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Date: September 12, 2018
To: Claudio Campuzano, City Budget Office
From: Michael Stuhr, P.E., Administrator *MS*
Subject: Executive Summary for the FY 2018-19 Fall BMP

Enclosed is the Portland Water Bureau's FY 2018-19 Fall BMP Report that includes the status of the six funds.

The following is a summary of the Bureau's requests for the Fall BMP:

Fund Balance Adjustments:

- Adjust the Hydroelectric Division and Water Division beginning fund balances to be consistent with actual ending balances reported in the City's FY 2017-18 Preliminary CAFR balances.

Water Funds:

- Carryover of Funds
 - Carryover funds for Solar at Groundwater Pump Station in the amount of \$88,000;
 - Carryover funds for Mt. Tabor Historic Preservation Project in the amount of \$44,455.
- Cash Transfers
 - Transfer \$26,827 to the General Fund for revenue collected from Dodge Park permits and fees in FY 2017-18;
 - Transfer from the LID Fund to Water Construction Fund for \$58,106 for outstanding SDC Lien receivables.
- Interagency Adjustments:
 - Increase interagency with Special Appropriations by \$11,585 for unexpended professional development related to COPPEA & DCTU training;
 - Increase interagency with the Office of Management and Finance by \$5,000 for increased vendor costs associated with compliance tracking that Procurement performs on behalf of infrastructure bureaus;
 - Increase interagency with Purchasing for \$151,263 to reduce cycle time, simplify paperwork, provide better customer service, and streamline processes across bureaus;
 - Transfer interagency with Risk to Bureau of Human Resources for Occupational Health Program and Flu vaccines;
 - Decrease interagency with the Parks Bureau by \$3,000 for monthly maintenance performed at a property on SW Carey Boulevard that the Water Bureau recently sold to the Bureau of Housing and Community Development.
- Additional Revenue
 - Increase interagency with Facilities for space rental for Homeless/Urban Camping Impact Reduction Program.
- CIP Adjustments
 - Reduce Capital Improvement Plan by \$44.7 million due to project schedule delays.

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Hydroelectric Power Funds:

- Interagency Adjustments
 - Increase Interagency with Special Appropriations by \$11 for unexpended professional development from FY 2017-18;
 - Transfer interagency with Risk to Bureau of Human Resources for Flu vaccines.

Updates to prior year decision packages have been submitted electronically. If you have any questions regarding this report, please contact Jan Warner at x3-7531.

Attachment

Water Bureau BMP report

- c. Cecelia Huynh, Finance & Support Services Director
Jan Warner, Finance Manager
Yung Ouyang, CBO Budget Analyst
Portland Utility Board (PUB)

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

Bureau: Portland Water Bureau

Type: Program Carryover Request

Request: WA_001 - Carryover of Funds

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	132,455	0	132,455
Contingency	(132,455)	0	(132,455)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

a. Solar at Groundwater Pump Station

Carryover \$88,000 that was unspent in FY 2017-18 due to the roof replacement that must be completed prior to installation of the solar panels.

b. Tabor Preservation Project

Resolution No. 37146 was adopted by City Council on July 15, 2015 to maintain, repair and preserve the Mount Tabor Reservoirs following disconnection. In FY 2016-17, the Water Bureau received \$750,000 and in FY 2017-18, \$1,020,000 from the General Fund for the maintenance, repair, and preservation work identified in the 2009 Mt. Tabor Reservoirs Historic Structures Report. Of that amount, \$1,725,545 was spent. Therefore, this requests for the balance to be carryover to FY 2018-19. The carryover amount is \$44,455.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_002 - Cash Transfers

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Fund Transfers - Expense	26,827	0	26,827
Contingency	31,279	0	31,279
TOTAL EXPENDITURES	58,106	0	58,106
REVENUES			
Fund Transfers - Revenue	58,106	0	58,106
TOTAL REVENUES	58,106	0	58,106

Bureau Description:

a. Transfer \$26,827 to the General Fund for revenues collected from Dodge Park Permits and Fees in FY 2017-18. The Bureau received \$35,000 of funding from the General Fund annually to maintain park-like amenities at Water Bureau HydroParks including Dodge Park.

b. Increase Cash Transfer with Auditors Office – This request adds cash transfer from the LID Fund to Water Construction Fund for \$58,106 for outstanding SDC Lien receivables.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

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	(13,585)	0	(13,585)
Internal Materials and Services	164,848	0	164,848
Contingency	(151,263)	0	(151,263)
TOTAL EXPENDITURES	0	0	0

Bureau Description:

a. Increase Interagency with Special Appropriations – COPPEA & DCTU Training

This is a request to increase the Special Appropriations – COPPEA & DCTU Training interagency by \$11,585 for unexpended professional development from FY 2017-18.

b. Increase Interagency with Office of Management and Finance for \$5,000 for increased vendor costs associated with DMWESB (i.e., compliance) tracking that Procurement performs on behalf of the infrastructure bureaus.

c. Increase interagency with Purchasing for \$151,263 to reduce cycle time, simplify paperwork, provide better customer service, and streamline processes across bureaus.

d. Transfer interagency with Risk to BHR for Occupational Health Program and Flu vaccines. The interagency for Occupational Health and Flu Vaccines will have no budget impact because there was no increase to the program.

e. Decrease Interagency with Parks by \$3,000 for monthly maintenance performed at a property on SW Carey Blvd. that the Water Bureau recently sold to the Bureau of Housing and Community Development.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_004 - Additional Revenues

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Contingency	2,250	0	2,250
TOTAL EXPENDITURES	2,250	0	2,250
REVENUES			
Interagency Revenue	2,250	0	2,250
TOTAL REVENUES	2,250	0	2,250

Bureau Description:

a. Increase interagency with Facilities for \$2,250 for a three-month space rental for HUCIRP while they transition from Barbur Blvd to 528 SE Ivon.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_005 - CIP Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
External Materials and Services	(300,000)	0	(300,000)
Capital Outlay	(44,413,600)	0	(44,413,600)
Contingency	44,713,600	0	44,713,600
TOTAL EXPENDITURES	0	0	0

Bureau Description:

Adjustments described in CIP Updates.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_006 - Beginning Fund Balance

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Unappropriated Fund Balance	145,221	0	145,221
Contingency	16,232,489	0	16,232,489
TOTAL EXPENDITURES	16,377,710	0	16,377,710
REVENUES			
Budgeted Beginning Fund Balance	16,377,710	0	16,377,710
TOTAL REVENUES	16,377,710	0	16,377,710

Bureau Description:

Adjust the Water Bureau and Hydro Division beginning fund balances to be consistent with the City's preliminary FY 2017-18 ending balances.

CBO Discussion and Recommendation

**CBO Discussion and Recommendations
FY 2018-19 Fall Supplemental Budget Ordinance**

Bureau: Portland Water Bureau

Type: Technical Adjustment

Request: WA_007 - HydroElectric Power Division

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	(11)	0	(11)
Internal Materials and Services	11	0	11
TOTAL EXPENDITURES	0	0	0

Bureau Description:

a. Increase Interagency with Special Appropriations – COPPEA & DCTU Training

This is a request to increase the Special Appropriations – COPPEA & DCTU Training interagency by \$11 for unexpended professional development from FY 2017-18.

b. Transfer interagency with Risk to BHR for Flu vaccines.

CBO Discussion and Recommendation

Prior Year Fund Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
601 - Hydroelectric Power Operating Fund			
EXPENDITURES			
Personnel Services	332,563	306,848	92.27
External Materials and Services	3,472,782	1,790,686	51.56
Internal Materials and Services	283,991	240,042	84.52
Bond Expenses	26,657	26,240	98.44
Fund Transfers - Expense	31,058	31,058	100.00
Contingency	968,047	0	0.00
TOTAL EXPENDITURES	5,115,098	2,394,874	46.82
REVENUES			
Budgeted Beginning Fund Balance	295,960	0	0.00
Charges for Services	0	0	0.00
Interagency Revenue	72,500	110,800	152.83
Fund Transfers - Revenue	2,536,638	2,497,923	98.47
Miscellaneous	2,210,000	2,331,688	105.51
TOTAL REVENUES	5,115,098	4,940,411	96.58

Fund Reconciliation Narrative

External Materials and Services: The \$1.7 million decrease is primarily related to operating costs and repairs under the new contracts being less than budgeted.

Internal Materials and Services: The \$44,000 decrease is primarily driven by less services provided by the Water Bureau to Hydro.

Interagency Revenue: The \$38,000 increase is driven by more engineering services provided by Hydro to the Water Bureau.

Prior Year Fund Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
602 - Water Fund			
EXPENDITURES			
Personnel Services	70,363,293	64,049,935	91.03
External Materials and Services	39,163,836	36,238,540	92.53
Internal Materials and Services	23,388,590	21,341,369	91.25
Capital Outlay	40,884,781	38,528,402	94.24
Bond Expenses	4,255,681	3,555,767	83.55
Fund Transfers - Expense	105,468,716	104,691,007	99.26
Contingency	119,682,276	0	0.00
TOTAL EXPENDITURES	403,207,173	268,405,021	66.57
REVENUES			
Budgeted Beginning Fund Balance	93,376,754	0	0.00
Charges for Services	177,566,927	187,115,089	105.38
Intergovernmental Revenues	526,000	524,579	99.73
Interagency Revenue	3,315,458	3,990,320	120.36
Fund Transfers - Revenue	126,845,422	83,900,848	66.14
Miscellaneous	1,576,612	2,803,395	177.81
TOTAL REVENUES	403,207,173	278,334,232	69.03

Fund Reconciliation Narrative

Bond Expenses: The \$0.7 decrease is primarily driven by the planned bond sale not being necessary due to capital underspend.

Interagency Revenue: The \$0.7 million increase is driven by higher than planned construction services performed for Bureau of Environmental Services and Portland Bureau of Transportation.

Fund Transfers - Revenue: The \$42.9 million decrease is primarily driven by transfers from the Construction Fund to reimburse for capital expenditures being lower than planned.

Miscellaneous: The \$1.2 million increase is primarily additional revenue for interest earnings, gain on sale of assets, and chargeable damages.

Prior Year Fund Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
611 - Hydroelectric Power Bond Redemption Fund			
EXPENDITURES			
Fund Transfers - Expense	36,638	15,117	41.26
TOTAL EXPENDITURES	36,638	15,117	41.26
REVENUES			
Budgeted Beginning Fund Balance	36,538	0	0.00
Miscellaneous	100	(21,521)	-21,520.78
TOTAL REVENUES	36,638	(21,521)	-58.74

Fund Reconciliation Narrative

Fund Transfers - Expense: The decrease is driven by the difference between the fund balance and cash balance. See the Miscellaneous explanation for further detail.

Miscellaneous: A prior year accounting correction was made to zero out the fund balance sheet.

Prior Year Fund Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
612 - Water Bond Sinking Fund			
EXPENDITURES			
Unappropriated Fund Balance	38,485,627	0	0.00
Bond Expenses	55,766,302	55,766,300	100.00
TOTAL EXPENDITURES	94,251,929	55,766,300	59.17
REVENUES			
Budgeted Beginning Fund Balance	31,468,627	0	0.00
Fund Transfers - Revenue	55,452,790	55,340,958	99.80
Bond and Note	7,017,000	0	0.00
Miscellaneous	313,512	453,137	144.54
TOTAL REVENUES	94,251,929	55,794,095	59.20

Fund Reconciliation Narrative

Miscellaneous: The \$0.1 million increase is because of higher interest earnings.

Prior Year Fund Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
615 - Water Construction Fund			
EXPENDITURES			
Unappropriated Fund Balance	120,927,521	0	0.00
Fund Transfers - Expense	122,770,175	79,825,601	65.02
Contingency	17,902,015	0	0.00
TOTAL EXPENDITURES	261,599,711	79,825,601	30.51
REVENUES			
Budgeted Beginning Fund Balance	121,817,230	0	0.00
Charges for Services	3,250,000	6,792,997	209.02
Fund Transfers - Revenue	44,129,077	43,463,200	98.49
Bond and Note	91,878,000	0	0.00
Miscellaneous	525,404	1,695,666	322.74
TOTAL REVENUES	261,599,711	51,951,862	19.86

Fund Reconciliation Narrative

Fund Transfers - Expense: The \$42.9 million decrease is primarily driven by transfers to the Operating Fund to reimburse for capital expenditures being lower than planned.

Charges for Services: The \$3.5 million increase is from higher than planned system development charges.

Miscellaneous: The \$1.2 million increase is because of higher interest earnings.

Prior Year Fund Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
618 - Hydroelectric Power Renewal Replacement Fund			
EXPENDITURES			
External Materials and Services	8,900,000	8,862,231	99.58
Fund Transfers - Expense	2,500,000	2,482,806	99.31
Contingency	68,519	0	0.00
TOTAL EXPENDITURES	11,468,519	11,345,037	98.92
REVENUES			
Budgeted Beginning Fund Balance	11,330,749	0	0.00
Miscellaneous	137,770	125,745	91.27
TOTAL REVENUES	11,468,519	125,745	1.10

Fund Reconciliation Narrative

Prior Year Business Area Reconciliation Report

	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Percent of Actuals to Revised
Portland Water Bureau			
EXPENDITURES			
Personnel Services	\$0	(\$11,522)	0%
External Materials and Services	\$0	(\$12,058)	0%
Internal Materials and Services	\$0	(\$7,909)	0%
TOTAL EXPENDITURES	\$0	(\$31,489)	0%
REVENUES			
Intergovernmental Revenues	\$0	\$115,973	0%
TOTAL REVENUES	\$0	\$115,973	0%

Bureau Reconciliation Narrative

These are charges related to the 2015 Winter Storm. It was determined that some expenses related to the 2015 Winter Storm were not eligible for reimbursement. Estimated non-reimbursable expenses were moved from the grant fund to the Water Operating Fund. Grant agreements are pending insurance evaluations and issuance by FEMA through the Oregon Office of Emergency Management. For small projects FEMA will pay the Grants Office prior to work being completed and a true-up will occur after work has been completed.

Portland Water Bureau

Performance Measures

Performance Measure	Type	FY 2015-16 Year-End Actuals	FY 2016-17 Year-End Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Year-End Actuals	FY 2018-19 Adopted Budget
WA_0041 - Amount of power sold to Portland General Electric in megawatt hours	OUTPUT	72,805	103,750	84,800	81,512	84,800
WA_0042 - Amount of transfer of hydropower profits to General Fund	OUTPUT	\$400,000	\$0	\$0	\$0	\$0
WA_0044 - Maintain water revenue bond AAA credit rating	KPM	100%	100%	100%	100%	100%
WA_0045 - Debt service coverage at 1.90 on first lien bonds	OUTPUT	2.97	3.02	1.90	3.22	1.90
WA_0046 - Debt service coverage at 1.75 on both first and second lien bonds	OUTPUT	2.01	1.91	1.75	1.99	1.75
WA_0047 - Percentage of projects forecast to be completed within three months of planned date	EFFICIENCY	77%	66%	80%	78%	80%
WA_0048 - Percentage of budgeted Capital Improvement Plan expended	OUTPUT	90%	87%	100%	93%	100%
WA_0050 - Percentage of customer inquiries or requests responded to within five business days	EFFICIENCY	98%	99%	95%	98%	95%
WA_0051 - Percentage of calls answered within 60 seconds	EFFICIENCY	46%	51%	80%	83%	80%
WA_0052 - Percentage of customer payment transactions made through preferred methods	EFFICIENCY	53%	57%	50%	63%	50%
WA_0053 - Bureau's annual carbon emissions in metric tons of CO2e	OUTPUT	13,965	9,900	14,008	12,169	14,008
WA_0054 - Capacity of new renewable energy sources, kilowatts	OUTPUT	400	400	400	400	400
WA_0058 - Number of violations of state and federal drinking water quality regulations	KPM	0	0	0	0	0
WA_0059 - Number of violations of state and federal environmental regulations	KPM	0	0	0	0	0
WA_0077 - Percentage of city's water supply provided by Bull Run watershed under normal operating conditions	OUTPUT	86%	92%	95%	98%	95%
WA_0088 - Average minutes that customers are on hold before speaking to a customer service representative	KPM	3.36	2.26	2.00	0.33	2.00
WA_0089 - Percentage of identified high risk assets addressed	KPM	42%	54%	80%	63%	80%

Portland Water Bureau

Performance Measures

Performance Measure	Type	FY 2015-16 Year-End Actuals	FY 2016-17 Year-End Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Year-End Actuals	FY 2018-19 Adopted Budget
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Performance Measure Variance Descriptions

- WA_0041- The amount of energy produced and sold to PGE from the Portland Hydroelectric Project relies on both water availability and the functional readiness of the project's equipment.
- WA_0044- There have been no changes to internal processes or external factors that lead to these strong results. The bureau will continue responsible fiscal management and planning to drive strong results in the future.
- WA_0047- Seven of the nine major projects completed construction within three months of the planned date. The completion of W01524 Tabor Reservoirs Adjustments was delayed due to unexpected difficulties with a fuel generator. The completion of W01682 Council Road Services - Macleay Park was delayed due to unexpected drilling delays.
- WA_0048- There have been billing delays for utility relocation work for other bureaus.
- WA_0050- According to data regarding days backlogged and email response times, the bureau is meeting this goal.
- WA_0051 & WA_0088- We have made significant improvements in areas related to this metric. Those can be attributed to additional management oversight, CIS upgrade, increased customer self-service particularly with bill pay and pay arrangements, restoration and stabilization of programs (i.e. auto-pay, IVR), reduced number of incoming calls, and increase in email communications from customers. The increase in email communications allows us to respond to customers at non-peak call times, helping to balance the workload throughout the day.
- WA_0052- More and more, customers are taking advantage of self-service options. We continue to see that increase year-over-year.
- WA_0053- Target for 17-18 was no more than the 14008 metric tons emitted in 2007. Carbon emissions are driven primarily by the Water Bureau's use of electricity to operate the water system. Years requiring greater use of groundwater increase emissions. Emissions in 2017 were less than emissions in 2007. The Water Bureau continues to look at options to reduce electricity used to operate the system, especially for pumping water.
- WA_0054- No new equipment was installed during FY 17-18
- WA_0058- While the bureau is currently in compliance, the bureau is building a treatment plant to remain in compliance with the Long-Term 2 Enhanced Surface Water Treatment Rule (LT2). In addition, the bureau is constructing a facility for optimized corrosion control treatment for compliance with the Lead and Copper Rule.
- WA_0059- There have been no changes to bureau internal process and or external factors. The bureau continues to work with internal stakeholders and external permitting agencies to prevent violations of state and federal environmental regulations.
- WA_0077- The only instances of running Groundwater in the last fiscal year were the annual groundwater maintenance run occurring mid-March 2018, and supply augmentation beginning in mid-June 2018.
- WA_0089- The Asset Management Branch (AMB) is continuously working on improving its likelihood and consequence of failure models, which has led to increased confidence in assessing and addressing risk. Thus, the bureau has increased its effort toward the assessment of high consequence mains and valves, which has improved its performance toward meeting the risk KPM.

Capital Program Status Report

Water

CIP Program	FY 2017-18 Adopted Budget	FY 2017-18 Revised Budget	FY 2017-18 Year-End Actuals	Variance \$	Variance %	FY 2018-19 Adopted Budget	Fall BMP Revised Budget	FY 2018-19 Year to Date Actuals	Variance \$	Variance %
Customer Service	\$418,000	\$778,000	\$714,601	(\$63,399)	(8%)	\$100,000	\$100,000	\$0	\$0	0%
Distribution	\$38,462,000	\$32,832,000	\$23,725,526	(\$9,106,474)	(28%)	\$72,377,000	\$38,838,400	\$1,621,026	(\$33,538,600)	(46%)
Regulatory Compliance	\$2,300,000	\$1,800,000	\$1,422,553	(\$377,447)	(21%)	\$2,080,000	\$2,080,000	\$89,540	\$0	0%
Supply	\$5,781,000	\$2,726,000	\$2,464,275	(\$261,725)	(10%)	\$3,859,000	\$4,609,000	\$141,877	\$750,000	19%
Support	\$2,900,000	\$3,050,000	\$2,220,794	(\$829,206)	(27%)	\$3,000,000	\$3,000,000	(\$74,632)	\$0	0%
Transmission/Terminal Storage	\$57,989,440	\$32,302,440	\$32,450,268	\$147,828	0%	\$47,554,021	\$35,629,021	(\$471,068)	(\$11,925,000)	(25%)
Treatment	\$1,370,000	\$1,370,000	\$1,265,737	(\$104,263)	(8%)	\$7,410,000	\$7,410,000	(\$115,200)	\$0	0%
Total	\$109,220,440	\$74,858,440	\$64,263,754	(\$10,594,686)	(14%)	\$136,380,021	\$91,666,421	\$1,191,543	(\$44,713,600)	(33%)

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

Prior Year Variance Description

Distribution: The reported expenses are under reported due to the inclusion of about \$1.37 million in interagency revenue and the exclusion of about \$3.72 million of fleet vehicle purchases. With noted exceptions, total Distribution Program expenses are \$28.8 million, and the variance is -12.2 percent. Over \$1 million in utility relocation work with BES was completed but not billed to PWB during the FY. Total CIP expenditures are \$ 69.4 million for a variance of -7.35%.

Regulatory Compliance: The bureau received no responses to the solicitation for appraisal services, delaying the expenditures to acquire more conservation easements until FY 2018-19.

Supply: Process to obtain permits delayed completion of the Headworks Septic and Microwave Communications projects.

Support: About \$350,000 of internal capital planning resources were shifted to Treatment to work on planning for the Bull Run Filtration Project.

In Total: Expensed work included

Current Year Variance Description

Distribution: Delayed construction start of Willamette River Crossing, Jantzen, Penridge Mains projects.

Supply: Prior construction delays to acquire permits for Headworks Septic and Microwave Communications has spending continuing in FY 2018-19. Three failed production wells require repairs and/or replacement.

Transmission and Terminal Storage: Revised cash flow for construction of Washington Park and Conduit Repair and Replacement reduction.