

<p align="center">PORTLAND CITY COUNCIL AGENDA City Hall - 1221 SW Fourth Avenue WEDNESDAY, 9:30 AM, July 12, 2017</p>	<p align="center">Disposition:</p>
<p align="center">TIMES CERTAIN</p> <p>787 TIME CERTAIN: 10:00 AM – Create a local improvement district to construct street, sidewalk and stormwater improvements in the N Suttle Road Local Improvement District (Ordinance introduced by Commissioner Saltzman; C-10058) 20 minutes requested</p>	<p>The LID Administrator’s low-confidence estimate of the cost of designing, constructing, and financing the improvements is \$9,633,875. The estimated amount of the future assessment for the LID is \$8,225,451. Additional funding is being provided by PBOT in the amount of \$1,108,424 for overhead costs and \$300,000 from the Heavy Vehicle Use Tax. Property owners’ assessments range from \$1,220 to \$1,767,738. 100% of the LID revenue (\$8,225,451) is to be added to PBOT’s FY 2017-18 budget.</p>
<p>788 TIME CERTAIN: 10:20 AM – Appeal of John Hollister against the Portland Historic Landmark Commission’s Historic Resource Review decision of approval with conditions in the River District sub district of Central City plan district for construction of a 6-story office building with a penthouse and 3-story underground garage at NW Glisan and NW 13th Ave (Previous Agenda 693 introduced by Commissioner Eudaly; Findings; LU 16-153002 HRM AD) 5 minutes requested</p>	<p>No fiscal impact.</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p>789 Reappoint Victoria Haynes to the Plumbing Code Board of Appeal, term to expire July 11, 2020 and reassign Amara Shurte to the Public at Large position (Report introduced by Mayor Wheeler and Commissioner Eudaly)</p>	<p>No fiscal impact.</p>
<p>790 Appoint Dan Zalko, Leslie Hamilton and Michael Gilliland to the Portland Adjustment Committee for four-year terms (Report introduced by Mayor Wheeler and Commissioner Eudaly)</p>	<p>No fiscal impact.</p>

<p>791 Appoint Public Involvement Advisory Council members for staggered two and three year terms (Report introduced by Mayor Wheeler and Commissioner Eudaly)</p>	<p>No fiscal impact.</p>
<p>Mayor Ted Wheeler</p>	
<p>792 Reappoint Christopher Abbruzzese to the Investment Advisory Committee for a term to expire July 24, 2019 (Report)</p>	<p>No fiscal impact.</p>
<p>Office of Management and Finance</p>	
<p>*793 Pay lawsuit of Trevor Irish in the sum of \$46,000 involving the Bureau of Environmental Services (Ordinance)</p>	<p>The ordinance provides \$46,000 to Trevor Irish for injuries suffered in a vehicle collision involving a BES vehicle. Funding is available in the bureau's FY 2017-18 Adopted Budget for risk mitigation.</p>
<p>*794 Authorize a contract with Triad Consulting & System Design Group, LLC for Comprehensive Security Assessment and Improvements for a total not-to-exceed amount of \$242,067 (Ordinance; Contract No. 30005911)</p>	<p>This ordinance authorizes execution of a contract for the Citywide Security Assessment approved by Council in the FY 2016-17 Fall BMP. Funds were authorized from major maintenance reserves, with additional funding to come from existing budgets of participating asset owning bureaus.</p>
<p>Commissioner Dan Saltzman</p>	
<p>Bureau of Transportation</p>	
<p>*795 Amend price agreement with Amerlux, LLC to provide LED Acorn Luminaire Street Lighting Kits (Ordinance; amend Contract No. 31000725)</p>	<p>\$300,000, currently in PBOT's FY 2017-18 budget, and funded by bond proceeds.</p>
<p>796 Authorize a contract with Nelson Nygaard Consulting Associates, Inc. for the development of a Transportation Demand Management Action Plan in the amount of \$157,381 (Ordinance)</p>	<p>PBOT's level of confidence in the cost estimates for this project is high. It is paid for by parking revenues and is included in PBOT's FY 2017-18 budget.</p>
<p>Commissioner Amanda Fritz</p>	
<p>Portland Parks & Recreation</p>	
<p>*797 Accept and appropriate a grant in the amount of \$20,000 from Oregon Department of Education for Expansion of the Summer Free for All Lunch Program (Ordinance)</p>	<p>Parks has notified CBO that it is pulling this agenda item and will resubmit a revised ordinance at a later date.</p>

<p>REGULAR AGENDA – Wednesday</p> <p>Mayor Ted Wheeler</p>	
<p>798 Adopt the Community Equity and Inclusion Plan for all City of Portland public improvement contracts that utilize alternative contracting methods and have estimated contract values of \$10 million to \$25 million; and require consideration of modified Community Benefits Agreements for public improvement contracts with estimated contract values in excess of \$25 million (Resolution) 2 hours requested for items 798-800</p>	<p>See below.</p>
<p>799 Direct the Bureau of Revenue and Financial Services Procurement Services Division to develop and implement a contract delivery method selection process for public improvement projects with construction contracts estimated at \$10 million and over (Resolution)</p>	<p>See below.</p>
<p>800 Direct the Office of Management and Finance and the Office of Equity and Human Rights to develop a Community Opportunities and Enhancements Program and funding plan (Resolution)</p>	<p>See below.</p>
<p>Bureau of Police</p>	
<p>*801 Apply for and accept a grant in the amount of \$445,680 from the Oregon Department of Transportation and appropriate \$225,000 for reimbursement for the 2017-19 Work Zone Enforcement Program grant (Ordinance) 10 minutes requested</p>	<p>This ordinance authorizes the Police Bureau to apply for and accept an ODOT grant that will fund overtime for police officers to provide high visibility and enforcement in ODOT work zones. \$225,000 of the \$445,680 grant will be disbursed during FY 2017-18, with the remainder disbursed in FY 2018-19. The \$51,010 required match will be funded within the Police Bureau’s current appropriation level.</p>
<p>Office of Management and Finance</p>	
<p>*802 Authorize a contract with Motorola Solutions, Inc. in the amount of \$14,000,000 to provide public safety communications equipment and related services (Previous Agenda 772)</p>	<p>Utilization of this not-to-exceed contract will be funded by the customer bureaus purchasing radio equipment. The contract has a five-year term.</p>
<p>Commissioner Dan Saltzman</p> <p>Bureau of Transportation</p>	

<p>803 Authorize Intergovernmental Agreement with Sound Transit for cooperative procurement of modern streetcars (Second Reading Agenda 764)</p>	<p>The IGA does not authorize the purchase of streetcars. Its purpose is to establish a procurement agreement in the event that the City decides to pursue this option as a means of procuring additional streetcars in the future. Any decision to procure additional streetcars will be presented at separate Council hearings in partnership with Procurement Services. Partnering with another streetcar system for procurement of vehicles, spare parts, and engineering reduces costs for all agencies through economies of scale.</p>
<p>804 Amend contract with TriMet related to development and funding of the Portland Streetcar system and shared regional transit goals (Second Reading Agenda 774; amend Contract No. 33000088)</p>	<p>See below.</p>
<p>805 Amend the boundary of the SW Dolph Ct – Spring Garden St Local Improvement District to construct additional street, sidewalk and stormwater improvements 111 feet west on SW Spring Garden St and create a new pending lien record for 3352 SW Spring Garden St (Second Reading Agenda 775; C-10053; amend Ordinance No. 187740)</p>	<p>The Moderate confidence estimate of the increase in LID cost is \$108,442, and the new total project cost will be increased to \$1,380,994. There is no change to existing pending lien amounts, but a new pending lien record is created for 3352 SW Spring Garden Street in the amount of \$108,442. The owner of 3352 SW Spring Garden Street is privately funding all design costs.</p>

<p>806 Create a local improvement district to construct street, sidewalk and stormwater improvements in the NE 27th Ave and Holland St Local Improvement District (Second Reading Agenda 776; C-10059)</p>	<p>The LID Administrator's low-confidence estimate for the cost of designing, constructing, and financing the improvements is \$749,550. The estimated amount of the future assessment for the LID is \$650,172. Additional funding is being provided by PBOT in the amount of \$99,378 for overhead costs. Property owners' assessments range from \$34,352 to \$295,284. 100% of the LID revenue is to be added to PBOT's FY 2017-18 budget.</p>
<p>Portland Fire & Rescue</p>	
<p>807 Authorize a purchase order with Skeeter Brush Trucks, LLC for the purchase of three wildland brush trucks for a total not-to-exceed amount of \$700,000 (Second Reading Agenda 766)</p>	<p>Funding for these purchases will be provided by the 2010 Public Safety GO Bond fund for apparatus replacement and budgeted in the FY 2017-18 Adopted Budget.</p>
<p>Commissioner Nick Fish</p>	
<p>Water Bureau</p>	
<p>808 Authorize an Intergovernmental Agreement with Energy Northwest in the amount of \$8,000,000 for the Operations and Maintenance of Portland Hydroelectric Project (Second Reading Agenda 779)</p>	<p>See below.</p>
<p>City Auditor Mary Hull Caballero</p>	
<p>809 Assess property for sidewalk repair for the Portland Bureau of Transportation (Second Reading Agenda 781; Y1092)</p>	<p>The liens can generate \$137,771 for the Transportation Operating Fund.</p>
<p><u>WEDNESDAY, 2:00 PM, JULY 12, 2017</u></p>	
<p>810 TIME CERTAIN: 2:00 PM – Support retaining federal policies protecting Net Neutrality (Resolution introduced by Commissioner Saltzman) 45 minutes requested</p>	<p>No fiscal impact.</p>
<p><u>THURSDAY, 2:00 PM, JULY 13, 2017</u></p>	

<p>811 TIME CERTAIN: 2:00 PM – Recommend the Portland Bureau of Transportation develop new and expanded strategies to improve transit service and increase transit ridership throughout the City by developing an Enhanced Transit Program and endorse a list of transit projects for the Regional Transportation Plan 2018 Update Call for Projects (Resolution introduced by Commissioner Saltzman) 90 minutes requested for items 811 and 812</p>	<p>The actions in the resolution do not amend the budget or change current or future revenue sources. PBOT has developed a list of Regional Transit Program projects based on expected City revenue projections and a regional understanding of future revenue sources for the next 20 years, including revenues that can be dedicated to regional and City-led transit projects.</p>
<p>812 Amend the City Vision Zero Action Plan, Saving Lives with Safe Streets, to incorporate the Vision Zero Project List (Resolution introduced by Commissioner Saltzman)</p>	<p>Although the resolution does not have a timeline for the completion of the projects, it does note that Council previously adopted the Vision Zero Action Plan which has the goal of eliminating traffic fatalities and serious injuries by 2025. The project list contains 27 funded projects and 79 unfunded or partially funded projects. Each unfunded project in the list has an estimate for the range of costs for the project. The total cost of all unfunded projects may be as high as \$530 million.</p>
<p>REGULAR AGENDA – Thursday</p> <p>Mayor Ted Wheeler</p> <p>Bureau of Police</p>	
<p>813 Amend an agreement with San Diego Police Equipment Co. in the amount of \$2,000,000 to provide training ammunition for the Police Bureau (Second Reading Agenda 277; amend Contract No. 31000502) 15 minutes requested</p>	<p>This action increases the not-to-exceed amount on the contract from \$2,000,000 to \$4,000,000. The bureau has noted that there is sufficient budget in FY 2017-18 to fund this increase.</p>
<p>Office of Management and Finance</p>	
<p>814 Accept the 2017 Risk Management Report (Report) 20 minutes requested</p>	<p>No fiscal impact.</p>

<p>815 Grant a franchise to LCP Oregon Holdings, LLC to construct, operate and maintain pipeline facilities under City streets for a period of 20 years (Ordinance) 15 minutes requested</p>	<p>The City will receive a flat rate of \$35,000 per year for franchise fees under this franchise agreement (adjusted annually by CPI). Authorization and compensation for any infrastructure expansion must be approved by Council.</p>
<p>Portland Housing Bureau</p>	
<p>816 Amend relocation assistance regulations in Affordable Housing Preservation and Portland Renter Protections (Previous Agenda 692; amend Code Section 30.01.085) 30 minutes requested</p>	<p>The proposed amendments generate no fiscal impact on the City of Portland's operations.</p>

798 Adopt the Community Equity and Inclusion Plan for all City of Portland public improvement contracts that utilize alternative contracting methods and have estimated contract values of \$10 million to \$25 million; and require consideration of modified Community Benefits Agreements for public improvement contracts with estimated contract values in excess of \$25 million (Resolution)

799 Direct the Bureau of Revenue and Financial Services Procurement Services Division to develop and implement a contract delivery method selection process for public improvement projects with construction contracts estimated at \$10 million and over (Resolution)

800 Direct the Office of Management and Finance and the Office of Equity and Human Rights to develop a Community Opportunities and Enhancements Program and funding plan (Resolution)

CBO Analysis: Resolutions 798, 799, and 800 are a set of interrelated resolutions that will change the City's approach to contracting for public improvements (e.g. construction, rehabilitation, replacement of City infrastructure). These resolutions are specifically designed to standardize and expand the City's efforts to increase the participation of disadvantaged, minority-owned, women-owned, and emerging small businesses (MWESB). Discussion of potential impacts to Affordable Housing Bond-funded construction and rehabilitation projects is included below.

Resolution 798 adopts the Community Equity and Inclusion Plan (CEIP) for all City contracts that 1) utilize alternative contracting methods and 2) have estimated contract values between \$10 million and \$25 million. The resolution will sunset after 5 years without additional Council action. The CEIP establishes a set of responsibilities and requirements that contractors and the owner (the City) agree to meet for such contracts. In summary, the CEIP establishes that contractors will meet new MWESB reporting and compliance requirements, make specific efforts to make sub-contracting opportunities available to MWESBs, meet minimum requirements around apprenticeship opportunities, and strive to meet aspirational goals around MWESB participation as outlined in the accompanying "Community Equity and Inclusion Partnership Agreement". The CEIP further establishes a new committee, the Community Equity and Inclusion Committee (CEIC), to provide oversight and support of the CEIP, especially as it relates to contractor reporting requirements and assistance in facilitating opportunities for MWESBs. Alternative method public improvement contracts in excess of \$25 million are expected to implement modified Community Benefits Agreements.

- The requirements of the CEIP will have significant fiscal impact, though a precise impact cannot be determined until additional programmatic details are established. Staff time and resources will be dedicated to the establishment of the Community Equity and Inclusion Committee; it is likely the CEIC will require full time analytical and administrative staff support.
- Additionally, the cost of time and resources spent by Contractors, Owner's Representatives, and City

equity specialists to facilitate, monitor, and track compliance with the CEIP will either be paid by the City or passed on to the City via higher contract costs.

Resolution 799 directs the Procurement Services Division to “identify a contract delivery method selection process” for public improvement projects with construction contracts estimated to exceed \$10 million. Currently, ORS Chapter 279C requires the use of a competitive low-bid procurement process for such contracts unless there is a statutory exemption. This resolution directs Procurement to develop parameters and standards for the use of alternative project delivery methods (e.g. design-build, Construction Manager/General Contractor).

- The expected outcome of this work, if approved by Council, will be a shift away from competitive low-bid contracts toward alternative project delivery methods for City contracts over \$10 million. This will, in turn, increase the number of City contracts that are subject to the requirements of the CEIP per Resolution 798.
- There will be costs borne by the City if high dollar contracts are no longer required to undergo a low-bid competitive process, as well as costs for the staff time and resources required to develop a new contract delivery method selection process.

Resolution 800 directs OMF and OEHR to develop a Community Opportunities and Enhancements Program and funding plan. The resolution outlines general assumptions around the scope and size of the funding plan: 1% of the cost of all public improvement construction contracts would be added on to the project cost, pooled, and used to support programs and strategies to increase MWESB participation in construction contracting.

- A 5-year lookback of annual Procurement reports (FY 2011-12 through FY 2015-16) shows construction contract costs totaling \$658.1 million. Under the assumptions above, approximately \$6.6 million would have been added on top of total contract costs to fund programming to support MWESB participation during these years.

Construction contract totals for FY 2016-17 are not yet compiled, nor are forward-looking estimates of construction contract totals available from Procurement. However, based on large current public improvement contracts (e.g. the Portland Building Reconstruction) and large increases to the 5-year Capital Improvement Plan (e.g. BES roughly doubling its capital program), it may be reasonable to assume a 1% set aside would exceed \$6.6 million over the 5-year horizon of Resolution 798.

- The 1% set aside would be in addition to existing percentage set-asides for public improvement construction projects (e.g. 2% for Art, 1.5% for Green Energy Technology, etc.) The methodology for program spending and estimated costs for program administration have not yet been determined. Administrative costs are expected to be carved out of the set aside.

The fiscal impact of these resolutions on Housing Bond-funded projects has not been analyzed. It is not clear at this time if the 1% assessment will be an eligible bond expense. If so, this would likely increase the cost per housing unit constructed or rehabilitated. If the assessment is not bond-eligible, the Housing Bureau will need to identify an alternate funding source for this cost. There will likely be additional administrative expenses associated with meeting the requirements of the CEIP; following the CEIP may also impact the bureau’s ability to utilize alternative contracting methods, such as a Turn-Key agreement, intended to lower development costs and increase the number of units created.

804 Amend contract with TriMet related to development and funding of the Portland Streetcar system and shared regional transit goals

Beginning in FY 2018-19, TriMet’s operating funding share will be determined by applying the operating funding threshold measures applicable to TriMet, to the product of the agreed-upon Streetcar system annual vehicle revenue hours for the upcoming fiscal year, and the FY 2017-18 operating cost (net of fare and sponsor revenues) per Streetcar revenue vehicle hour. This calculation will be adjusted to the upcoming fiscal year in proportion to the change in TriMet’s represented employees’ wage rates from FY 2017-18 to the upcoming fiscal year. For FY 2017-18, the operating cost (net of fare and sponsor revenues) per Streetcar revenue vehicle hour as \$149.59. This change in calculation does not materially change the overall financial

result - the amount of TriMet funding expected in FY 2018-19, but it does provide a consistent metric over time for tracking TriMet funding in relation to hours of revenue vehicle service provided.

808 Authorize an Intergovernmental Agreement with Energy Northwest in the amount of \$8,000,000 for the Operations and Maintenance of Portland Hydroelectric Project (Ordinance)

This ordinance would authorize an intergovernmental agreement with Energy Northwest (EN) to operate and maintain the two hydroelectric power generating facilities owned by the City of Portland located on the Bull Run River. Since 1982, the power generated from the hydroelectric facilities has been purchased by the Portland General Electric (PGE) under a Power Sales Agreement. Under the terms of the agreement, PGE also operated, maintained, and distributed the power. The sales agreement with PGE ends in August 2017. Prior to the end of the contract, the bureau needs to replace the one existing agreement with four agreements: a new Power Purchase Agreement (PPA), an Operations and Maintenance Agreement, a new Power Transition Agreement, and Scheduler Agreement to optimize the sale of the power to PGE. Negotiations for these new agreements are in progress.

Historically, excess balance totaling a few hundred thousand dollars has been transferred to the General Fund each year due to the methods used to finance the hydroelectric facilities in the 1970s. Due to the ending of the existing PGE PPA and the uncertainty of future cash needs of the fund, the Spring 2016-17 BMP ended those transfers, and they are not currently included in the City's forecast. The bureau continues to forecast that minimal profits will be generated during the first few years of the transition to the new PPA and operations and maintenance agreement, making Hydropower Operating Fund cash transfers to the General Fund unlikely in the five-year forecast. This projection is driven by low market power prices, new contract implementation and startup costs, higher anticipated operations and maintenance costs under the new contract and capital improvements to control systems in FY 2020-21.

The total contract to operate and maintain the hydroelectric power facilities is \$8 million for a five-year term. The first-year costs are estimated to be \$2 million. Given that negotiations for the new Power Purchase Agreement, Power Transition Agreement and Scheduler Agreement are still in progress, it is uncertain whether the Hydroelectric Operating Fund will have sufficient revenue from power sales to cover the estimated total costs. CBO notes that if revenue is not sufficient to cover unmet hydropower liabilities, then the General Fund may be liable under the new agreements.