

To: PUB Members
From: Colleen Johnson, PUB Co-chair
Date: March 22, 2018
Re: Budget Requests

Hello PUB members,

As with the previous two meetings, I have written some comments since I will not be at the meeting on Thursday although I will be in attendance through Skype. The comments below are in addition to the survey responses and focus mainly on the FTE that I do not support but were too lengthy to fit into the survey limitations.

Before getting to those, I have a couple of preliminary comments.

At the last meeting I heard Ted say that we shouldn't be "Monday morning quarterbacks" and should let the bureaus make the decisions. I respectfully disagree. I think our job is to be Monday morning quarterbacks and to critically question the budgets that the bureaus put forth. If we don't do that, it's not clear to me what our job is. We, of course, don't make decisions for the bureaus, but as a budget advisory board, we are expected to provide input and advice to the City Council.

I mentioned this in my last note: I'm bothered by the juxtaposition of the number of vacancies in the two bureaus and their requests for new FTE. I understand that some vacancies are in the process of being filled, reclassified and/or advertised, but some have been vacant for a long time and in some cases the vacancies co-exist in areas with the same or similar classifications and in some cases the bureaus have made deliberate decisions to fill vacancies rather than consider realignment. Certainly that is their choice, but at times it is perplexing, at least to me and seems similar to the issue of under-spending in the capital budget. We have these existing positions that carry with them resource dollars that are (in some cases) not being used and yet new positions that bring new resource dollars are being requested. I realize that the bureaus are huge in comparison to many local governments and 30-40 vacancies in a bureau that has almost 600 employees seems insignificant, but it is still an issue that I think needs discussion.

Finally, I very much appreciate BES reviewing their RSF and looking at different scenarios. As I said in the survey, I favor BES reducing its retail rate increase to 2% next year for the reasons stated. However, PWB's suggested retail rate increase is 8.9% and frankly I think that is still too high. I would like to see the bureau find a way (reduce requested FTE?) to lower their rate.

PORTLAND WATER BUREAU

WATER TREATMENT

No additional comments

UNIDIRECTIONAL FLUSHING

No additional comments

WORKFORCE MANAGEMENT

While I support a Public Works Specialty Inspector I do not support a General Inspector at this time. I agree with the CBO that the data submitted by the bureau does not support a clear need for a general inspector. General inspector contract hours have been less than a typical FTE in three of the four previous year usually occurring during peak times, and while the bureau believes that they will have a need going forward, it would be prudent to continue to use contract hours for the time being and see if the contracted hours continues to increase.

ASSET MANAGEMENT

There are 5 FTE in the AMB when it's fully staffed (1 current vacancy in process of recruitment) and it works with both the Maintenance/Construction group and the Operations group. This position would presumably be located in the Operations Group and allow more "operations-specific" data gathering and analysis, as I understand it. I'm open to this argument but at the same time it seems to me that a more financially prudent choice would be to fill the current vacancy and have that person liaison with the Operations Group and develop a tracking system for asset condition, field test results and other inputs to identify appropriate maintenance strategies.

In 2017, the bureau updated the Audit and Strategic Water Loss Control Plan. The plan includes several recommendations, some of which focus on investments other than FTE such as new equipment for leak detection. Assuming the Water Loss Program Manager is hired, I would suggest that PUB ask for a presentation on this program and how the bureau intends to track its effectiveness.

COMMUNICATION

While I agree that consistent writing is a valuable commodity, it is not at all clear to me that is a strong enough justification for a new FTE, especially when PUB was told at a subcommittee meeting that various areas have communication duties embedded in them. It's also not clear to me that there is enough work to justify a new FTE, especially given that the bureau made a decision to reassign its current technical writer to other priorities. I agree with the CBO that the bureau should track the number of hours existing staff and contract staff are used for work the technical writer would have otherwise been assigned.

If consistency and accessibility of utility documents is a high priority, perhaps it would make sense to explore combining the communication staff in both bureaus. I know this is heresy, but PWB has 6 regular FTE and 1 PT staff in Communication while BES has 13 FTE (1 Public Affairs

manager, 3 staff in communications, 2 staff in environmental education, and 7 staff in Community Outreach. Why not combine the two areas for 20 people and work together to improve overall communications to better achieve economies of scope and scale and more consistent messaging, especially since many citizens see them as joined at the hip (e.g. 'the water bill'). There may be different missions and different skills and knowledge in each bureau, but there already seems to be overlap and cooperation, so why not explore a single communications group. I realize the City's structure is of concern (e.g., a future mayor splits the two bureaus among two different commissioners) but perhaps if the bureaus were less siloed, there would be more incentive to keep the bureaus under one commissioner. And sending a consistent message from both bureaus seems like a benefit to consumers.

EQUITY

No additional comments

MT. TABOR/PARKS MAINTENANCE/DECORATIVE FOUNTAINS

No additional comments

FINANCIAL ASSISTANCE

Since this is a program that crosses bureau lines (see comments on combining Communication areas of both bureaus), my comments for this program are listed at the end.

BUREAU OF ENVIRONMENTAL SERVICES: Below are my reasons for not supporting individual FTE

SERVICE DELIVERY

Environmental Technician II (Plan Review 2 of 2)

Current staffing is 1 program manager plus 5 FTE plus an intern, up 1 FTE from previous year (one Environmental Tech I hired 9/5/17). DP says that in FY 2017-18 BES hired short-term casual employees and plan to request 2 limited term FTE positions in Fall 2018-19 BMP to help with the backlog. Given that the growth rate of building permits dropped to 3% in 2016-17 (from 6% every year between 2012-13 and 2015-16) it seems reasonable to hire one permanent FTE. If the bureau goes forward and requests limited term FTE in the fall BMP (although I have to ask why not put those in the budget request now?) then the bureau can re-evaluate the second position next year after seeing how the backlog changes.

Environmental Program Coordinator SPCR

Other staff in this area includes 1 Program Manager, 4 Environmental Tech positions, and 13 Duty Officers. City Council approved and the bureau hired an Environmental Tech last year and response has improved. Given the newly hired position, the bureau should wait another year and re-evaluate the SPCR progress in light of planned technological improvements to assist staff (and maybe re-evaluate the target enforcement turnaround times as suggested by CBO).

CIP PLANNING AND DELIVERY IMPROVEMENTS

Industrial Maintenance Millwright (Field Technician for Condition Assessment)

I realize this was a high priority for the bureau, but this program has a Program Manager, a Maintenance Planner, and an Engineering Tech II. The Tech II was just approved in the Fall BMP and as of early February that position was still vacant. I agree with the CBO: the bureau should wait until the Tech II position is filled, then as the program develops BES should establish performance targets to measure and communicate the program's progress.

1 FTE: Supervising Engineer WW Design

BES says this division is heavily loaded with professional engineers and senior engineers and that they are likely to reclassify an existing position, which has been vacant for more than a year, to a supervising engineer. Also the baseline ratio of supervisor to staff ranges from 1:5 to 1:11 direct reports and this position would drop that to 1:4 for the Principle Engineer and 1:3 for the Supervising Engineer. It makes sense to reclassify the existing position and then re-evaluate the need next year.

Engineer Construction Management

The move at BES to an integrated planning and program management model may affect the scope and role of this position. According to CBO, some CM positions may shift to PM positions or remain as CM positions. This reorganization could alleviate the workload issue and suggests that this position should be delayed and re-evaluated after the reorganization and re-

assessment of long-term needs. Also, there are currently 1-2 senior level vacancies in these teams. These should be filled before requesting another position.

Sr. Engineering Associate (Support for System Planning and Modeling)

There is a 3-year project to update the CCSP with a \$1.5m consultant contract, although it's not clear to me when the contract starts/ends. The plan update will include both internal and contracted services. Currently the Asset Systems Management Division has a modeling group with 1 supervising engineer, 6 FTE, 2 contract engineers, and an intern. While I appreciate the bureau's interest in trying to smoothly move from the contracting work on the plan update to the internal implementation of that plan, waiting until the plan is further along might help define how this position can better inform future capital spending and capital program management.

Engineer (Surface Water Project Mgmt/Design)

Currently there are \$10m of unassigned projects in the current budget and BES says that it's likely no work will be done in the current year. There are 15 FTE in the Surface Water Engineering Team, plus a contract engineer and an intern, however, there are 2 senior engineering positions and engineering tech II positions vacant. Of the 24 new capital projects in the requested budget, I count 9 that are surface water management projects. While I think these projects are important, I also think that the vacancies in this team should be filled and the workload reassessed before adding another FTE.

WORKFORCE

No additional comments

RESPONSIVE BUSINESS SYSTEMS

Business Systems Analyst (Investigations)

Given that the bureau just hired a Data Strategist for this division in December 2017 and there are two vacancies in Data Acquisition and Management, I would suggest filling the two vacancies and then re-evaluating the need for this position after those three positions have had a chance to mitigate the workload.

COMMUNITY RELATIONSHIPS

The pieces that relate to the Financial Assistance program are included in that comment (below).

LEADERSHIP IN CITY GOVERNMENT

No additional comments

FINANCIAL ASSISTANCE (applies to both PWB and BES requests)

The City's Auditor's report on the current Utility Payment Assistance program, while recognizing the need for such a program, was also critical of the current program for a number of reasons. The report makes a number of suggestions to improve the outcomes.

The Water Bureau must improve its ability to access customer data and use it to design effective programs and target outreach, ensure information about payment assistance is easy to find and understand, and strengthen customer service training so customers receive consistent information about payment options. Additionally, the City must continue to study how to extend assistance to multifamily housing. (p. 3)

I appreciate the hard work and dedication that has gone into the new financial assistance program. There's no question that Portland needs this program and, more importantly, needs it to work effectively. I agree that an increase in the crisis voucher from \$150 to \$500, adjusting the income guidelines to reflect median family income in Portland, and creating a new discount up to 80% of the typical bill for households below 30% of median income are appropriate. I'm less sure about the multi-family low-income crisis assistance proposal. I think the CBO raises important questions about how this particular piece of the proposal will be implemented. In particular, the CBO is concerned that the multi-family piece is targeted to address broader affordability concerns rather than affordability of utility costs. They also have concerns about the administrative costs of the program and who will bear them. Bringing clarity to these concerns would help.

My main concern with this program, however, is the request for 2 FTE to staff it.

As I understand it, PWB is in the process of recruiting and hiring a new program coordinator for the low-income assistance program. They have also hired a firm to provide them with low-income data (although it wasn't clear to me exactly what data). The idea is to have a dedicated low-income service team of 3 FTE with a dedicated phone number so that interested customers would not have to go through the Customer Service Call Center but rather could contact the staff directly. All of this sounds good but it also sounds aspirational at this time. The manager has not yet been hired and the appropriate data set has not yet been defined or analyzed (since at least some of the data is still to be collected by a private firm).

The Auditor's report suggested better and more targeted outreach, better and more complete data, and better training of Customer Service employees to deal with this program. They do not suggest that more employees are the answer at this time.

The CBO has similar concerns and suggestions, notably that "the City does not use customer nonpayment data to develop its payment assistance programs for utility bills." Given the lack of data, "two Program Specialists assigned to the Low-Income Services Team, may or may not be the most appropriate solution."

I would add that answers to these questions should be formulated BEFORE the bureau hires new FTE.

- What exactly are the necessary skills for these employees? Data analysis, outreach and what type of outreach, language skills, document/web design, etc.?
- What are the workload implications? As CBO notes, the expected outcome would be to shift some of the more time-consuming and complex calls from the Customer Service Representatives to the Low-Income Service Team.

We're told that without the two new FTE, the Auditor's suggestions cannot be implemented, but it's not clear to me why. It makes much more sense to me to hire the new manager, let him/her acclimate to both the City (if necessary) and the outlines of the new program and review and incorporate the data being collected by the firm with the existing data that bureau has been collecting and analyzing. The new manager should determine what skills are necessary for any future staff members and whether or not existing staff can be used. With approximately 30 FTE in the Customer Service group and the likely outcome that if this program is successful there will be fewer calls to that group, it seems at least reasonable that two staff positions could be reclassified to serve in this program, even if that means going through a P4 process.

The bottom line for me is that the program manager should be hired first and then he or she should be given time to evaluate the needs of the program from a data-centered and outreach focus, not just because that person will be held accountable for the rollout, implementation, and results of it, but because if we hire the right manager, this person will be in the best position to know what is really needed.