repair projects identified at the PHP that are currently underway. There is one of those repair projects at the PHP that was initially planned to be completed and billed out in FY 2015-16. Its completion will now extend into FY 2016-17 and the reimbursement payments will be made during that fiscal year. It is now necessary to increase the FY 2016-17 authorization for the cash transfer from Fund 618000 to Fund 601000 by an amount of \$175,000 to accommodate these repair projects.

CBO Discussion and Recommendation

Recommended as requested.

**CBO Discussion and Recommendations
FY 2016-17 Fall BMP**

Bureau: Portland Development Commission

Type: Encumbrance Carryover Request

Request: ZD_001 - Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	44,000	(10,000)	34,000
TOTAL EXPENDITURES	44,000	(10,000)	34,000
REVENUES			
General Fund Discretionary	44,000	(10,000)	34,000
TOTAL REVENUES	44,000	(10,000)	34,000

Bureau Description:

PDC requests the balance to be added as encumbrance carryover in the Fall BMP based on the following commitments that were underway or slightly delayed:

- \$25,000: Remaining grant balance with PIE (Portland Incubator Experiment) for the community manager. PDC had an encumbered balance as of June 30, 2016 and disbursed the remaining funds to PIE in August.
- \$10,000: Updated Athletic and Outdoor Cluster Action Plan – delayed start at the request of the partner (PSU).
- \$9,000: Business Survey (encumbered contract with DHM). Survey was delayed until late summer to ensure high response rate.

CBO Discussion and Recommendation

CBO recommends as requested the encumbrance carryover for the \$25,000 for PDC's grant to Portland Incubator Experiment and the \$9,000 Business Survey work contracted to DHM, but does not recommend encumbrance carryover for the \$10,000 Athletic and Outdoor Study.

PDC's General Fund-funded work is paid via an intergovernmental agreement with CBO. Due to timing issues around PDC's final invoice and unknowns around their encumbered contracts at FY 2015-16 year end, CBO encumbered the full amount of the remaining balance on the intergovernmental agreement with PDC. CBO advised PDC on 8/9/2016 that "CBO would not characterize anything but funds that PDC had actually encumbered in FY 2015-16 as a true encumbrance carryover. A carryover request in excess of PDC's [actual] encumbrances would essentially read as a new money request in FY 2016-17 Fall BMP, subject to the same unforeseen/urgent requirements as other BMP asks."

PDC was able to provide documentation of the \$25,000 in funds encumbered for the Portland Incubator Experiment and the \$9,000 encumbered for the Business Survey. PDC was unable to provide documentation or other verification of funds encumbered for the Athletic and Outdoor Cluster Study. PDC did provide a draft scope of work with EcoNW for this project, but indicated that no specific work order was issued as of 6/30/2016. PDC has a flexible services contract with EcoNW, and, to the degree that no final scope or funding was agreed to or contracted as of 6/30/2016, any services provided in the current fiscal year would be appropriately funded out of PDC's General Fund allocation for Cluster Development services (\$1,252,585 in FY 2016-17 IGA).