

# Fall Supplemental Budget

## REQUESTS & RECOMMENDATIONS

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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 2018-19 Fall Supplemental Budget Ordinance**

**Bureau:** Office of the City Attorney

**Type:** Mid-Year Reductions

**Request:** AT\_001 - IA Adjustment with OCT

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | (18,180)                             | 0                                  | (18,180)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>(18,180)</b>                      | <b>0</b>                           | <b>(18,180)</b>                  |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | (18,180)                             | 0                                  | (18,180)                         |
| <b>TOTAL REVENUES</b>           | <b>(18,180)</b>                      | <b>0</b>                           | <b>(18,180)</b>                  |

**Bureau Description:**

This request eliminates the interagency funding for City Attorney legal services to the Office of Community Technology for legal work related to the Mt. Hood Cable Regulatory Commission. The City Attorney's Office will not provide those legal services this fiscal year. Therefore, the budget should be reduced by \$18,180.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of the City Attorney

**Type:** Technical Adjustment

**Request:** AT\_002 - Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request moves \$357 for the flu shots program from Risk Management to the Bureau of Human Resources.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of the City Auditor

**Type:** Technical Adjustment

**Request:** AU\_001 - Auditor Fall BMP Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 0   | 0   | 0   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The Auditor's Office technical adjustments are internal transfers within cost centers and funded programs. A transfer between OMF funded programs accounts for changes to the Citywide Occupational Health program to the Bureau of Human Resources (\$295), and a transfer between cost centers within the Auditor's Office reflects changes in division oversight of the Opencity Tipline (\$5,000).

**CBO Discussion and Recommendation**

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

**Bureau:** Office of the City Auditor

**Type:** Encumbrance Carryover Request

**Request:** AU\_002 - AU Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 71,766                               | 0                                  | 71,766                           |
| <b>TOTAL EXPENDITURES</b>       | <b>71,766</b>                        | <b>0</b>                           | <b>71,766</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 71,766                               | 0                                  | 71,766                           |
| <b>TOTAL REVENUES</b>           | <b>71,766</b>                        | <b>0</b>                           | <b>71,766</b>                    |

**Bureau Description:**

The Auditor's Office requests a carryover of previously encumbered but unspent funds related to one time projects that are ongoing and not-yet billed, totalling \$71,766. The bulk fo the funds (approximately \$68,000) are related to a software project in the City Hearings Office. An initial product was developed and customization within the same project budget are ongoing. The office expects the project to be complete before the end of the fiscal year. Additional funds (approximately \$3,000) are needed to complete a charter implementation related project begun in the prior fiscal year with an outside firm.

**CBO Discussion and Recommendation**

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

**Bureau:** Office of the City Auditor

**Type:** New Request

**Request:** AU\_003 - Increase Debt Svc & Cash Transfers to BES/Water

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Bond Expenses             | 2,940,633                                     | 0   | 2,940,633                                 |
| Fund Transfers - Expense  | 1,927,017                                     | 0   | 1,927,017                                 |
| <b>TOTAL EXPENDITURES</b> | <b>4,867,650</b>                              | <b>0</b>                                    | <b>4,867,650</b>                          |
| <b>REVENUES</b>           |   |   |   |
| Bond and Note             | 4,867,650                                     | 0   | 4,867,650                                 |
| <b>TOTAL REVENUES</b>     | <b>4,867,650</b>                              | <b>0</b>                                    | <b>4,867,650</b>                          |

**Bureau Description:**

This transaction processes Cash Transfers from LID fund to the Water Bureau and Bureau of Environmental Services and increases refunding debt service expenses. This transfer represents an estimate of the portion of bond sale revenues that may be received from a Limited Tax Improvement Bond for assessment loan contracts pending sale for each respective bureau. An increase in refunding debt service is the result of a greater number of LID assessment contracts included in the sale. Cash transfers and debt service is off-set by an increase in bond sale revenues. The transactions are as follows:

- 1) Increase Transfer to BES = \$1,868,911
- 2) Increase Transfer to Water = \$58,106
- 3) Increase Bonded Debt Retirement – Refunding = \$2,940,633

**CBO Discussion and Recommendation**

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

**Bureau:** City Budget Office

**Type:** Technical Adjustment

**Request:** BO\_001 - Budget Software Tech Adj

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 70,000  | 0   | 70,000                                    |
| External Materials and Services | 0   | 0   | 0   |
| Internal Materials and Services | 35,000  | 0   | 35,000                                    |
| Capital Outlay                  | (105,000)                                     | 0   | (105,000)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

In the FY 2018-19 budget, CBO included a total of \$1.3 million in capitalized project costs for the Citywide budget software replacement project. Approximately \$1 million of total costs were placed in capital outlay before exact implementation internal materials and services and personnel costs were known. Implementation is underway and CBO is making technical changes to reflect the current understanding of cost allocation amongst various expense categories. The total project budget remains the same. This package includes the following adjustments:

- Shifts \$35,000 from capital outlay to internal materials and services for interagency costs with the Bureau of Technology Services. This includes \$30,000 for the Enterprise Business Services technical team assistance.
- Shifts \$70,000 from capital outlay to personnel services to reflect CBO staff time committed to project implementation. This brings total bureau project staff budgeted costs to \$150,000.
- Correctly budgets the remaining capital outlay resources (\$898,270) in account 563100.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** City Budget Office

**Type:** Encumbrance Carryover Request

**Request:** BO\_002 - Encumbrance Carryovers

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 53,975  | 0   | 53,975                                    |
| Internal Materials and Services | 8,754   | 0   | 8,754                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>62,729</b>                                 | <b>0</b>                                    | <b>62,729</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 62,729  | 0   | 62,729                                    |
| <b>TOTAL REVENUES</b>           | <b>62,729</b>                                 | <b>0</b>                                    | <b>62,729</b>                             |

**Bureau Description:**

CBO closed the FY 2017-18 fiscal year with a total of \$53,975 in open encumbrances which require carryover. These are comprised of the following:

- \$15,000 for the final payment of contracted consulting services to evaluate options and make recommendations to Council on the optimal location and structure for the Office of Community Technology. CBO was directed to engage the consultant on this work via a FY 2017-18 budget note. The consultant released its final report and recommendations in July 2018.

- \$38,975 for required quality control consultant work on the budget software project. The project is on schedule with a planned go-live date of December 2018.

In addition, CBO is requesting an encumbrance carryover of \$8,754 for CBO's portion of costs associated with the GovInvest modelling software subscription, being procured by the Bureau of Revenue and Financial Services in partnership with OMF and FPDR. Implementation of GovInvest was delayed; CBO budgeted a total of \$11,673 in FY 2017-18 but only \$2,918 was expended. The funds are encumbered in OMF's budget and CBO is re-budgeting the \$8,754 balance as an interagency payment from CBO to OMF to support implementation in FY 2018-19.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** City Budget Office

**Type:** Technical Adjustment

**Request:** BO\_003 - IA Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The City's Occupational Health program, including the flu shots program, are moving from Risk Management to the Bureau of Human Resources as part of the Fall BMP. The programs will continue to be funded by inter-agency agreements and the amounts are not changing. However, since BHR is not an internal service fund, the accounts and funded programs for these IA's need to be changed in the Fall BMP so billings can be processed after the Fall BMP is approved.

CBO is moving its share of costs (\$78) to the appropriate funded program code.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office for Community Technology

**Type:** New Request

**Request:** CB\_001 - OCT - Transfer Existing OCT Resources to Bureau

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 842,782                              | 0                                  | 842,782                          |
| External Materials and Services | 986,791                              | 0                                  | 986,791                          |
| Internal Materials and Services | 158,699                              | 0                                  | 158,699                          |
| <b>TOTAL EXPENDITURES</b>       | <b>1,988,272</b>                     | <b>0</b>                           | <b>1,988,272</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Intergovernmental Revenues      | 719,765                              | (1)                                | 719,764                          |
| General Fund Discretionary      | 1,268,507                            | 1                                  | 1,268,508                        |
| <b>TOTAL REVENUES</b>           | <b>1,988,272</b>                     | <b>0</b>                           | <b>1,988,272</b>                 |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | 6.00                                 | 0.00                               | 6.00                             |
| Limited Term Positions          | 0.67                                 | 0.00                               | 0.67                             |
| <b>TOTAL FTE</b>                | <b>6.67</b>                          | <b>0.00</b>                        | <b>6.67</b>                      |

**Bureau Description:**

Per a FY 2018-19 Adopted Budget note, City Council re-established the Office for Community Technology as a stand-alone bureau effective November 2018. This decision package serves to add back existing OCT appropriation removed from the OMF Revenue Division's budget. This appropriation represents estimated costs for eight months of FY 2017-18 operations. During the Spring BMP, as necessary OMF and OCT will bring forward packages to true up budget to ensure OCT's actual expenditures and revenues are consistently tracked and retained by OCT.

**CBO Discussion and Recommendation**

Recommended as requested, with a \$1 technical change to make revenues transferred to OCT match revenue reduced in the Revenue Division.

Based on the direction from the FY 2018-19 Adopted Budget note and guided by the specific staffing recommendations from the consultant engagement, OCT and OMF staff have collectively determined to transfer \$1.95 million in existing resources and 10.0 FTE. The reallocation of existing resources, which is for the remainder of the current fiscal year, is comprised of \$1,226,204 million in General Fund discretionary resources and \$719,764 in local cost sharing revenue. As recommended by the consultant report, the 10.0 FTE transfer includes both community technology and franchise negotiation staff. The function of revenue collection for franchise agreements will remain in the Revenue Division; the Revenue Division director has indicated this function can be adequately performed by staff retained in OMF. Embedded in this request is the continuation of a small interagency agreement between OCT and OMF for administrative and financial support. These budgetary and position transfers are in alignment with the intent of the consultant's recommendations and are responsive to the FY 2018-19 Adopted Budget note. CBO recommends these requests, and notes that both OMF and OCT will require current appropriation level adjustments beginning in FY 2019-20 to account for these changes on an ongoing basis.

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

**Bureau:** Office for Community Technology

**Type:** New Request

**Request:** CB\_002 - OCT - Request New OCT Resources

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 71,179                               | (71,179)                           | 0                                |
| External Materials and Services | 93,447                               | (35,947)                           | 57,500                           |
| Internal Materials and Services | 662,500                              | (120,000)                          | 542,500                          |
| <b>TOTAL EXPENDITURES</b>       | <b>827,126</b>                       | <b>(227,126)</b>                   | <b>600,000</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 827,126                              | (227,126)                          | 600,000                          |
| <b>TOTAL REVENUES</b>           | <b>827,126</b>                       | <b>(227,126)</b>                   | <b>600,000</b>                   |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Limited Term Positions          | 0.50                                 | -0.50                              | 0.00                             |
| <b>TOTAL FTE</b>                | <b>0.50</b>                          | <b>-0.50</b>                       | <b>0.00</b>                      |

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

**Bureau:** Office for Community Technology

**Type:** New Request

**Request:** CB\_002 - OCT - Request New OCT Resources

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

This request is to ensure that the Office for Community Technology has the necessary resources, as a new, standalone bureau, to fulfill its core functions: Manage and enforce access to the public right-of-way; protect the City's local authority over use of its public right-of-way; and engage other City staff and community stakeholders in planning for our digital future. City government, along with all sectors, is facing accelerating changes in digital technology, which drive the need to innovate and plan. These fast-paced changes also drive the need for city officials and staff to deeply understand the public policy landscape to ensure balance in private companies' interests and the public interest.

The following content details the various funding requests OCT is making for the current fiscal year. This totals \$827,127 (after netting out savings associated with removing OCT from the Revenue Division cost allocation and recovery structure). Ongoing costs are estimated at \$400,000.

Ongoing Costs to Establish an OCT Director - \$123,250. OCT is requesting six months of funding for an OCT director-level position.

One-Time Move Costs - \$620,000. OMF Facilities Services estimated the one-time costs of moving OCT into a new office space as follows: \$240,000 for tenant improvements; \$50,000 for Project Management & Design; \$50,000 for Fiber/I-Net; \$50,000 for Moving Costs; \$82,000 for Furniture; and \$148,000 for Contingency at 30%.

Ongoing Professional Services - \$20,000. Increases ongoing amount to \$60,760. The FCC and Congress have actions underway that could severely restrict the City's authority over use of public right-of-way and public property by private communications companies, including the City's authority to assess right-of-way use, permitting, and lease fees. Outside legal counsel is needed, in partnership with the City Attorney, to challenge FCC preemption, federal legislation, litigation and court appeals. OCT anticipates legal challenges to be a multi-year effort.

One-time Professional Services - \$50,000. Proposed FCC rules and federal legislation include, among other areas of preemption, limiting the amount the City may charge private communications companies for use of public right-of-way and public property to "actual costs." OCT will contract for a study to determine actual franchise program and other related City costs to maintaining and protecting the public right-of-way; the study will create a basis for fees and charges that are reasonable and defensible. Without the study, the City is at-risk of industry or FCC's limited interpretation of "actual costs."

One-time Professional Services - \$25,000. The Digital Equity Action Plan (DEAP) three-year plan, adopted by Council, is in its third year of implementation. To leverage the success of the DEAP, OCT, along with the Multnomah County Library (also committed \$10,000) and the Digital Inclusion Network (DIN) partners, will undertake a community-centered process to reflect on and assess DEAP Years 1-3 and inform the development of the DEAP-Phase 2 (Years 4-6) to focus strategic actions on persistent or new barriers that create digital inequities and disparities. This community-centered approach to assessment and plan design aligns with the City's Smart Cities PDX Priorities Framework, recently adopted by Council.

One-time Professional Services - \$20,000. Building on the study about OCT placement in the City organizational structure, a consultant would work with the Mayor and Council, OCT staff, city bureaus, and community stakeholders to further explore options for city structure realignment needed to best position City staff to manage, develop, and innovate around future technology and Smart Cities work.

One-time Education - \$3,750. Specialized OCT work drives need for staff to attend conferences/trainings and have memberships in policy-specific groups. Requested amount is based on current budget \$5,500 vs. FY17-18 actual \$9,251 in order to retain current level of education resources for staff development.

One-time Out-of-Town Travel - \$10,000. Specialized OCT work drives need for staff to attend conferences specific to cable, telecommunications, broadband, wireless and digital equity policy and programs. Estimate based on current budget \$2,500 vs. FY17-18 actual \$10,138; \$1,800/person for staff attendance at seven events = \$12,600. Examples include National Association of Telecommunications Officers and Advisers conference (up to 5 staff); Director attending two broadband/Smart Cities conferences; National Digital Inclusion conference; Alliance for Community Media conference.

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

**Bureau:** Office for Community Technology

**Type:** New Request

**Request:** CB\_002 - OCT - Request New OCT Resources

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

Partially recommended as requested.

In addition to the baseline transfer of resources from the Revenue Division, OCT is requesting \$827,126 in General Fund resources. The single largest component of this request, at \$620,000, is for the physical relocation of OCT from the Revenue Division.

These estimated relocation costs are substantial, and particularly notable is the \$148,000 contingency line item. Relocating OCT into existing City-owned space would be less expensive, but Facilities Services has indicated that existing City-owned space is not available for OCT's relocation in the near term. Over a longer time horizon, City-owned space may become when the 4th & Montgomery property comes online or with other fluctuations in space planning at the 1900 Building and the Portland Building. City staff in OCT and the Revenue Division have indicated that near-term relocation is preferable, both for the sake of organizational clarity and due to the Revenue Division's need to maintain federal security standards regarding access to federal tax data. Given these considerations and the direction in the budget note, CBO recommends OCT be allocated one-time General Fund resources of \$500,000 to fund physical relocation costs. CBO's recommendation reduces the total amount of contingency embedded in the cost estimate by \$120,000; to the degree that the relocation cannot be managed within a \$500,000 budget, OCT should attempt to absorb the difference or request additional resources in the FY 2018-19 Spring BMP when actual relocation costs are better quantified.

OCT is also requesting new General Fund resources to fund the cost of a new director-level position. This request is in alignment with the consultant report, which recommended the creation of a new director position and the reclassification of the existing OCT manager position to a deputy director. The full year ongoing cost of the director position was estimated at \$240,000, but the current year request is for approximately \$70,000. The request amount is based on a January start date, and is inclusive of about \$50,000 in offsets for known vacancy savings from first three months of the fiscal year. CBO is supportive of up-classing the existing OCT manager position to a higher level by utilizing known vacancy savings, but does not recommend for the establishment of a new director-level position at this time. CBO recommends that ongoing requests for an additional executive level position be considered when the larger strategic vision for a stand-alone OCT has been established in consultation with the Mayor's Office as part of FY 19-20 budget development.

Finally, OCT is requesting approximately \$150,000 in new General Fund discretionary resources for materials and services costs. As an organization embedded within the Revenue Division, OCT had specific line items for materials and services but also access to larger OMF-wide resources. The direct transfer of resources from the Revenue Division is sufficient to cover basic materials and services expenses, but these resources are somewhat limited for a stand-alone office of 10.0 FTE. Specifically, OCT is requesting resources for the following:

- A study to determine actual franchise and program costs for managing the public right-of-way to counter proposed FCC rules and federal legislation around appropriate charges to communications companies (\$50,000)
- Outside legal counsel, in partnership with the City Attorney, to challenge FCC preemption, federal legislation, litigation and court appeals challenging local control of the public right-of-way (\$20,000)
- A community-centered process to assess the initial phase of the Digital Equity Action Plan and plan for the second phase (\$25,000)
- Additional consulting regarding integration of community technology and Smart Cities work and general strategic development support (\$20,000)
- Education, travel, and higher rent costs in new space (\$35,000)

In particular, CBO would highlight the importance of OCT's work in challenging proposed FCC rules and federal legislation that limit local control and revenues derived from private use of the right-of-way. Roughly \$89 million in the City's annual General Fund revenue is derived from OCT-managed franchise and agreements, and the preservation of this revenue is critical to the City. CBO recommends one-time General Fund resources of \$50,000 to fund the cost study for management of the public right-of-way and \$10,000 in additional support for outside legal services

Several of the requested items above are best addressed after the vacant OCT manager position is filled and after additional strategic planning efforts are made in concert with the Mayor's Office. At this time, CBO does not recommend additional funding for the community-centered process regarding next stage of the Digital Equity Action Plan or the cost of additional consulting around integrating community technology and Smart Cities.

In light of the generally limited materials and services budget in the stand-alone OCT and the increased costs of rent in a new location, CBO recommends \$10,000 in one-time General Fund resources be allocated to OCT to cover new and unforeseen materials and services cost. In sum, CBO is recommending OCT receive new General Fund one-time resources of \$600,000 to cover physical relocation costs and additional materials and services expenses. OCT should evaluate any ongoing needs that cannot be absorbed within the base level revenue transfer from Revenue Division and work with its Commissioner-in-Charge in preparation for FY 2019-20 budget development.

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

**Bureau:** Office for Community Technology

**Type:** Encumbrance Carryover Request

**Request:** CB\_003 - OCT - Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 8,936                                | 0                                  | 8,936                            |
| <b>TOTAL EXPENDITURES</b>       | <b>8,936</b>                         | <b>0</b>                           | <b>8,936</b>                     |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 8,936                                | 0                                  | 8,936                            |
| <b>TOTAL REVENUES</b>           | <b>8,936</b>                         | <b>0</b>                           | <b>8,936</b>                     |

**Bureau Description:**

The OCT is requesting Council approve encumbrance carryover in the amount of \$8,936 associated with two requisitions for legal services.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Children's Levy

**Type:** Technical Adjustment

**Request:** CL\_001 - Establish Children's Levy as independent bureau

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 423,116                                       | 0   | 423,116                                   |
| External Materials and Services | 14,301,329                                    | 0   | 14,301,329                                |
| Internal Materials and Services | 40,401  | 0   | 40,401                                    |
| Fund Transfers - Expense        | 16,668  | 0   | 16,668                                    |
| Contingency                     | 8,299,797                                     | 0   | 8,299,797                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>23,081,311</b>                             | <b>0</b>                                    | <b>23,081,311</b>                         |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 7,375,000                                     | 0   | 7,375,000                                 |
| Taxes                           | 15,706,311                                    | 0   | 15,706,311                                |
| <b>TOTAL REVENUES</b>           | <b>23,081,311</b>                             | <b>0</b>                                    | <b>23,081,311</b>                         |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 5.00  | 0.00  | 5.00                                      |
| <b>TOTAL FTE</b>                | <b>5.00</b>                                   | <b>0.00</b>                                 | <b>5.00</b>                               |

**Bureau Description:**

Pursuant to ordinance to be considered by City Council, budget authority for the Portland Children's Levy, which oversees the Portland Children's Investment Fund, is moved to the new business area CL, as an independent bureau, overseen by a member of City Council. Children's Levy maintains the use of fund 216000. All funds for CL business area are being transferred from PACO business area. All 6 Children's Levy Commissioner Staff Representative positions to move from PACO to CL; these positions will move in their current classifications, but are being reclassified by HR in the near future.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Fire & Police Disability & Retirement

**Type:** Technical Adjustment

**Request:** DR\_001 - OMF IA for GovInvest software

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (6,234)                                       | 0   | (6,234)                                   |
| Internal Materials and Services | 6,234   | 0   | 6,234                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request moves the unspent balance of funds for the GovInvest software implementation project from FY17-18 to FY18-19, due to changes in the implementation schedule. The software estimates long-term liabilities, such as pensions and OPEB. The project is managed by City Treasury, but project costs are allocated between FPDR, CBO, and two OMF bureaus.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Fire & Police Disability & Retirement

**Type:** Technical Adjustment

**Request:** DR\_002 - OMF IA for DCTU Professional Development

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (85)  | 0   | (85)                                      |
| Internal Materials and Services | 85  | 0   | 85  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request increases the FPDR interagency agreement with OMF by \$85 for FPDR's pro rata share of unexpended DCTU professional development funds to be carried over from the prior fiscal year, per the DCTU contract.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Fire & Police Disability & Retirement

**Type:** Technical Adjustment

**Request:** DR\_003 - OMF IA for Flu Vaccines from Risk Mgmt to BHR

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request moves FPDR's share of the cost of flu vaccines (part of the City's Occupational Health Program) from Risk Management to Human Resources, per OMF direction.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Development Services

**Type:** New Request

**Request:** DS\_001 - Adjustment for Portland Online Permitting System

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | (823,706)                            | 0                                  | (823,706)                        |
| External Materials and Services | 4,749,510                            | 0                                  | 4,749,510                        |
| Internal Materials and Services | 1,698,436                            | 0                                  | 1,698,436                        |
| Contingency                     | (5,624,240)                          | 0                                  | (5,624,240)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This adds an appropriation for the Portland Online Permitting System program budget. BDS is budgeting the program in FY 18-19 as four distinct projects, including: Amanda 7 & Inspections Scheduling; Contractor App & Inspector App; Public Permit Portal Phase I; and, Electronic Plan Review Phase I. This decision package removes the previously budgeted items and re-budgets under the current program structure, adding additional expenses to reflect the current estimates for each individual project. The net increase in budgeted funds to the program cost center is \$5,624,240.

**CBO Discussion and Recommendation**

Recommended as requested.

BDS originally had about \$4.3 million in its Adopted Budget for the POPS projects, so these adjustments would more than double the program's budget in FY 2018-19. Considering only operational expenses, the total for all projects for the fiscal year is about \$10.0 million. If contingency is included, the total is \$12.0 million. Each of the four projects include 17% of expenses placed into contingency. Operating budgets (not counting contingency) for each of the projects is as follows:

- Amanda 7 & Inspections Scheduling – \$3.4 million
- Contractor App & Inspector App – \$2.5 million
- Public Permit Portal Phase I – \$2.0 million
- Electronic Plan Review Phase I - \$2.1 million

The bureau's FY 2018-19 Requested Budget financial plan assumed POPS program expenditures would total \$10.9 million for the year, and \$15.1 million over the 5-year period. Therefore, considering that \$5.2 million have already been spent on the project over the last two years, the seven-year total can be up to \$20.3 million.

BDS states that the phases of the program budgeted during this Fall BMP are all expected to be completed this year, with go-live dates ranging from December 2018 to April 2019, and Electronic Plan Review already going live over this past summer (and complete phase out by July 2019). However, the POPS program will include subsequent phases to develop and increase functionality of the Amanda 7 and Project Dox software systems, and development of functionality will be ongoing. The bureau states that the timing of completion will depend on the amount of new functionality desired by the software's stakeholders, including partner bureaus, and the timeline of future program phases will be better known once subsequent project priorities and scopes are determined. BDS has already worked out with its partner bureaus criteria as to which party should pay for what pieces of functionality, old and new.

CBO received information from the bureau on the expected benefits and success criteria for each of the projects. BDS notes that efficiency gains should be realized this year and going forward as a result of these projects. CBO recommends that the bureau report regularly on these gains and improvements in service delivery resulting from the projects' implementations, especially considering the bureau's difficulty in recruiting staff and the resulting inability to meet many of its work turnaround time goals. In addition, CBO recommends that the bureau also regularly report on spending on the project versus budget.

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

**Bureau:** Bureau of Development Services

**Type:** Program Carryover Request

**Request:** DS\_002 - Adjustment for DCTU Professional Development

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 3,538                                | 0                                  | 3,538                            |
| Contingency                     | (3,538)                              | 0                                  | (3,538)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This is an adjustment of \$3,538 to carry over BDS' pro rata share of the DCTU Professional Development Fund expenses from FY 2017-18 to FY 2018-19.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Development Services

**Type:** Program Carryover Request

**Request:** DS\_003 - Adjustment for PTE 17 Professional Development

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 6,823                                | 0                                  | 6,823                            |
| Contingency                     | (6,823)                              | 0                                  | (6,823)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This is an adjustment of \$6,823 to carry over BDS' pro rata share of the PTE-17 Professional Development Fund expenses from FY 2017-18 to FY 2018-19.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Development Services

**Type:** Mid-Year Reductions

**Request:** DS\_004 - Adjustment to IA with Community & Civic Life

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | (33,618)                             | 0                                  | (33,618)                         |
| <b>TOTAL EXPENDITURES</b> | <b>(33,618)</b>                      | <b>0</b>                           | <b>(33,618)</b>                  |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | (33,618)                             | 0                                  | (33,618)                         |
| <b>TOTAL REVENUES</b>     | <b>(33,618)</b>                      | <b>0</b>                           | <b>(33,618)</b>                  |

**Bureau Description:**

This is a reduction of \$33,618 to the interagency agreement between BDS and the Office of Community & Civic Life for the use of the BDS Communications team.

**CBO Discussion and Recommendation**

Recommended as requested. BDS noted that Civic Life decided to allocate these resources internally into its personnel budget to fund its communications needs. Please see CBO's analysis of Civic Life's request NI\_009.

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

**Bureau:** Bureau of Development Services

**Type:** Technical Adjustment

**Request:** DS\_005 - Adjustment for City Occupational Health Program

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The City's Occupational Health program, including the flu shots program, is moving from Risk Management to the Bureau of Human Resources as part of the FY 2018-19 Fall BMP. This adjustment decreases the BDS IA with Risk Management by \$3,077 and increases the IA with the Bureau of Human Resources by the same amount to accommodate this change. The net change to the overall bureau budget is \$0.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Development Services

**Type:** New Request

**Request:** DS\_006 - IA with OMF for Procurement Division

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 18,454                               | 0                                  | 18,454                           |
| Contingency                     | (18,454)                             | 0                                  | (18,454)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This is an adjustment of \$18,454 for BDS share of the cost allocation related to the OMF Procurement Division proposal.

**CBO Discussion and Recommendation**

Recommended as requested. The \$18,454 amount is BDS's allocated share of the reorganization of OMF's Procurement division. Please see the write-up to OMF's request MF\_053 for an analysis of the reorganization. OMF has noted that the adjustments with the participating bureaus include Service Level Agreements with agreed upon metrics for improvement in turnaround times in the procurement process.

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

**Bureau:** Bureau of Development Services

**Type:** New Request

**Request:** DS\_007 - IA with BPS for Rossi Farms Development Project

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 1,500                                | 0                                  | 1,500                            |
| <b>TOTAL EXPENDITURES</b> | <b>1,500</b>                         | <b>0</b>                           | <b>1,500</b>                     |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 1,500                                | 0                                  | 1,500                            |
| <b>TOTAL REVENUES</b>     | <b>1,500</b>                         | <b>0</b>                           | <b>1,500</b>                     |

**Bureau Description:**

This is an adjustment of \$1,500 for services BDS is providing to BPS related to the Rossi Farms Development Project.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Development Services

**Type:** New Request

**Request:** DS\_008 - Adjustment for PHB interfund loan remittance

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Bond Expenses             | 4,000,000                                     | 0   | 4,000,000                                 |
| Contingency               | (4,000,000)                                   | 0   | (4,000,000)                               |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This adjustment budgets an interfund loan in FY 2018-19 to the Portland Housing Bureau of \$4,000,000, which includes \$3,500,000 for pre-construction costs associated with the 30th & Powell acquisition and \$500,000 for the 5827 NE Prescott Street acquisition.

**CBO Discussion and Recommendation**

Recommended as requested. \$4 million, or almost 5%, is being drawn from the bureau's unrestricted contingency for this interfund loan. Per the interfund loan resolution from June 13th, 2018, authorizing interfund loans up to \$48 million between the Development Services Fund and the Housing Capital Fund to provide interim financing for multiple affordable housing property purchases, repayment of principal is due no later than December 31st, 2019. See CBO analysis for package HC\_004 for details on the Portland Housing Bureau's side.

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

**Bureau:** Bureau of Development Services

**Type:** New Request

**Request:** DS\_009 - Adjustment for PHB interfund loan proceeds

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 580,000                              | 0                                  | 580,000                          |
| <b>TOTAL EXPENDITURES</b> | <b>580,000</b>                       | <b>0</b>                           | <b>580,000</b>                   |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Bond and Note             | 350,000                              | 0                                  | 350,000                          |
| Miscellaneous             | 230,000                              | 0                                  | 230,000                          |
| <b>TOTAL REVENUES</b>     | <b>580,000</b>                       | <b>0</b>                           | <b>580,000</b>                   |

**Bureau Description:**

This adjustment budgets a partial repayment of \$350,000 and interest of \$230,000 in FY 2018-19 on the \$15,100,000 interfund loan with the Portland Housing Bureau initially recorded in FY 2017-18 as well as interest associated with the \$500,000 remittance for 5827 NE Prescott Street.

**CBO Discussion and Recommendation**

Recommended as requested. The revenues are being budgeted back into the bureau's contingency, increasing it by 0.7% from the pre-Fall BMP amount of \$83.1 million. The source of repayment of both principal and interest is general obligation bonds or other City financing. See CBO analyses for packages HC\_004 and HC\_007 for details on the Portland Housing Bureau's side.

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

**Bureau:** Bureau of Development Services

**Type:** New Request

**Request:** DS\_010 - Additional Position for Cannabis Program

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 63,816  | 0   | 63,816                                    |
| Internal Materials and Services | 0   | 0   | 0   |
| Contingency                     | (63,816)                                      | 0   | (63,816)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 0.67  | 0.00  | 0.67                                      |
| <b>TOTAL FTE</b>                | <b>0.67</b>                                   | <b>0.00</b>                                 | <b>0.67</b>                               |

**Bureau Description:**

This request is for an additional 1.0 FTE for a Program Coordinator position to serve as a single point of contact for cannabis industry business owners and entrepreneurs, acting as the bureau Cannabis Program Liaison. The position is needed to develop the new Cannabis Program at BDS in order to better serve these customers and the unique challenges presented by the nascent cannabis industry. The position will develop proactive steps to be taken with cannabis facility applicants to ensure these buildings are properly permitted, safe, and do not present a hazard to the neighborhoods in which they reside.

**CBO Discussion and Recommendation**

Recommended as requested. Civic Life's Cannabis Regulatory program does not have the technical knowledge about Oregon structural code, fire codes, and other requirements related to building permitting and zoning. Because the technical expertise is in BDS, the position is housed in that bureau so that it can provide the knowledge to the cannabis industry's small business owners. The costs of the position for the rest of the year is estimated to be about \$64,000 and will be funded by regular permit fees paid to BDS by cannabis business-related permit applicants, although BDS is technically drawing the funds from contingency with this request. This is a service delivery change specific to the cannabis industry that the bureau has found necessary due to the unique nature of its cannabis applicants. CBO does not recommend the budgeting of additional revenues because BDS has been conservative in its budgeting of permit revenues in the past.

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

**Bureau:** Bureau of Emergency Communications

**Type:** Technical Adjustment

**Request:** EC\_001 - Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | (85)                                 | 0                                  | (85)                             |
| Internal Materials and Services | 85                                   | 0                                  | 85                               |
| Contingency                     | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Intergovernmental Revenues      | 0                                    | 0                                  | 0                                |
| Fund Transfers - Revenue        | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request moves \$916 for the flu shots program from Risk Management to the Bureau of Human Resources and increases the BOEC interagency agreement with OMF by \$85 for BOEC's pro rata share of unexpended DCTU professional development funds to be carried over from the prior fiscal year, per the DCTU contract. This request also moves fund centers for the IPDS technology project approved in the FY 2018-19 Adopted Budget.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Emergency Communications

**Type:** Technical Adjustment

**Request:** EC\_002 - Request Title

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

**CBO Discussion and Recommendation**

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

**Bureau:** Portland Bureau of Emergency Management

**Type:** Technical Adjustment

**Request:** EM\_001 - Technical Adjustment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | <b>(50,000)</b>                               | 0   | <b>(50,000)</b>                           |
| External Materials and Services | 287,538                                       | 0   | 287,538                                   |
| Internal Materials and Services | <b>(237,538)</b>                              | 0   | <b>(237,538)</b>                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

Internal reallocations, including a \$10,000 shift to fund PrepHUB.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Bureau of Emergency Management

**Type:** Encumbrance Carryover Request

**Request:** EM\_002 - Encumbrance Carryforward

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 419,788                              | 0                                  | 419,788                          |
| Capital Outlay                  | 57,478                               | 0                                  | 57,478                           |
| <b>TOTAL EXPENDITURES</b>       | <b>477,266</b>                       | <b>0</b>                           | <b>477,266</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 477,266                              | 0                                  | 477,266                          |
| <b>TOTAL REVENUES</b>           | <b>477,266</b>                       | <b>0</b>                           | <b>477,266</b>                   |

**Bureau Description:**

Fund the balance of purchase orders issued in fiscal year 2017/18, as of July 1, 2018.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Bureau of Emergency Management

**Type:** Technical Adjustment

**Request:** EM\_003 - Emergency Management Performance Grant 2018

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 101,798                                       | 0   | 101,798                                   |
| External Materials and Services | (290,000)                                     | 0   | (290,000)                                 |
| Internal Materials and Services | 237,538                                       | 0   | 237,538                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>49,336</b>                                 | <b>0</b>                                    | <b>49,336</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| Intergovernmental Revenues      | 49,336  | 0   | 49,336                                    |
| <b>TOTAL REVENUES</b>           | <b>49,336</b>                                 | <b>0</b>                                    | <b>49,336</b>                             |

**Bureau Description:**

To align the EMPG 2018 budget with the grant application.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Bureau of Environmental Services

**Type:** New Request

**Request:** ES\_001 - New Requests

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 3,999,500                                     | (499,500)                                   | 3,500,000                                 |
| Internal Materials and Services | 560,570                                       | (100,000)                                   | 460,570                                   |
| Capital Outlay                  | 14,000  | (14,000)                                    | 0   |
| Contingency                     | (4,574,070)                                   | 613,500                                     | (3,960,570)                               |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

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

**Bureau:** Bureau of Environmental Services

**Type:** New Request

**Request:** ES\_001 - New Requests

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

**Business Services:**

\$307,570 (ongoing) for Procurement Services. \$302,570 is to accommodate Procurement Services new funding model to improve service delivery to infrastructure bureaus and reflects BES's share of the partial year cost. \$5,000 reflects additional vendor cost increases associated with DMWESB tracking that Procurement performs on behalf of customer bureaus.

\$30,000 (ongoing) for an expert consultant to represent the Bureau in real property negotiations, including property disposition and lease arrangements, and conduct market analysis on the Bureau's leased inventory to ensure current rates are consistent with market values.

\$100,000 (one-time) for interagency agreement with Parks to fund the equivalent of one full-time Parks Ranger for continued patrolling of BES properties along the Springwater Corridor. This reflects a lesser amount than the funding amount in the previous fiscal year of about \$240K.

\$70,000 (ongoing) to provide a security guard at 400 Building while the Bureau's offices are temporarily located during the Portland Building construction project.

\$83,000 (ongoing) to provide security guard services at the CBWTP for night shift (9PM - 5AM).

\$50,000 (ongoing) for the first phase of a comprehensive rate study to evaluate bureau rates and fees. An RFP process and consultant selection is expected to be completed in FY 2018-19. The study is expected to take place in three phases: the initial phase will investigate current and emerging best practices (balance of FY 2018-19); second phase is the review and evaluation of the existing rate and fee structure, including recommendations (FY 2019-20); the final phase will include support for public discussions (FY 2020-21) and potential implementation of an updated rate structure (FY 2021-22).

**Director's Office:**

\$150,000 (ongoing) to fund a consultant to provide facilitation and organizational development services to support change within the bureau, provide organizational assessment, development, and design services to support implementation of the Strategic Plan's Culture and Workforce Development Goals. This request will allow the bureau to secure an organizational change consultant contract that avoids detrimental delays in the Strategic Plan's implementation initiatives.

\$108,500 (ongoing) to cover additional charges BES incurs from the City's payment card system for applicants paying permit fees, SDCs and Line & Branch charges with bank cards.

**Watershed Group:**

\$75,000 (one-time) for a very recent and urgent request from Peninsula Drainage District #1, an active City partner in Levee Ready Columbia and management of stormwater drainage within the area. This funding (matched by \$75,000 from Portland Parks & Recreation) for the District's Master Plan supports the Bureau's interests in Levee Ready Columbia planning and analysis related to drainage, floodplain functions, and disaster preparedness.

**Wastewater Group:**

\$30,000 (one-time) to support hiring a consultant to help determine the best course of action regarding future upgrades to OWAM (Synergen). This request is driven by Water Bureau's recent suggestion that BES join their efforts at \$50,000 each (with \$20,000 of BES's contribution to be funded internally from existing resources). Due to more identified risks to transition/upgrade to Version 2, BES believes such outside support and expertise is in our best interest to confirm the bureau's future with the treatment plants and pump stations work and asset management system.

\$14,000 (one-time) to correct the budget load. BES's 5-year planning effort indicated retaining \$14k to replace another treatment process microwave. Budget error removed all the funding one year too early.

\$3,500,000 (ongoing) to reduce Columbia Boulevard biosolids inventory. Additional funds are necessary on a high-priority basis to reduce unexpected increases in solids inventory at CBWTP. A comprehensive solids inventory removal plan and strategy has been developed. The plan includes removing and disposing of 10,000-12,000 dry tons of solids from the lagoon through at least December 2019. Of that, approximately 6,000 dry tons will be removed in the current fiscal year. Funding is time-sensitive and necessary for contracted services to perform the work.

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

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**Bureau:** Bureau of Environmental Services

**Type:** New Request

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**Request:** ES\_001 - New Requests

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| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

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**Bureau Description:**

\$56,000 (ongoing) to correct budget load. This amount was mistakenly reduced from the Pump Reliability Program. Total for the program in FY 2018-19 should have been \$130k and this request will restore it to the correct level.

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

**Bureau:** Bureau of Environmental Services

**Type:** New Request

**Request:** ES\_001 - New Requests

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

CBO recommends the following requests in this package:

Columbia Boulevard Biosolids Inventory, \$3.5 million (ongoing). The bureau is requesting \$3.5 million to remove 10,000 to 15,000 dry tons of solids from the lagoons at the Columbia Boulevard Wastewater Treatment Plant (CBWTP) by the end of 2019. The bureau estimates the total project cost will be approximately \$7 million through FY 2019-20. Since the 1970s, the bureau has used the lagoon to store and treat solids produced during the wastewater treatment process. The bureau has been reconstructing the lagoon over the past few years with cells three and four of the project continuing until next year. The work includes dewatering parts of the lagoon, removing solids, and reconstructing and lining the lagoon system.

In July 2018, BES became aware that the solid inventory in cells 3 and 4 had exceeded design capacity. To address the immediate risk, the bureau has engaged a contractor to increase the number of loads removed from the lagoons over the next 10 to 12 months at an estimated \$500 per dry ton. Because there is no storage area available at CBWTP to handle the additional solids, hauling is the best immediate solution available. The bureau currently has a land application program with two farms in Eastern Oregon and the bureau is exploring more land application options. Biosolids that are not used for land application will go to a landfill.

The bureau is still determining the root cause of the capacity issue, however, data provided by the bureau indicates that the decision to reduce the biosolids hauling schedule in 2016 likely contributed to the problem. This planned reduction was part of bureau's efforts to reseed the newly lined lagoon cells (3 and 4). The data shows that the inputs to those cells for the seeding process was greater than the biosolids hauling schedule (output) intended. Thus, solids accumulated in at a faster rate than the bureau anticipated. While it is unknown to what extent, poorly operating equipment in sludge processing, truck cancellations due to the fire in the Columbia River Gorge, extended winter weather, and shortages in truck drivers contributed to the problem. It remains unclear whether the bureau attempted to catch up its hauling efforts to make up for the delays and to what extent more robust monitoring practices would have allowed the bureau to identify and address the problem earlier. While the bureau's request is certainly urgent, it is not entirely unforeseen. However, given the potential risk to permit compliance, CBO recommends this request.

Procurement Services, \$307,570 (ongoing). The bureau is requesting \$307,570 to support an Interagency Agreement (IA) for procurement services from OMF. Large infrastructure bureaus (i.e. Water, BES, PBOT) have cited concerns with the current state of Procurement services levels, especially as spending on capital projects grows at the City. Overall procurement contract volume has increased 123% over the last four years, driven almost entirely by increases in construction contracting.

To better meet the demand from large infrastructure bureaus, including BES, Procurement is proposing to establish a distinct group that is dedicated to design/construction contracts and change the funding model by removing it from the General Fund Overhead model and instead funding it via interagency agreements (IAs) with customer bureaus. BES's FY 2018-19 Fall BMP request represents the partial year costs for the proposed change. The purpose of the change is to improve their capital delivery output by reducing the time to execution for construction contracts. For example, Procurement's promising an ~18% decrease in number of days needed to complete a construction RFP. After accounting for the reduced overhead charges to IA-payers, the net annualized cost impact of the proposed Design & Construction reorganization and expansion for BES is \$627,726.

Fall BMP actions are typically reserved for technical adjustments and for addressing urgent and unforeseen budgetary issues; ongoing issues of complexity are best addressed during annual budget development to avoid making off-cycle ongoing funding decisions. However, given the sense of urgency in large infrastructure bureaus for improved Procurement service levels and the recent organizational assessment by the Procurement division, CBO is generally supportive of this development, but notes that improvements to service levels are relatively modest and the cost impact is significant.

Additional Security at 400 Building and CBWTP, \$153,000 (ongoing). The bureau is requesting \$70,000 for a security guard services at the 400 Building to protect an unsecured portion of the building during daytime hours. The request also includes \$83,000 in funding for night shift security guard services at the CBWTP. These services are in response to an unforeseen increase in the frequency of trespassing, attempted threat of property, and threats to personal safety. The costs to CBWTP are expected to be ongoing whereas the costs for security at the 400 Building will stop once the bureau returns to the Portland Building in FY 2020-21. CBO recommends this request as the need for increased security is unforeseen and urgent, particularly if staff are concerned for their safety.

For the remaining requests, CBO does not recommend these requests as they do not meet the standards of unforeseen requests and the potential availability of resources through underspending. If, after several months into the current year the bureau projects that it needs to draw down contingency to cover expenses, the bureau can make requests in the Spring BMP or in the Over Expenditure Ordinance.

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

**Bureau:** Bureau of Environmental Services

**Type:** New Request

**Request:** ES\_002 - New Staffing Requests

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 24,150                               | (24,150)                           | 0                                |
| External Materials and Services | 199,600                              | (199,600)                          | 0                                |
| Internal Materials and Services | 62,500                               | 0                                  | 62,500                           |
| Contingency                     | (286,250)                            | 223,750                            | (62,500)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Engineering:

\$90,000 (one-time) to fund a contract employee for Wastewater Automation. Up to 50% of a contract engineer's time is charging to Operating. This position supports the automation change request process (works with the Wastewater Operations Division to integrate CIP projects with operations). With limited new FTEs requested/approved in the FY2018-19 Requested Budget, Engineering has continued to rely on a contract employee for this work. Alternatives are to request a City FTE to cover this work or reduce other CIP project work at the CBWTP to re-assign an existing City engineer in TPSD to this work.

\$20,000 (one-time) to fund a contract employee to backfill a position going to CBWTP exchange program. One position/employee selected for rotation ("Exchange") to CBWTP projects in the TPS Division is an operating-funded position (Tech II in PMCD). Requesting budget for a contract tech to backfill work in PM&CD (Heron technical assistance) for 2 months of FY 2018-19. There will also likely be a one-time request in the FY 2019-20 Requested Budget to fulfill the term of the backfill.

Wastewater Group

\$24,150 (ongoing) for Project SEARCH position (Community Service Aide II).

\$89,600 (one-time) for temporary contracted administrative services. Two employees within the Wastewater Group's Administrative Services have unexpected leaves covering an 8-month period impacting September 2018 - April 2019. After extensive evaluation of what priority services need to be addressed and available resources bureau-wide to provide the services, a staffing plan has been developed, which includes hiring a temporary contract employee and working-out-of-class appointments for some existing staff. This request is to hire a contract employee to backfill OSS work. Estimated contract rate is \$55-64/hr.

Director's Office:

\$62,500 (ongoing) to fund BES's share of a PBOT/BES liaison position and advance shared goals among the two bureaus. Environmental Services and the Bureau of Transportation jointly deliver over \$150M of capital projects each year. The numerous benefits of delivering this work in coordination have been underscored by Bureau and City leadership, including by Mayor Wheeler in his remarks at the PBOT-BES Leadership Team Charter Signing in 2017 and by the CAO in his memo of priorities (2017). Both bureaus collaboratively agreed in the need for a new position, a Joint Bureau Infrastructure Liaison, to perform the following functions: convene leadership in each bureau for general and specific work planning around projects; facilitate project development and planning meetings; represent the interests of both bureaus in advocating for coordinated and collaborative opportunities; and negotiate compromises in project development, scheduling, and financial arrangements. Introduction of this new position will support the work of both bureaus in proactively addressing and solving complex problems around infrastructure development and maintenance citywide. The position would sit within the Bureau of Transportation in the Office of the Director and report to the Assistant Directors of PBOT and BES.

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

**Bureau:** Bureau of Environmental Services

**Type:** New Request

**Request:** ES\_002 - New Staffing Requests

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

The bureau is requesting \$282,250 from contingency for five staffing related requests. Four of the requests are for additional resources to fund contract employee services in Engineering and the Wastewater Group. CBO is supportive of the bureau utilizing contract staff, but recommends the bureau absorb these new requests within its existing operating budget.

The fifth request is to fund a Joint Bureau Infrastructure Liaison for PBOT and BES. BES would fund its share of the liaison through an interagency agreement (IA).

Over the past several years, as stormwater conveyance and management facilities have become more visible in the right-of-way, the need for close coordination between BES and PBOT has become increasingly apparent. To address this need, the bureaus established a PBOT-BES leadership team in 2014 to coordinate efforts around several shared projects and priorities. The position request is part of that broader effort to support the work of both bureaus.

While both bureaus are taking steps to ramp up project delivery, CBO notes that PBOT is under significant pressure to deploy new and forthcoming resources from Oregon State House Bill 2017, the Fixing Our Streets Gas Tax, and Build Portland. PBOT also has significant legal obligations under the Civil Rights Education and Enforcement Center (CREEC) settlement to construct curb ramps that are compliant with the American with Disabilities Act (ADA) over the next 12 years. It is debatable that this position is unforeseen, however, CBO recognizes that PBOT is under considerable pressure to build its operational capacity, including working with BES to coordinate shared projects in the right of way. Given these considerations, CBO recommends this request.

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

**Bureau:** Bureau of Environmental Services

**Type:** Technical Adjustment

**Request:** ES\_003 - Program Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 36,748  | 0   | 36,748                                    |
| External Materials and Services | 113,252                                       | 0   | 113,252                                   |
| Internal Materials and Services | 50,000  | 0   | 50,000                                    |
| Capital Outlay                  | (200,000)                                     | 0   | (200,000)                                 |
| Contingency                     | 2,748   | 0   | 2,748                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>2,748</b>                                  | <b>0</b>                                    | <b>2,748</b>                              |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 1,500   | 0   | 1,500                                     |
| Fund Transfers - Revenue        | 1,248   | 0   | 1,248                                     |
| <b>TOTAL REVENUES</b>           | <b>2,748</b>                                  | <b>0</b>                                    | <b>2,748</b>                              |

**Bureau Description:**

Engineering:

\$200,000 (ongoing) for CIP Permit reimbursement program increase to cover additional reimbursements. Per City Code 17.32.120.B the property owner or developer paying for a sewer or drainage system extension that will serve unserved properties will be reimbursed by the City for part of the cost of such extension. A single developer is due an unusually high \$190K reimbursement for which there is only \$100K in the established budget for that CIP program. As a result, the bureau is adjusting the budget by offsetting reduction to Project #E10491 (Sewer Extension to High Risk Septic Systems Project) to provide full payment rather than waiting for adjustment to the ensuing year's budget.

\$1,500 (one-time) revenue from Bureau of Planning and Sustainability for BES to provide sewer/stormwater requirements to BPS for development plan of Rossi Farms Development Project; funded from Metro grant; BES will use existing personnel, no additional expense budget required.

Pollution Prevention Services:

\$13,252 (ongoing) for HYDRA system software offset by reduction to seasonal employees not needed as result of onboarding of new FTE. Funds will be used for a Windowserver operating system, SmartSheet licenses, and VEEM backup for virtual machine.

Watershed Group:

\$50,000 (one-time) for additional GIS capacity needed to analyze flood storage impacts and opportunities and impervious area and tree cover assessments in the floodplain for ESA compliance and floodplain management. Shared position support with BPS, which has a different need for the same or similar data. Supports FEMA Bi-Op work. Offset by reductions to professional services in the Watershed group.

\$1,248 (one-time) of additional revenue from PBOT for Percent for Green. PBOT's actual cash transfer will be \$51,248 based on FY18 actual eligible construction costs, and will require additional authority to prevent hard budget stop.

**CBO Discussion and Recommendation**

CBO recommends the bureau's request for program adjustments.

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

**Bureau:** Bureau of Environmental Services

**Type:** Program Carryover Request

**Request:** ES\_004 - Carryover Requests

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 1,365,727                            | 0                                  | 1,365,727                        |
| Internal Materials and Services | 11,831                               | 0                                  | 11,831                           |
| Capital Outlay                  | 3,101,290                            | 0                                  | 3,101,290                        |
| Contingency                     | (4,478,848)                          | 0                                  | (4,478,848)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Engineering Group:

\$314,059 (one-time) for nine life-cycle replacement vehicles not received in FY 2017-18 but expected to be received in FY 2018-19.

Wastewater Group:

\$2,617,231 (one-time) for fleet carryover of vehicles for both the Watershed Group (\$920,107) and PBOT Maintenance Operations interagency (\$1,697,124)

\$778,850 (one-time) Interconnection Agreement with NWN. Finalizing agreement was delayed to July 2018 resulting in the need to carryover. The amount was reduced from the prior year amount of \$1.3 million.

\$175,000 (one-time) for Large Diameter Force mains inspections. Contract process delayed completion of this work in FY 2017-18. Carryover is necessary to proceed. Condition inspection includes Ankeny and Guilds Lake force mains as planned.

\$341,653 (one-time) for digester gas piping condition assessment carryover. Delays getting the final contract for this project resulted in the contractor not starting this work until July 2018. Work is currently in progress and expected to be completed by September 2018. Funds need to be carried over to accomplish this critical work.

Pollution Prevention Services:

\$2,164 (one-time) for Grease Trap Coupons OMF MicroGrant carryover - continuing project. OMF MicroGrant carryover to exhaust funding.

\$135,000 (one-time) for vehicles replacements not yet received.

Watershed Group:

\$35,000 (one-time) for vehicle replacement not yet received.

\$68,060 (one-time) carryover requested to complete Mitigation Banking contract in process, from funds received in the Fall BMP for FY18 (\$100,000). The contractor had billed only \$31,040 by the end of FY18, but will continue work on this task through the end of October.

\$11,831 (one-time) carryover adjustment for PTE-17 and DCTU professional development. Under the new PTE-17 contract terms, up to \$40,000 unexpended professional development can be carried over to next year. BES's pro-rata portion is \$10,403 increase in PTE-17 Professional Development Fund in FY 2018-19. Under the new DCTU contract terms, up to \$25,000 unexpended professional development can be carried over to next year. BES's pro-rata portion is \$1,428 increase in DCTU Professional Development Fund in FY 2018-19.

**CBO Discussion and Recommendation**

CBO recommends these requests.

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

**Bureau:** Bureau of Environmental Services

**Type:** Technical Adjustment

**Request:** ES\_005 - Internal Adjustments - No Council Action

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 0   | 0   | 0   |
| Internal Materials and Services | 0   | 0   | 0   |
| Capital Outlay                  | 0   | 0   | 0   |
| Contingency                     | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 0.00  | 0.00  | 0.00                                      |
| <b>TOTAL FTE</b>                | <b>0.00</b>                                   | <b>0.00</b>                                 | <b>0.00</b>                               |

**Bureau Description:**

Engineering Group:

\$19,000 moved to improve tracking against budget for Inspection Manual update.

\$210,000 moved for better tracking of PBOT Permitting services.

\$156,000 for Pump Station System Plan offset by a reduction to Continuous Collection System Plan.

Wastewater Group:

\$390,000 to reallocate budget to TCWTP for vehicles assigned for operation of this facility. Vehicle #s: 94902 & 134900. Necessary for Lake Oswego IGA and associated billing.

\$37,500 to reallocate CityFleet IA cost for TCWTP vehicles. Necessary for Lake Oswego IGA and associated billings.

\$20,000 reduction to TCWTP outfall inspections to support BES's share of the OWAM (Synergen) analysis with Water Bureau.

\$15,000 reallocation of vehicle budget for acquisition of electric cart for night-time security services.

\$116,640 budget correction to move position to correct cost center.

\$50,000 to move Environmental Investigations vehicle budget to correct cost center.

\$55,000 to move Revegetation vehicle budget to correct cost center.

\$161,374 to reallocate FTE to different program. Reorganization within WG Collection System to reclass position from Engineer to Senior Engineer and move position from Maintenance Engineering to Stormwater O&M.

\$401,669 to move street cleaning interagency to correct functional area.

Pollution Prevention Services:

\$118,428 to move Management Analyst from Director's Office to Pollution Prevention Services.

\$20,000 to move Field Operations flow monitoring, water quality, and other monitoring equipment to correct functional area.

Watershed Group:

\$106,000 to align budget to Neighbor-to-the-River program management change.

Business Services Group:

\$13,141 The City's Occupational Health program, including the flu shots program, will move from Risk Management to the Bureau of Human Resources. This entry makes that changes to balance interagency agreements.

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

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**Bureau:** Bureau of Environmental Services

**Type:** Technical Adjustment

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**Request:** ES\_005 - Internal Adjustments - No Council Action

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| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

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**CBO Discussion and Recommendation**

CBO recommends these requests.

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

**Bureau:** Bureau of Environmental Services

**Type:** New Request

**Request:** ES\_006 - Fund Level Transfers & Adj.

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Contingency                     | 26,948,911                                    | 0   | 26,948,911                                |
| <b>TOTAL EXPENDITURES</b>       | <b>26,948,911</b>                             | <b>0</b>                                    | <b>26,948,911</b>                         |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 25,080,000                                    | 0   | 25,080,000                                |
| Fund Transfers - Revenue        | 1,868,911                                     | 0   | 1,868,911                                 |
| <b>TOTAL REVENUES</b>           | <b>26,948,911</b>                             | <b>0</b>                                    | <b>26,948,911</b>                         |

**Bureau Description:**

\$1,868,911 (one-time) transfer from the LID Construction fund for issuance of Limited Tax Improvement Bonds, as currently planned for by OMF-Debt Management. The proceeds will be transferred to the BES Construction fund and deposited to contingency to support future capital improvements.

\$13,722,000 (one-time) to true up beginning fund balance to amounts reported in the City's Comprehensive Annual Financial Report. This is a technical adjustment without impact to future rates as the Bureau has already incorporated this amount into the long-range financial forecast.

\$10,528,000 (one-time) to true up beginning fund balance in the Sewer System Construction Fund to amounts reported in the City's Comprehensive Annual Financial Report.

\$830,000 (one-time) to true up beginning fund balance in the Environmental Remediation Fund to amounts reported in the City's Comprehensive Annual Financial Report.

**CBO Discussion and Recommendation**

CBO recommends these requests.

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

**Bureau:** Fund & Debt Management

**Type:** New Discretionary Revenues

**Request:** FM\_001 - Dodge Park revenues

|                            | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|----------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>            |                                      |                                    |                                  |
| Fund Transfers - Revenue   | 26,827                               | 0                                  | 26,827                           |
| General Fund Discretionary | (26,827)                             | 0                                  | (26,827)                         |
| <b>TOTAL REVENUES</b>      | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The Water Bureau receives \$35,000 of funding from the General Fund annually to maintain park-like amenities at Water Bureau HydroParks including Dodge Park. Each year, the Water Bureau reimburses the General Fund with park permit and fee revenues. In FY 2017-18, the bureau received \$26,827 in park permit and fee revenues and is returning those funds to the General Fund.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Fund & Debt Management

**Type:** Technical Adjustment

**Request:** FM\_002 - Recognize cash transfers for Public Safety Tech

|                            | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|----------------------------|---|---|---|
| <b>REVENUES</b>            |   |   |   |
| Fund Transfers - Revenue   | 0   | 2,807,020                                   | 2,807,020                                 |
| General Fund Discretionary | 0   | (2,807,020)                                 | (2,807,020)                               |
| <b>TOTAL REVENUES</b>      | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This action recognizes \$1.4 million in cash transfers from the BTS replacement reserve, \$1.1 million for the BTS Public Safety Reserve, and \$247,020 from the Police Special Revenue fund for the Mobile Data Computer replacement project. This project and related funding plan was approved as part of the Spring FY 2017-18 BMP, but a contract was not in place prior to the end of the fiscal year and the transfers fell to balance. Also included in this action is the recognition of an additional \$60,000 transfer from BTS for increased costs for a Fire project funded from BTS Public Safety Reserve.

**CBO Discussion and Recommendation**

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

**Bureau:** Portland Fire & Rescue

**Type:** New Request

**Request:** FR\_001 - Wildland Deployment Reimbursement

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 385,000                                       | 220,000                                     | 605,000                                   |
| Internal Materials and Services | 15,000  | 0   | 15,000                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>400,000</b>                                | <b>220,000</b>                              | <b>620,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Intergovernmental Revenues      | 400,000                                       | 220,000                                     | 620,000                                   |
| <b>TOTAL REVENUES</b>           | <b>400,000</b>                                | <b>220,000</b>                              | <b>620,000</b>                            |

**Bureau Description:**

This request appropriates anticipated reimbursement of \$400,000 from the state for overtime and equipment expenses related to PF&R's wildland responses to the following fires: Graham, Substation, Garner Complex, Mendocino Complex, South Valley, Taylor Creek, Sugar Pine, Memaloose, Stubblefield, and Ramsey Canyon.

The reimbursement revenue will cover PF&R's overtime expenses for the deployments. Additionally, PF&R requests that \$15,000 be used to purchase two vehicle trailers from City Fleet. The trailers will assist in transporting equipment to and from the wildland fire deployments.

**CBO Discussion and Recommendation**

CBO recommend this request, but have updated the amount to \$620,000 to reflect updated estimates.

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

**Bureau:** Portland Fire & Rescue

**Type:** New Request

**Request:** FR\_002 - Utility Worker Realignment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 42,378  | 0   | 42,378                                    |
| External Materials and Services | (42,378)                                      | 0   | (42,378)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 0.58  | 0.00  | 0.58                                      |
| <b>TOTAL FTE</b>                | <b>0.58</b>                                   | <b>0.00</b>                                 | <b>0.58</b>                               |

**Bureau Description:**

PF&R is requesting a permanent Utility Worker II position in the Logistics section to address workload demands. This request is a budget realignment as the cost of this position is offset by a reduction in Logistics' external materials and service budget.

The Utility Worker position is essential to station operations. Key responsibilities include inventory management, fulfilling work orders, deliveries, and equipment maintenance. The major benefit of creating this permanent position is that the Utility Worker will be responsible for delivering and returning most front-line apparatus to Logistics for scheduled preventive maintenance. This will allow companies to stay in service rather than going out of service to drive to Logistics, improving PF&R's readiness, response reliability, and response times.

**CBO Discussion and Recommendation**

Recommended as requested. This ongoing internal realignment will require additional position authority of 0.42 FTE in FY 2019-20 if the position is filled and retained for the entirety of FY 2019-20.

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

**Bureau:** Portland Fire & Rescue

**Type:** Encumbrance Carryover Request

**Request:** FR\_003 - General Fund Encumbrance Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 732,031                                       | 0   | 732,031                                   |
| Capital Outlay                  | 810,120                                       | 0   | 810,120                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>1,542,151</b>                              | <b>0</b>                                    | <b>1,542,151</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 1,542,151                                     | 0   | 1,542,151                                 |
| <b>TOTAL REVENUES</b>           | <b>1,542,151</b>                              | <b>0</b>                                    | <b>1,542,151</b>                          |

**Bureau Description:**

The encumbrance carryover request totals \$1.5 million for one-time costs associated with the completion of various projects and purchases in FY 2017-18 that will be completed or received in FY 2018-19. These projects include \$770,000 for emergency apparatus that are under construction and expected to be received this fiscal year and \$188,000 for facilities improvements including station tapout systems, Fire Marshal Office improvements, and roof repairs. The remaining encumbrances cover obligations for apparatus and suppression equipment ordered and not yet received, including personal protective equipment, gear for wildland deployments, and defibrillators; and one-time expenditures for specialty training and PSU's cultural assessment study of PF&R.

**CBO Discussion and Recommendation**

PF&R underspent its General Fund budget by \$2,879,675 in FY 2017-18, largely due to funds encumbered for apparatus and equipment but not spent by year end, and an advance recovery of \$519,999 for a fire engine (see FR\_007). Of this underspending, CBO recommend that the entire encumbered/recovered amount of \$2,062,153 be carried over and that the remaining \$817,522 fall to balance to fund potential impending Citywide liabilities.

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

**Bureau:** Portland Fire & Rescue

**Type:** Technical Adjustment

**Request:** FR\_004 - Fund 400 - GO Bond Beginning Balance Adjustment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Capital Outlay                  | 17,202  | 0   | 17,202                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>17,202</b>                                 | <b>0</b>                                    | <b>17,202</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 17,202  | 0   | 17,202                                    |
| <b>TOTAL REVENUES</b>           | <b>17,202</b>                                 | <b>0</b>                                    | <b>17,202</b>                             |

**Bureau Description:**

This technical adjustment adjusts the FY 2018-19 beginning fund balance for the Fire Facilities GO Bond. PF&R intends to spend the remaining balance in FY 2018-19. Identified projects include roof replacements at Station 4 and 22, as directed in the budget note from FY 2018-19 Adopted Budget.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Fire & Rescue

**Type:** Technical Adjustment

**Request:** FR\_005 - Fund 403 - GO Bond Beginning Balance Adjustment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Capital Outlay                  | 300,870                                       | 0   | 300,870                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>300,870</b>                                | <b>0</b>                                    | <b>300,870</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 300,870                                       | 0   | 300,870                                   |
| <b>TOTAL REVENUES</b>           | <b>300,870</b>                                | <b>0</b>                                    | <b>300,870</b>                            |

**Bureau Description:**

This technical adjustment will adjust the FY 2018-19 beginning fund balance for the remaining funds in the Fire Apparatus GO Bond. PF&R is expecting delivery of 3 brush unit, a foam unit, and an engine from the remaining funds.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Fire & Rescue

**Type:** New Request

**Request:** FR\_006 - Station WiFi Budget Adjustment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 60,000  | 0   | 60,000                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>60,000</b>                                 | <b>0</b>                                    | <b>60,000</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 60,000  | 0   | 60,000                                    |
| <b>TOTAL REVENUES</b>           | <b>60,000</b>                                 | <b>0</b>                                    | <b>60,000</b>                             |

**Bureau Description:**

The FY 2018-19 Adopted Budget included \$120,000 in one-time resources from the Public Safety Project reserve funds to install Wi-Fi equipment in 28 Fire Stations to enable updates and patching of the Mobile Data Computers (MDCs) and allow for training videos to be viewed by firefighters on mobile devices such as iPads and iPhones at the stations.

This request adds \$60,000 in one-time resources to this project from the Public Safety Project reserve funds. The original budget estimate for the project is not sufficient to provide reliable WiFi coverage throughout the stations. The additional funds will ensure that the project provides adequate WiFi coverage throughout stations.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Fire & Rescue

**Type:** Encumbrance Carryover Request

**Request:** FR\_007 - Advance Recovery

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 0   | 0   | 0   |
| Capital Outlay                  | 519,999                                       | 0   | 519,999                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>519,999</b>                                | <b>0</b>                                    | <b>519,999</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 519,999                                       | 0   | 519,999                                   |
| <b>TOTAL REVENUES</b>           | <b>519,999</b>                                | <b>0</b>                                    | <b>519,999</b>                            |

**Bureau Description:**

This advance recovery request recognizes the \$519,999 advance payment from PF&R for the purchase of a new fire engine. PF&R expects to receive the engine in FY 2018-19.

**CBO Discussion and Recommendation**

PF&R underspent its General Fund budget by \$2,879,675 in FY 2017-18, largely due to funds encumbered for apparatus and equipment but not spent by year end, and an advance recovery of \$519,999 for a fire engine. Of this underspending, CBO recommend that the entire encumbered/recovered amount of \$2,062,153 be carried over and that the remaining \$817,522 fall to balance to fund potential impending Citywide liabilities.

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

**Bureau:** Portland Fire & Rescue

**Type:** Technical Adjustment

**Request:** FR\_008 - Moving Funds to SCBA Project

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Capital Outlay            | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

PF&R carried forward \$707,000 in one-time General Fund from FY 2017-18 to FY 2018-19 as part of the FY 2017-18 Spring BMP in order to cover a portion of the costs for PF&R's SCBA replacement project. This technical adjustment corrects an error from the Spring BMP by moving the funds into the SCBA replacement project's budget.

**CBO Discussion and Recommendation**

Recommended as requested. This request simply adds the capital project code (R00009) to the project.

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

**Bureau:** Portland Fire & Rescue

**Type:** New Request

**Request:** FR\_009 - IA with Procurement

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 2,928   | 206   | 3,134                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>2,928</b>                                  | <b>206</b>                                  | <b>3,134</b>                              |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 2,928   | 206   | 3,134                                     |
| <b>TOTAL REVENUES</b>           | <b>2,928</b>                                  | <b>206</b>                                  | <b>3,134</b>                              |

**Bureau Description:**

This request recognizes PF&R's share of the cost for removing Procurement Design and Construction services out of General Fund overhead.

**CBO Discussion and Recommendation**

Recommended, but CBO has increased the amount to reflect the General Fund offsets for the partial year cost of the IAs.

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

**Bureau:** Portland Fire & Rescue

**Type:** Technical Adjustment

**Request:** FR\_010 - 2016 PGE Renewable Development Grant

|                            | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|----------------------------|---|---|---|
| <b>EXPENDITURES</b>        |   |   |   |
| Capital Outlay             | 55,686  | 0   | 55,686                                    |
| <b>TOTAL EXPENDITURES</b>  | <b>55,686</b>                                 | <b>0</b>                                    | <b>55,686</b>                             |
| <b>REVENUES</b>            |   |   |   |
| Intergovernmental Revenues | 55,686  | 0   | 55,686                                    |
| <b>TOTAL REVENUES</b>      | <b>55,686</b>                                 | <b>0</b>                                    | <b>55,686</b>                             |

**Bureau Description:**

This request recognizes the anticipated FY 2018-19 expenditure and reimbursement of the remaining \$55,686 from the PGE Renewable Development Fund Grant. The grant supports installation of solar panels on the roof of Station 1.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Fire & Rescue

**Type:** Technical Adjustment

**Request:** FR\_011 - 2017 Haz Mat Emergency Preparedness Grant

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 15,500  | 0   | 15,500                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>15,500</b>                                 | <b>0</b>                                    | <b>15,500</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| Intergovernmental Revenues      | 15,500  | 0   | 15,500                                    |
| <b>TOTAL REVENUES</b>           | <b>15,500</b>                                 | <b>0</b>                                    | <b>15,500</b>                             |

**Bureau Description:**

This request recognizes the anticipated FY 2018-19 expenditure and reimbursement of \$15,500 from the Hazardous Materials Emergency Preparedness grant received in 2017.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Fire & Rescue

**Type:** Capital Set-Aside Request

**Request:** FR\_012 - PF&R Capital Set-Aside Request

|                            | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|----------------------------|---|---|---|
| <b>EXPENDITURES</b>        |   |   |   |
| Capital Outlay             | 950,000                                       | (950,000)                                   | 0   |
| <b>TOTAL EXPENDITURES</b>  | <b>950,000</b>                                | <b>(950,000)</b>                            | <b>0</b>                                  |
| <b>REVENUES</b>            |   |   |   |
| General Fund Discretionary | 950,000                                       | (950,000)                                   | 0   |
| <b>TOTAL REVENUES</b>      | <b>950,000</b>                                | <b>(950,000)</b>                            | <b>0</b>                                  |

**Bureau Description:**

The following requests, originally submitted as part of the FY 2018-19 Requested Budget, remain priorities for PF&R:

- \$250,000 Replace Boathouse at Station 6
- \$650,000 Apparatus Bay Extensions at Stations 3 and 22
- \$50,000 Replace Campbell Boathouse Door at Station 6

**CBO Discussion and Recommendation**

Not recommended.

Portland Fire & Rescue has submitted requests for new General Fund resources to fund three capital projects that it submitted to Capital Set-Aside validation. The projects include \$250,000 to replace the Boathouse at Station 6, \$650,000 to extend the Apparatus Bay at Stations 3 and 22, and \$50,000 to replace the Campbell boathouse door at Station 6. The three projects the bureau submitted ranked 18th, 19th, and 20th, respectively. In total, \$85 million in Capital Set-Aside requests have been submitted for 21 projects as of October 2018, of which \$3.91 million is available for appropriation.

Due to the limited amount of one-time resources and the higher priority of other major maintenance projects and liabilities within the City, CBO does not recommend funding. However, funding for the bureau's major maintenance needs remain a critical issue.

CBO continues to recommend that the bureau work to build a dedicated major maintenance and replacement reserve to assist the bureau in dealing with its many capital and equipment needs.

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

**Bureau:** Office of Government Relations

**Type:** Technical Adjustment

**Request:** GR\_001 - Occupational Health Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Occupational Health Adjustment from Risk to BHR.

**CBO Discussion and Recommendation**

Recommended as requested. As requested by OMF, \$47 is transferred from OGR's interagency agreement with OMF-Risk for flu vaccinations to the bureau's general interagency agreement with OMF for administration and support services.

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

**Bureau:** Portland Housing Bureau

**Type:** Technical Adjustment

**Request:** HC\_001 - Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | (15,000)                                      | 0   | (15,000)                                  |
| External Materials and Services | (2,973,000)                                   | 0   | (2,973,000)                               |
| Internal Materials and Services | (12,000)                                      | 0   | (12,000)                                  |
| Capital Outlay                  | 3,000,000                                     | 0   | 3,000,000                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| Intergovernmental Revenues      | 0   | 0   | 0   |
| Bond and Note                   | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This packages makes various technical corrections to the PHB FY 2018-19 Adopted Budget related to technical budget and accounting requirements, and do not increase the total appropriations of the bureau.

**CBO Discussion and Recommendation**

Recommended as requested. CBO notes that these changes include shifting one of the two new bond positions funded in FY 2018-19 to Finance and Accounting, as well as reallocating resources to fund a PSU intern per an Ordinance passed by Council on 9/5/18.

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

**Bureau:** Portland Housing Bureau

**Type:** Encumbrance Carryover Request

**Request:** HC\_002 - Affordable Housing project rebudgets

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 15,913,623                           | 0                                  | 15,913,623                       |
| Capital Outlay                  | 850,000                              | 0                                  | 850,000                          |
| <b>TOTAL EXPENDITURES</b>       | <b>16,763,623</b>                    | <b>0</b>                           | <b>16,763,623</b>                |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | (5,820,280)                          | 0                                  | (5,820,280)                      |
| Intergovernmental Revenues      | 22,583,903                           | 0                                  | 22,583,903                       |
| <b>TOTAL REVENUES</b>           | <b>16,763,623</b>                    | <b>0</b>                           | <b>16,763,623</b>                |

**Bureau Description:**

These adjustments reflect rebudgeting various gap financed affordable rental housing projects due to variations in the timing of constructions draws, or the timing of potential funding awards. Other adjustments reflect the carryover of encumbered subrecipient contracts with minor amounts remaining from FY 17-18; as well as downpayment assistance and home repair loans committed or funded but not yet disbursed.

**CBO Discussion and Recommendation**

Recommended with the exception of a requested \$1.0 million realignment of Construction Excise Tax resources to fund Citywide Down Payment Assistance Loans for households on the N/NE Preference Policy List. CBO's understanding is that neither Council nor the N/NE Oversight Committee has vetted this decision. CBO recommends first clarifying: whether it is Council's intention to expand the geographical scope of the N/NE Preference Policy and how CET revenue as a whole should be used to support the City's affordable housing goals over the next ten years.

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

**Bureau:** Portland Housing Bureau

**Type:** Encumbrance Carryover Request

**Request:** HC\_003 - General Fund Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 337,700                              | (26,687)                           | 311,013                          |
| <b>TOTAL EXPENDITURES</b>       | <b>337,700</b>                       | <b>(26,687)</b>                    | <b>311,013</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 0                                    | 0                                  | 0                                |
| General Fund Discretionary      | 337,700                              | (26,687)                           | 311,013                          |
| <b>TOTAL REVENUES</b>           | <b>337,700</b>                       | <b>(26,687)</b>                    | <b>311,013</b>                   |

**Bureau Description:**

These adjustments reflect requests for General Fund carryover to continue encumbered contracts related to Fair Housing and and home repair.

**CBO Discussion and Recommendation**

Recommended, except for two contracts totaling \$26,687; the contracts expired in June 2018 and there are no remaining services to be provided. The bureau has sufficient General Fund discretionary underspending to fund the remainder of the carryovers.

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

**Bureau:** Portland Housing Bureau

**Type:** Technical Adjustment

**Request:** HC\_004 - Bond Project Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 51,000  | 0   | 51,000                                    |
| External Materials and Services | 290,000                                       | 0   | 290,000                                   |
| Internal Materials and Services | 12,000  | 0   | 12,000                                    |
| Capital Outlay                  | (2,244,087)                                   | 0   | (2,244,087)                               |
| Bond Expenses                   | 385,000                                       | 0   | 385,000                                   |
| Fund Transfers - Expense        | 50,000  | 0   | 50,000                                    |
| Contingency                     | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>(1,456,087)</b>                            | <b>0</b>                                    | <b>(1,456,087)</b>                        |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 0   | 0   | 0   |
| Fund Transfers - Revenue        | 50,000  | 0   | 50,000                                    |
| Bond and Note                   | (1,856,087)                                   | 0   | (1,856,087)                               |
| Miscellaneous                   | 300,000                                       | 0   | 300,000                                   |
| <b>TOTAL REVENUES</b>           | <b>(1,506,087)</b>                            | <b>0</b>                                    | <b>(1,506,087)</b>                        |

**Bureau Description:**

These adjustments reflect better information on FY 18-19 funding needs for existing acquisitions and a construction project.

**CBO Discussion and Recommendation**

Recommended as requested. These changes also reflect interfund loan proceeds from the Development Services Fund as the interim financing source for bond projects, which were budgeted prior to Council authorization of the interfund loan in June 2018 (Resolution 37366).

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

**Bureau:** Portland Housing Bureau

**Type:** New Request

**Request:** HC\_005 - Building Budget Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 1,038,210                                     | 0   | 1,038,210                                 |
| Internal Materials and Services | 0   | 0   | 0   |
| Bond Expenses                   | 312,718                                       | 0   | 312,718                                   |
| Contingency                     | (326,228)                                     | 0   | (326,228)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>1,024,700</b>                              | <b>0</b>                                    | <b>1,024,700</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Charges for Services            | 1,024,700                                     | 0   | 1,024,700                                 |
| Fund Transfers - Revenue        | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>1,024,700</b>                              | <b>0</b>                                    | <b>1,024,700</b>                          |

**Bureau Description:**

These adjustments reflect changes to PHB building budgets due to better information about net income projections and changes that could not be made in time for the FY 2018-19 Approved budget.

**CBO Discussion and Recommendation**

Recommended as requested. The reduction to contingency reflects payoff of a deferred developer fee and allocation of reserves for needed maintenance and repair.

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

**Bureau:** Portland Housing Bureau

**Type:** Encumbrance Carryover Request

**Request:** HC\_006 - Non-General Fund Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 223,420                              | 0                                  | 223,420                          |
| <b>TOTAL EXPENDITURES</b>       | <b>223,420</b>                       | <b>0</b>                           | <b>223,420</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 11,920                               | 0                                  | 11,920                           |
| Intergovernmental Revenues      | 211,500                              | 0                                  | 211,500                          |
| General Fund Discretionary      | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>223,420</b>                       | <b>0</b>                           | <b>223,420</b>                   |

**Bureau Description:**

These adjustments reflect funds needed to continue encumbered contracts related to Fair Housing.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Housing Bureau

**Type:** New Request

**Request:** HC\_007 - Resource Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 12,628  | 0   | 12,628                                    |
| External Materials and Services | 1,817,021                                     | 0   | 1,817,021                                 |
| Internal Materials and Services | 33,000  | 0   | 33,000                                    |
| Bond Expenses                   | 198,703                                       | 0   | 198,703                                   |
| Fund Transfers - Expense        | (12,000)                                      | 0   | (12,000)                                  |
| Contingency                     | 359,767                                       | 0   | 359,767                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>2,409,119</b>                              | <b>0</b>                                    | <b>2,409,119</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 94,000  | 0   | 94,000                                    |
| Charges for Services            | 80,000  | 0   | 80,000                                    |
| Intergovernmental Revenues      | 32,649  | 0   | 32,649                                    |
| Fund Transfers - Revenue        | (12,000)                                      | 0   | (12,000)                                  |
| Miscellaneous                   | 6,000   | 0   | 6,000                                     |
| General Fund Discretionary      | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>200,649</b>                                | <b>0</b>                                    | <b>200,649</b>                            |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 0.10  | 0.00  | 0.10                                      |
| <b>TOTAL FTE</b>                | <b>0.10</b>                                   | <b>0.00</b>                                 | <b>0.10</b>                               |

**Bureau Description:**

These adjustments reflect changes due primarily to the recognition of additional short-term rental revenue from FY 2017-18, as well as a true up of fees from indirect building subsidy programs. In addition, the bureau is requesting that a 0.90 FTE OSS II position be increased by 0.00 to create a full-time position; offsetting reductions to External Materials and Services have been made in three non-General Fund sources.

**CBO Discussion and Recommendation**

Recommended as requested. The short-term rental revenue allocation has been moved to HC\_009.

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

**Bureau:** Portland Housing Bureau

**Type:** New Request

**Request:** HC\_008 - General Fund Requests

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 75,900  | (75,900)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>75,900</b>                                 | <b>(75,900)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 75,900  | (75,900)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>75,900</b>                                 | <b>(75,900)</b>                             | <b>0</b>                                  |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | -0.00   | 0.00  | -0.00                                     |
| <b>TOTAL FTE</b>                | <b>-0.00</b>                                  | <b>0.00</b>                                 | <b>-0.00</b>                              |

**Bureau Description:**

Expungement Pilot (\$50,000; General Fund Contingency)

This pilot program aims to create opportunities for housing individuals with past criminal justice involvement by increasing access to expungement resources and help mitigate the impacts of past criminal justice involvement. A sub-recipient contractor will provide expungement services and related means tested legal services through the Portland Housing Bureau Rental Services Office for low-income households seeking rental housing. City Council resolution 37368 passed 6/20/2018 resolved that the Portland Housing Bureau shall request funding through General Fund contingency.

Fair Market Rent Study (\$25,900; General Fund Contingency)

This is the City's share of the cost of a Comprehensive Economic Study which Home Forward would procure to establish a more accurate and representative fair market rents (FMRs) for use within Multnomah County. HUD's FMRs do not represent current market conditions as they do not include current data. Until and unless FMRs represent current market conditions, then landlords will be increasingly unwilling to participate in the program and to accept Housing Choice Vouchers. HUD requires periodic updates of these economic studies; the costs for a similar study done in FY 2015-16 were also funded from General Fund Contingency.

**CBO Discussion and Recommendation**

Expungement Pilot: not recommended. The bureau will have an estimated \$50,000 in vacancy savings from two positions funded in the Rental Services Office for FY 2018-19 that have not yet been hired. CBO recommends allocating these vacancy savings to fund the pilot program.

Fair Market Rent Study: not recommended. CBO notes that this study is not required by HUD, but is being contracted to challenge the FMRs established by HUD. This was funded out of contingency in FY 2015-16 as the City had just declared a State of Housing Emergency. Although urgent and unforeseen, CBO recommends that the bureau return in the Spring Supplemental Budget if it is unable to absorb the cost of the contract within the existing \$1.5 million allocation for external materials and services in its Administration & Support program.

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

**Bureau:** Portland Housing Bureau

**Type:** Technical Adjustment

**Request:** HC\_009 - General Fund STR True-Up

|                          | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|--------------------------|---|---|---|
| <b>REVENUES</b>          |   |   |   |
| Fund Transfers - Revenue | 2,258,470                                     | 0   | 2,258,470                                 |
| <b>TOTAL REVENUES</b>    | <b>2,258,470</b>                              | <b>0</b>                                    | <b>2,258,470</b>                          |

**Bureau Description:**

Truing up Short-Term Rental Revenues for FY 2017-18 to match actual collections and adjustments to the debt service schedule.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Housing Bureau

**Type:** Mid-Year Reductions

**Request:** HC\_010 - Rental Registration transfer to OMF

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 0   | (100,000)                                   | (100,000)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>(100,000)</b>                            | <b>(100,000)</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 0   | (100,000)                                   | (100,000)                                 |
| <b>TOTAL REVENUES</b>           | <b>0</b>                                      | <b>(100,000)</b>                            | <b>(100,000)</b>                          |

**Bureau Description:**

**CBO Discussion and Recommendation**

The FY 2018-19 Adopted Budget included a total of \$375,000 for PHB and the Office of Management & Finance (OMF) to develop a new Rental Registration system. Of these resources, \$200,000 was allocated to PHB for system development, as it was unclear at this time whether the City would use an off-the-shelf software, develop its own platform in house, or utilize an existing City platform to collect the registration.

In July 2018, Council adopted an ordinance requiring all owners of residential rental property within the City to register their rental properties as part of the standard business license tax filing process. OMF is requesting \$273,000 in the Fall Supplemental Budget to fund a) three new positions for the remainder of the fiscal year to manage the increased workload, and b) materials and services costs associated with adapting the existing tax application system to accommodate the Rental Registration requirements. CBO is recommending allocating one-time General Fund resources out of contingency for the positions; CBO believes that the portion of the request related to system development, approximately \$100,000, is within the scope of the funding originally allocated to PHB by Council.

Given the urgency of system development in order to roll out the program, CBO is recommending reallocating \$100,000 from PHB to the Revenue Division in the Fall Supplemental Budget for this purpose. However, CBO is aware that PHB and Revenue have negotiated changes to the project since that time, and are in the process of developing a Memorandum of Understanding for this project that outlines data sharing, roles and responsibilities, and allocation of resources. CBO's understanding is that PHB and Revenue have developed an outreach and marketing plan that may exceed the resources budgeted for the program (a total of \$548,000 in one-time dollars including CBO's Fall BMP recommendations). Given the level of uncertainty around program costs at this time, CBO recommends that the bureaus work together to develop more concrete cost estimates and identify options for scaling outreach. The bureaus may return in the Spring BMP to request General Fund contingency if it is not possible to accomplish the goals of the first year of the program within existing resources.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_001 - BTS - Beginning Fund Balance Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | 4,275,444                            | 0                                  | 4,275,444                        |
| <b>TOTAL EXPENDITURES</b>       | <b>4,275,444</b>                     | <b>0</b>                           | <b>4,275,444</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 4,275,444                            | 0                                  | 4,275,444                        |
| <b>TOTAL REVENUES</b>           | <b>4,275,444</b>                     | <b>0</b>                           | <b>4,275,444</b>                 |

**Bureau Description:**

This request is to adjust Technology Service's Beginning Fund Balance to the estimated balance as of the end of FY 2017-18. The balance is based on the FY 2016-17 CAFR ending fund balance, plus and minus SAP reported revenues and expenses for FY 2017-18.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_002 - BTS - Salary Contingency Allocation

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Personnel Services        | 1,453,784                                     | 0   | 1,453,784                                 |
| Contingency               | (1,453,784)                                   | 0   | (1,453,784)                               |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to move BTS salary contingency into Personal Services accounts for regular salary and benefits. These funds were set aside in contingency to cover cost of living increases and will be expended during the year as those increases were approved in the budget.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_003 - BTS - Data Center Move project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 3,723                                | 0                                  | 3,723                            |
| Contingency                     | (3,723)                              | 0                                  | (3,723)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to adjust the budget for the Data Center Move project, adding to it funds not expended in the prior fiscal year. This ongoing project, funded primarily by City bureaus, is in its third and final year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_004 - BTS - SAN Storage Expansion project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 107,520                                       | 0   | 107,520                                   |
| Contingency                     | (107,520)                                     | 0   | (107,520)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the SAN Storage Expansion project, adding to it funds not expended in the prior fiscal year. This is an ongoing, multi-year project, with funding needs planned over the next five-year period.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_005 - BTS - Comm Center Data Center project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 13,617                               | 0                                  | 13,617                           |
| Contingency                     | (13,617)                             | 0                                  | (13,617)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to adjust the budget for the Comm Center Data Center Remediation project, adding to it funds not expended in the prior fiscal year. This is an ongoing project that was delayed due to the Facilities Services analysis timeline and work scheduling.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_006 - BTS - Server Technology Refresh project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 12,632  | 0   | 12,632                                    |
| Contingency                     | (12,632)                                      | 0   | (12,632)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Server Technology Refresh project, adding to it funds not expended in the prior fiscal year. This is an ongoing project that was delayed due to work on the Development Services POPS project and on phishing response issues.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_007 - BTS - Microsoft SQL Server project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 45,481                               | 0                                  | 45,481                           |
| Contingency                     | (45,481)                             | 0                                  | (45,481)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to adjust the budget for the Microsoft SQL Server Database Licenses and Tools project, adding to it funds not expended in the prior fiscal year. This is an ongoing project with funding needs projected through the end of FY 2019-20.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_008 - BTS - VDI Proof of Concept project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 19,995  | 0   | 19,995                                    |
| Contingency                     | (19,995)                                      | 0   | (19,995)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the VDI Proof of Concept and Pilot project, adding to it funds not expended in the prior fiscal year. This is an ongoing project that was delayed due to contract negotiations.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_009 - BTS - Remote Antenna Testing project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 70,240                               | 0                                  | 70,240                           |
| Contingency                     | (70,240)                             | 0                                  | (70,240)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to adjust the budget for the Remote Antenna Testing and Monitoring project, adding to it funds not expended in the prior fiscal year. This project experienced delays last year and only incurred minimal expenses. It is expected to be completed this fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_010 - BTS - VHF and 700 MHz NSPAC project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 119,959                                       | 0   | 119,959                                   |
| Contingency                     | (119,959)                                     | 0   | (119,959)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the VHF and 700 MHz NSPAC Repeater project, adding to it funds not expended in the prior fiscal year. Project expenses were incurred last fiscal year and work continues on the project and is expected to be completed this fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_011 - BTS - Radio Site Video Security project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 73,745                               | 0                                  | 73,745                           |
| Contingency                     | (73,745)                             | 0                                  | (73,745)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to adjust the budget for the Radio Site Video Security Monitoring project, adding to it funds not expended in the prior fiscal year. This project incurred only minimal expenses last fiscal year, but work has begun and the project is expected to be completed this fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_012 - BTS - Microwave Radio Upgrades project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 248,185                                       | 0   | 248,185                                   |
| Contingency                     | (248,185)                                     | 0   | (248,185)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Microwave Radio Upgrades for Spur Sites project, adding to it funds not expended in the prior fiscal year. This project incurred only minimal expenses last fiscal year, but work has begun and the project is expected to be completed this fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_013 - BTS - Police Office 365 project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (1,163)                                       | 0   | (1,163)                                   |
| Contingency                     | 1,163   | 0   | 1,163                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Police Office 365 project, reducing appropriation due to unbudgeted expenses in the prior fiscal year. This project was budgeted and scheduled to start in FY 2018-19, but work began earlier than anticipated. It is expected to be completed in the current fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_014 - BTS - Pilot for SCCM project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 33,750  | 0   | 33,750                                    |
| Contingency                     | (33,750)                                      | 0   | (33,750)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Pilot for SCCM (System Center Configuration Manager) to Replace Altiris project, adding to it funds not expended in the prior fiscal year. Altiris is the tool currently used to deliver software and patches to workstations. Its replacement, SCCM, is a Microsoft tool. A decision on SCCM was delayed until June of last fiscal year, resulting in lower than anticipated expenses. The project is scheduled to be completed this fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_015 - BTS - Cherwell Capability Expansion project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 85,486  | 0   | 85,486                                    |
| Contingency                     | (85,486)                                      | 0   | (85,486)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Cherwell Capability Expansion project, adding to it funds not expended in the prior fiscal year. This is an ongoing, multi-year project with anticipated expenses over the next five years. Funds not spent in the prior year are needed to cover additional professional services assistance.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_016 - BTS - Website Replacement (POWR) project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 197,597                                       | 0   | 197,597                                   |
| Contingency                     | (197,597)                                     | 0   | (197,597)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Portland Oregon Website Replacement (POWR) project, adding to it funds not expended in the prior fiscal year. This is an ongoing, multi-year project with funds from last year needed to cover hosting services expenses.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_017 - BTS - Mobile Application Management project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 50,000  | 0   | 50,000                                    |
| Contingency                     | (50,000)                                      | 0   | (50,000)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Mobile Application Management project, adding to it funds not expended in the prior fiscal year. This is an ongoing, multi-year project with planned expenditures over the next five years. The project experienced delays last fiscal year while waiting for approval of a mobile application developer position.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_018 - BTS - IRNE Voice System project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 128,917                                       | 0   | 128,917                                   |
| Contingency                     | (128,917)                                     | 0   | (128,917)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the IRNE Voice System Technology Refresh project, adding to it funds not expended in the prior fiscal year. This has been a multi-year project, but is scheduled to be completed in the current fiscal year.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_019 - BTS - Telecom Management System project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 309,006                                       | 0   | 309,006                                   |
| Contingency                     | (309,006)                                     | 0   | (309,006)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Replacement of Telecommunications Management System project, adding to it funds not expended in the prior fiscal year. This project should be completed in the current fiscal year. It has experienced delays while modifications to the selected application (MDSL) to replace StellarRad continue to be made.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_020 - BTS - Wireless Network 802.11n project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 5,308   | 0   | 5,308                                     |
| Contingency                     | (5,308)                                       | 0   | (5,308)                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Wireless Network 802.11n Capacity Expansion project, adding to it funds not expended in the prior fiscal year. This project is for deployment of WiFi network coverage in the Portland Building, 1900 Building, City Hall, and other facilities. This is an ongoing, multi-year project with planned expenditures over the next five-year period.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_021 - BTS - IRNE Construction - Fiber project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 190,098                                       | 0   | 190,098                                   |
| Contingency                     | (190,098)                                     | 0   | (190,098)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the IRNE Construction - Fiber project, adding to it funds not expended in the prior fiscal year. This is an ongoing project designed to continue expansion of the IRNE system to all City locations. In addition to the carryover funds, \$100,000 is being added to the project budget to complete recently identified fiber build-outs.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_022 - BTS - IRNE Network Technology project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 59,459  | 0   | 59,459                                    |
| Contingency                     | (59,459)                                      | 0   | (59,459)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the IRNE Network Technology Refresh project, adding to it funds not expended in the prior fiscal year. This ongoing, multi-year project has anticipated expenses over the next five-year period that will continue making upgrades and improvements to existing IRNE infrastructure.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_023 - BTS - Enterprise Network Technology project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 243,261                                       | 0   | 243,261                                   |
| Contingency                     | (243,261)                                     | 0   | (243,261)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Enterprise Network Technology Refresh project, adding to it funds not expended in the prior fiscal year. This is an ongoing, multi-year project with planned expenditures over the next five-year period that will continue lifecycle replacement for network switches and router equipment.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_024 - BTS - Telecom Power Plant Upgrade project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 21,052  | 0   | 21,052                                    |
| Contingency                     | (21,052)                                      | 0   | (21,052)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Telecom Power Plant Upgrade project, adding to it funds not expended in the prior fiscal year. This project, scheduled to be completed in the current fiscal year, will refresh old batteries and install inverters in anticipation of future requirements at IRNE sites.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_025 - BTS - Critical Security Controls project

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 174,736                                       | 0   | 174,736                                   |
| Contingency                     | (174,736)                                     | 0   | (174,736)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to adjust the budget for the Critical Security Controls Framework project, adding to it funds not expended in the prior fiscal year. Work on this project was scheduled to be completed last fiscal year, but services and related expenses from the application provider, Cherwell, were not received.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_026 - BTS - Police MDC Replacement Cash Transfer

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Fund Transfers - Expense  | 1,400,000                                     | 0   | 1,400,000                                 |
| Contingency               | (1,400,000)                                   | 0   | (1,400,000)                               |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to reappropriate a cash transfer of replacement funds held by BTS on behalf of the Police bureau. The funds are to be used towards the purchase of mobile data computers (MDC) for the Police MDC Replacement project. Funds had been budgeted in the previous fiscal year, but the purchase didn't take place so the funds weren't moved.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_027 - BTS - Public Safety Project Police Cash Transfer

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Fund Transfers - Expense  | 1,100,000                                     | 0   | 1,100,000                                 |
| Contingency               | (1,100,000)                                   | 0   | (1,100,000)                               |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to reappropriate Public Safety Project funding held by BTS to be budgeted as a cash transfer used in support of the Police MDC (mobile data computer) Replacement project. These funds had been budgeted in the previous fiscal year, but weren't needed when the planned purchase of the MDCs didn't take place. That purchase will happen this fiscal year and the funds will be moved to the General Fund.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_028 - BTS - Public Safety Project Fire Cash Transfer

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Fund Transfers - Expense  | 60,000  | 0   | 60,000                                    |
| Contingency               | (60,000)                                      | 0   | (60,000)                                  |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to appropriate Public Safety Project funds held by BTS, budgeting them as a cash transfer to the General Fund for the benefit of supporting the Fire bureau's WiFi build-out project. Currently in the FY 2018-19 Adopted Budget is a cash transfer of \$790,000 for this project. These additional funds are needed to cover other project expenses recently identified.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_029 - BHR-Training Fund-Increase Fund Balance

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 56,739                               | 0                                  | 56,739                           |
| <b>TOTAL EXPENDITURES</b>       | <b>56,739</b>                        | <b>0</b>                           | <b>56,739</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 56,739                               | 0                                  | 56,739                           |
| <b>TOTAL REVENUES</b>           | <b>56,739</b>                        | <b>0</b>                           | <b>56,739</b>                    |

**Bureau Description:**

This request increases the FY 2018-19 Beginning Fund Balance of the Training Fund by \$56,739 to match the FY 2017-18 Ending Fund Balance. The education account will be increased to balance this request.

**CBO Discussion and Recommendation**

As part of the FY 2018-19 adopted budget, the decision was made to eliminate the Training Fund, which was created for employee tuition reimbursement and funded by administrative fees paid by bureaus for citywide trainings. This program has had very low utilization over the past five years, primarily due to the limited amount of funding available.

The FY 2018-19 budget eliminated \$95,000 of ongoing General Fund overheard resources to BHR. As proposed by BHR, the training fund balance would be used to absorb this reduction in FY 2018-19, but moving forward, this fund would no longer exist.

Following these decisions, CBO recommends that the current balance in the training fund not be allocated to education expenses, but reallocated to personnel services, where BHR made the ongoing reduction in the FY 2018-19 budget. In the FY 2019-20 budget, any remaining fund balance should be budgeted in the General Fund and be available as discretionary resources.

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

**Bureau:** Office of Management & Finance

**Type:** Encumbrance Carryover Request

**Request:** MF\_030 - OMF GF-Encumbrance Carryovers

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 300,756                              | 0                                  | 300,756                          |
| <b>TOTAL EXPENDITURES</b>       | <b>300,756</b>                       | <b>0</b>                           | <b>300,756</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 300,756                              | 0                                  | 300,756                          |
| <b>TOTAL REVENUES</b>           | <b>300,756</b>                       | <b>0</b>                           | <b>300,756</b>                   |

**Bureau Description:**

Procurement Services – Procurement Services is requesting a total of \$208,153 in encumbrance carryovers. This amount includes \$90,892 for the implementation of the B2G compliance management software (PO 20007192); \$13,967 with Team HR, LLC for the procurement services review (PO 22237950); \$35,000 with Delaris LLC for the process map update (PO 22238072); \$4,560 with Green Society for the minority evaluator program rebrand (PO 20007747); \$28,075 with Metropolitan Contractor Improvement for consulting services to PDCP (PO 22225398); \$11,033 with Rhonda Parsons Edmiston for PCDP contractor training (PO 22225400); \$12,625 with Irish Enterprises LLC for PDCP project management consulting (PO 22225401) and \$12,002 with Industrial Economics Inc to analyze procurement tools and applications (PO 22236765).

Grants Management – The Grants Management Division is requesting a total of \$4,260 in encumbrance carryovers. This amount includes two PO's for Microsoft Office staff training with Kinetic Computer Solutions Inc (PO 22233733 and 22238044).

Business Operations – Business Operations is requesting a total of \$33,100 in encumbrance carryovers. This amount includes \$27,500 for the OMF Fee Study by Irish Enterprises (PO# 22236533) and \$5600 for the OMF logo design contract with Audrey Desler (PO# 22233328).

CAO's Office – The Office of the CAO is requesting a total of \$55,242 in encumbrance carryovers. This amount includes \$13,775 for Identity Theft Guard credit monitoring (PO #20007730) and \$41,467 with Bainbridge Design for space study related work (PO# 22230802 and PO# 22233176).

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Program Carryover Request

**Request:** MF\_031 - BHR GF-Recognize Exec Recruitment Prog Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 150,000                                       | 0   | 150,000                                   |
| External Materials and Services | 138,307                                       | 0   | 138,307                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>288,307</b>                                | <b>0</b>                                    | <b>288,307</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 288,307                                       | 0   | 288,307                                   |
| <b>TOTAL REVENUES</b>           | <b>288,307</b>                                | <b>0</b>                                    | <b>288,307</b>                            |

**Bureau Description:**

In the FY 2017-18 OEO, Council approved a \$288,307 programmatic carryover for an Executive Recruitment Program within Human Resources. This request budgets the prior approved funding in the FY 2018-19 budget within personnel services and external materials and services.

**CBO Discussion and Recommendation**

The Bureau of Human Resources (BHR) is requesting the carryover of \$288,307 in General Fund discretionary resources, which was previously approved in the over-expenditure ordinance and will be used to fund an Executive Recruitment position, marketing and relocation costs as part of BHR's executive recruitment program. To date, \$57,000 of costs have been incurred and two recruitments are underway. Recruitments for the Housing Bureau closed in September and the new director was recently announced, and the City Budget Office Director recruitment closed in October. The next recruitment will be the Office of Equity and Human Rights, and the stakeholder engagement for the Director of Portland Parks & Recreation is underway. CBO recommends this requested carryover.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_032 - Bus Ops-311 Limited-Term Sr Program Manager

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 75,594                               | (75,594)                           | 0                                |
| External Materials and Services | 18,750                               | (18,750)                           | 0                                |
| Internal Materials and Services | 3,750                                | (3,750)                            | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>98,094</b>                        | <b>(98,094)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 98,094                               | (98,094)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>98,094</b>                        | <b>(98,094)</b>                    | <b>0</b>                         |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | 0.50                                 | -0.50                              | 0.00                             |
| <b>TOTAL FTE</b>                | <b>0.50</b>                          | <b>-0.50</b>                       | <b>0.00</b>                      |

**Bureau Description:**

In FY 2017-18, Council approved a decision package for “311 project management and implementation” planning and directed the Office of Management and Finance to oversee the planning effort. The project team has since completed a 311/Customer Service Improvement Implementation Plan that recommends a robust, Citywide 311 Program – to be created through a multi-year implementation process. The 311 Program would provide a first-stop for community members online, over the phone, and in-person, to ensure they can easily access City information and services. The Plan also recommends potential functions and services that could be provided by a 311 Program and the staff, operational, technology, funding, and governance supports needed for a success. The draft 311 Implementation Plan is currently in staff review and will be presented to Bureau Directors and City Council for review in the 4th quarter of 2018.

The Office of the CAO is requesting position authority for a 2-year limited term Senior Program Manager (1.0 FTE) and funding for the position, including salary and benefits as well as necessary materials and professional services, from January 1 to June 30, 2019. The 311/Customer Service Program Manager would direct and manage the City’s new 311 Program. Hiring of a 311/Customer Service Program Manager would facilitate implementation of the program prior to the opening of the Portland Building’s customer service desk in December 2019. Without funding for this position in the Fall BMP, the 311 Program will not have the capacity to open a citywide customer service desk in time for the Portland Building reopening.

In advance of the Portland Building’s re-opening, the 311/Customer Service Program Manager will be responsible for the creation of policies and procedures, hiring of program staff, and the development of training tools and curriculum to ensure high quality customer service. More generally, the Program Manager will ensure the delivery of 311 services and institute policies and procedures to monitor and continuously improve customer service. The Program Manager would also maintain relationships and service agreements with City and partner agencies.

The Office of the CAO does not intend to recruit for this position until after Council reviews the 311/Customer Service Improvement Implementation Plan in November 2018. The 311/Customer Service Program Manager position would be housed within the Office of the CAO until Council identifies a permanent Bureau for the 311 program.

**CBO Discussion and Recommendation**

OMF is requesting funding for a limited term position to support the Customer Service Desk in preparation for the opening of the Portland Building opening in December 2019. This position would create policies and procedures and coordinate bureau staff in preparation of the opening. More broadly, the 311 implementation plan includes multiple phases and has multiple components, which will require additional resources. Council will have the opportunity to evaluate the proposed solutions and timeline for implementation in the forthcoming work session in November and then decide whether the required resources, relative to the other current needs of the City, warrant the investment. Given the need for additional Council direction, CBO does not recommend funding at this time. Once Council has had the opportunity to weigh-in on the proposal in light of other competing needs of the City, OMF should return with a proposal that reflects Council’s direction. To the degree that additional resources are needed in FY 2018-19 to fund portions of the project that are prioritized by Council, CBO notes that there may be current underspending in the project. Based on the current staffing and contracting needs, underspending is estimated \$50,000 in FY 2018-19. Alternatively, OMF could reallocate other General Fund discretionary resources to this Council priority. This underspending or reallocation of resources would then be sufficient to address the “critical path” of the project implementation until the implementation and ongoing operations costs are fully funded.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_033 - Bus Ops-Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | (12,500)                             | 0                                  | (12,500)                         |
| Internal Materials and Services | (251)                                | 0                                  | (251)                            |
| <b>TOTAL EXPENDITURES</b>       | <b>(12,751)</b>                      | <b>0</b>                           | <b>(12,751)</b>                  |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | (12,751)                             | 0                                  | (12,751)                         |
| <b>TOTAL REVENUES</b>           | <b>(12,751)</b>                      | <b>0</b>                           | <b>(12,751)</b>                  |

**Bureau Description:**

This request fixes a Facilities interagency account that was incorrectly loaded in the Fall Bump and also moves the flu shot interagency for Business Operations to a Health Fund funded program and account. In addition, this request reduces \$12,500 in one-time General Fund Discretionary which Procurement will add to their budget.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_034 - CAO's Office-Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 0   | 0   | 0   |
| Internal Materials and Services | 251   | 0   | 251                                       |
| <b>TOTAL EXPENDITURES</b>       | <b>251</b>                                    | <b>0</b>                                    | <b>251</b>                                |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 251   | 0   | 251                                       |
| <b>TOTAL REVENUES</b>           | <b>251</b>                                    | <b>0</b>                                    | <b>251</b>                                |

**Bureau Description:**

This request fixes a Facilities interagency account that was incorrectly loaded in the Fall Bump and also moves the flu shot interagency for the CAO's Office to a Health Fund funded program and account. This request also corrects some functional area errors from the Rental Registry decision package.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_035 - BTS - EBS IA Adjustment

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 299,983                              | 0                                  | 299,983                          |
| <b>TOTAL EXPENDITURES</b> | <b>299,983</b>                       | <b>0</b>                           | <b>299,983</b>                   |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 299,983                              | 0                                  | 299,983                          |
| <b>TOTAL REVENUES</b>     | <b>299,983</b>                       | <b>0</b>                           | <b>299,983</b>                   |

**Bureau Description:**

This request is to increase the interagency agreement between BTS and EBS, adding appropriation to Operations Billable and Strategic Technology Billable.

**CBO Discussion and Recommendation**

This increase in interagency agreement will fund the cost of additional support services for the Learning Management System project (see request MF\_047). Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_036 - P&D Increase Budgeted Beginning Fund Balance

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Contingency                     | 373,636                                       | 0   | 373,636                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>373,636</b>                                | <b>0</b>                                    | <b>373,636</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 373,636                                       | 0   | 373,636                                   |
| <b>TOTAL REVENUES</b>           | <b>373,636</b>                                | <b>0</b>                                    | <b>373,636</b>                            |

**Bureau Description:**

This request increases the beginning fund balance by \$373,636 to match the projected ending fund balance for FY 2017-18.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_037 - P&D - Purchase Order Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 4,190                                | 0                                  | 4,190                            |
| Contingency                     | (4,190)                              | 0                                  | (4,190)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is a carryover of \$4,190 for new and replacement copier equipment on purchase orders as of June 30, 2018.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_038 - P&D - Salary Contingency Adjustment

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 100,874                              | 0                                  | 100,874                          |
| Contingency               | (100,874)                            | 0                                  | (100,874)                        |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move \$100,874 in salary contingency funds to personnel services for cost of living and health care adjustments awarded on July 1, 2018.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_039 - CityFleet - True-up Budgeted Beginning Balance

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | (8,628,042)                          | 0                                  | (8,628,042)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>(8,628,042)</b>                   | <b>0</b>                           | <b>(8,628,042)</b>               |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | (8,628,042)                          | 0                                  | (8,628,042)                      |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>(8,628,042)</b>                   | <b>0</b>                           | <b>(8,628,042)</b>               |

**Bureau Description:**

This request decreases the beginning fund balance by \$8,628,042 to true-up ending fund balance for FY 2017-18.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_040 - CityFleet - Purchase Order Encumbrance Carryover

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Capital Outlay            | 4,937,504                            | 0                                  | 4,937,504                        |
| Contingency               | (4,937,504)                          | 0                                  | (4,937,504)                      |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

CityFleet is requesting \$4,937,503 in appropriation carryover of FY 2017-18 projects. These funds represent the remaining balances for FY 2017-18 replacements of vehicles and equipment.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_041 - CityFleet - Salary Adjustment Contingency

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 296,459                              | 0                                  | 296,459                          |
| Contingency               | (296,459)                            | 0                                  | (296,459)                        |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move \$296,459 in bureau contingency funds budgeted for cost of living and health care increases.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_042 - BTS - EBSS - Beginning Balance - True up

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | (84,715)                             | 0                                  | (84,715)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>(84,715)</b>                      | <b>0</b>                           | <b>(84,715)</b>                  |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | (84,715)                             | 0                                  | (84,715)                         |
| <b>TOTAL REVENUES</b>           | <b>(84,715)</b>                      | <b>0</b>                           | <b>(84,715)</b>                  |

**Bureau Description:**

This is a request to adjust the fund's Beginning Fund Balance based on the FY 2016-17 CAFR Ending Fund Balance, plus FY 2017-18 actual revenues, less FY 2017-18 actual expenses.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_043 - BTS - EBSS Salary Contingency Allocation

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Personnel Services        | 251,646                                       | 0   | 251,646                                   |
| Contingency               | (251,646)                                     | 0   | (251,646)                                 |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to allocate COLA contingency following Council's approval of the FY 2018-19 COLA increase.

**CBO Discussion and Recommendation**

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_044 - BTS - EBSS Policy Reserves

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to adjust the fund's policy reserves to an amount equal to 5% of the operating budget per OMF financial policies.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Program Carryover Request

**Request:** MF\_045 - BTS - EBSS Learning Management System Project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 33,997                               | 0                                  | 33,997                           |
| Contingency                     | (33,997)                             | 0                                  | (33,997)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to reappropriate the Learning Management System Project's FY 2017-18 budget balance. This is an ongoing project and funds are needed to cover anticipated FY 2018-19 expenses.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_046 - BTS - EBSS LMS Project - Appropriation Increase

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 46,003  | 0   | 46,003                                    |
| Contingency                     | (46,003)                                      | 0   | (46,003)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request is to appropriate funding to cover anticipated FY 2018-19 IMS expenses.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_047 - BTS - EBSS SAP On-Boarding and Performance Mgmt

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 270,355                              | 0                                  | 270,355                          |
| Internal Materials and Services | 253,980                              | 0                                  | 253,980                          |
| Contingency                     | (524,335)                            | 0                                  | (524,335)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to appropriate funds for the SAP On-Boarding and Performance Management project. These funds are needed to cover current year expenses. This project is expected to finish by the end of FY 2018-19.

EBS is implementing SAP's Success Factors On-Boarding and Performance Management modules. This project is a high priority for Human Resources to replace extremely disparate processes currently in place. This initiative provides for a new on-boarding solution that enhances and streamlines the user experience for new City employees. In addition, it will partially enhance ongoing employee performance feedback and development. This initiative fully aligns with the City of Portland's initiative to be the "Employer of Choice."

**CBO Discussion and Recommendation**

OMF is requesting to reallocate resources within the EBS (Enterprise Business Solutions) Fund to purchase and implement the SAP SuccessFactors module, which will support both new employee onboarding and the performance management of employees. City Council recently passed the Non-represented Classification and Compensation Study, and as a result, the pay ranges for nearly all non-representative classifications expanded to have lower bottom-of-scale and higher top-of-scale salaries. A significant portion of non-represented employees are at the top range of the current compensation scale, and will be newly eligible for merit increases under the new compensation structure. Many bureaus' past practice has been to award employees with regular merit increases until reaching top of range; however, this change in compensation structure has necessitated a reconsideration of this practice and to instead provide supervisors with better performance appraisal tools so that merit increases can be appropriately awarded based on outcomes of performance. To this end, the Bureau of Human Resources have been developing the appraisal tools and standardized performance evaluation process that will be available for bureau supervisors following the implementation of the new classification structure in December 2018. Concurrently, the Bureau of Human Resources is also evaluating a performance management technology solution that is intended to standardize goal management, employee development, timelines of performance feedback, and input from employees. With these changes in practice and the implementation of the accompanying solution, the goal is that merit increases are fairly and equitably awarded based on employee performance. In addition, these tools should enable City managers to manage how resources are allocated to retain high-performing staff within the existing budget, ultimately yielding a cost-efficient delivery of City services.

BTS believes that SAP SuccessFactors is the most appropriate solution for several factors. First, SAP SuccessFactors will easily integrate with the City's human capital management system (SAP HCM). Second, there were concerns about the cost of supporting a non-SAP application due to having to maintain data across different platforms and potential increased licensing costs outside of what we provide through SAP. Third, in a review of external research firms (Forester, IDC and Gartner), BTS determined that SAP SuccessFactors was the recommended solution for this type of product. SAP SuccessFactors would also be used to support new employee onboarding. While the Technology Executive Steering Committee (TESC) was provided an overview of the proposed solution, human resource staff within bureaus have not been engaged in the selection process. Critical to the successful implementation and effective use of this solution is the support of these managers and assurance that this solution will enable them to more effectively manage their employees. Given this evaluation, CBO supports the decision that SAP SuccessFactors is likely the best option. However, CBO has ongoing concerns about the use of EBS funds, and specifically, a) how customer bureaus provide feedback on the use of fund balance and b) how other potential uses are evaluated. Excess fund balance generates additional balance as a result of bureaus paying interagency revenues in excess of EBS Fund costs during the year. Interagency agreement amounts are determined using allocation metrics similar to the General Fund overhead model, but rather than refunding underspent funds by lowering subsequent interagency agreement costs, EBS retains these funds as available balance for future projects. For FY 2018-19, fund contingency is \$4.3 million. Per policy as included in the EBS Fund statement of purpose, the technology reserve can be used for new projects at the discretion of the Chief Administrative Officer and fund manager (FIN-3.76 - EBS Services Fund - Fund 708).

One-time costs associated with this project is \$XXX, which will be funded from current fund contingency. In addition, there are ongoing licensing costs of \$135,000 that will be passed along to bureaus via EBS funding model. In addition, there will be indirect costs associated with both supporting the new performance appraisal tool and framework in addition to the costs of supporting users during implementation and as part of their ongoing operations. These indirect costs have not been calculated, but are expected to be absorbed within BHR's current staffing and resources.

CBO recommends the requested adjustment; however, CBO recommends further engagement of bureau human resource staff members and that customer bureaus are given opportunities to provide input on the future uses of EBS Fund balance.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_048 - P&D - Technical Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| Fund Transfers - Expense        | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request corrects several entries made during the requested and adopted budget process that were entered using the wrong fund and functional area.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_050 - BHR GF-IA Tech Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request moves the flu shot interagenacies for BHR General Fund and Deferred Comepsnation to a Health Fund funded program and account.

**CBO Discussion and Recommendation**

As a result of the recent reorganization within OMF, the Occupational Health Program that was previously managed by the Risk Management Division have been relocated to the Bureau of Human Resources (BHR). This program includes the City's occupational nurse and the flu shot program. Consistent with these organizational changes, it was also decided that accounting costs of flu shots within BHR's Health Fund will provide better reporting for overall vaccine compliance. This proposed change moves the interagency agreement from the Risk Management Division cost center to the Bureau of Human Resources' Health Fund. Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_051 - BTS - HR Professional Development

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 6,845                                | 0                                  | 6,845                            |
| Contingency                     | (6,845)                              | 0                                  | (6,845)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to add additional funds to the bureau to bureau interagency with Human Resources for professional development funds covering DCTU and COPPEA represented employees.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_052 - FAC - Net Zero Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 283,405                              | 0                                  | 283,405                          |
| External Materials and Services | (283,405)                            | 0                                  | (283,405)                        |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| Contingency                     | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | (1,000,000)                          | 0                                  | (1,000,000)                      |
| Fund Transfers - Revenue        | 1,000,000                            | 0                                  | 1,000,000                        |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This package requests net zero technical adjustments.

- Move Sears and St. Johns location budgets to new cost centers
- Move HUCIRP program budget to new cost center
- Change HUCIRP Solid Waste Funding from IA to Cash Transfer
- Adjust functional area for reserves
- Correct funded programs

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_053 - BRFS - Procurement Division Reorganization

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 776,540                              | 0                                  | 776,540                          |
| External Materials and Services | 28,125                               | 0                                  | 28,125                           |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>804,665</b>                       | <b>0</b>                           | <b>804,665</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 975,293                              | 15,497                             | 990,790                          |
| Miscellaneous                   | 49,900                               | 0                                  | 49,900                           |
| General Fund Discretionary      | (220,528)                            | (15,497)                           | (236,025)                        |
| General Fund Overhead           | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>804,665</b>                       | <b>0</b>                           | <b>804,665</b>                   |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | 3.75                                 | 0.00                               | 3.75                             |
| <b>TOTAL FTE</b>                | <b>3.75</b>                          | <b>0.00</b>                        | <b>3.75</b>                      |

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_053 - BRFS - Procurement Division Reorganization

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

In response to urgent requests to improve citywide service levels, the Procurement Division (Division) of the Bureau of Revenue and Financial Services (BRFS) requests nine new staff, a reorganization of staff and services, and a change in funding source for the proposed new Design and Construction services team. The Division has requested and received bureau support for these combined requests. It is important to note that BRFS has designed these requests to work together to address systemic challenges impacting the citywide procurement process – challenges the division’s customers broadly agree exist and for which the City Budget Office recommended the division receive one-time funding for process improvement work.

In April 2018, the Division hired a new Chief Procurement Officer who undertook an organizational assessment and process improvement review. The purpose of the organizational assessment was to engage and hear feedback from bureau customers and external stakeholders on the quality and level of service that people are experiencing, and to solicit ideas for improvement. The Division then focused its attention to designing process improvements to respond to stakeholder pain points, to simplify the procurement and contracting processes, and to reduce cycle times.

The request that accompanies this narrative will help Division respond to an increasing volume of construction work, reorganize its internal structure to dedicate resources in support of the major infrastructure bureaus, while improving Citywide service levels.

The increased volume of procurement and contract activity in the last five years, accompanied by virtually no additional staff, has impacted the Division’s ability to deliver satisfactory service and to establish a true base-level of Citywide service. The 2017 OMF Funding Methodology documented a near doubling of procurement and contract activity in just the last three years. Customer bureaus are forecasting continued growth in contract activity with initiatives such as Build Portland, the Portland Housing Bond, Fixing Our Streets and other major programs of work to repair and/or replace the City’s aging infrastructure. All bureaus are requesting an improved level of service, while the infrastructure bureaus are specifically requesting a higher level of support and shorter procurement cycle-times for their design and construction contracts. Given the challenge of limited General Fund resources, BRFS developed a self-funded solution, whereby general fund resources could be freed up and reallocated back to the Division and used to bridge the financial impact to general fund bureaus.

As a result of the organizational assessment and process improvement work, the Division is proposing to:

- Establish service level descriptions for procurement processes that are used citywide, such as the formal Invitation to Bid (ITB) and Request for Proposals (RFP). These service level descriptions will describe in detail the procurement processes, establish roles and responsibilities for each step within the processes, and commit the Division to cycle-time performance targets; and,
- Establish a dedicated procurement team for Design and Construction, specifically to support the infrastructure bureaus. The Division has drafted an Interagency Agreement for the infrastructure bureaus that establishes service level agreements with defined roles and responsibilities and performance targets for formal ITBs and RFPs.

To track, measure and report on the proposed performance targets for both the citywide and infrastructure-specific processes, the Division has developed and already implemented standard operating procedures (SOP’s) to record data at six specific procurement milestones (process gates) to track and measure performance against the proposed performance targets and service level agreements. The Division is committing to continual citywide process improvement through (1) ongoing monitoring, analysis, and metric reporting, (2) implementing efficiency and process improvements that reduce contracting time and bureau effort, and (3) examining performance on a yearly basis and recommitting to goals with input from customer bureaus.

The performance levels expected with approval of this request are as follows:

- Construction Invitation to Bid: 160 days from complete intake to contract release (by the City Auditor)
- Construction Request for Proposal: 300 days from complete intake to contract release (by the City Auditor)
- Design Services Request for Proposal: 240 days from complete intake to contract release (by the City Auditor)
- Goods and Services Invitation to Bid: 106 days from complete intake to contract release (by the City Auditor)
- Goods and Services Request for Proposal: 300 days from complete intake to contract release (by the City Auditor)
- Design and Construction Service

The Division provides support and assistance for procurements and contracts related to design and construction services for public works and public improvement projects. Infrastructure bureaus have been clear and consistent about their need for improved contracting service, shortened procurement/contracting cycle timelines, and lowering the burden on bureau staff. Currently, construction contracts are processed by the Construction Team, while design service contracts, for the same project, are processed separately by the Professional Technical

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by the Construction Team, while design service contracts – for the same project – are processed separately by the Professional, Technical, and Expert Service (PTE) Team.

The Division requests the creation of a dedicated team to support the infrastructure bureaus with Design and Construction services procurements and contracts, funded by interagency rate revenue, at service levels agreed upon in interagency agreements (IA) with infrastructure bureaus. Analysis indicates that five bureaus make up approximately 95% of construction contract activity, while General Fund Overhead (GFOH) funds this service at a rate between 40-50%. With scarce General Fund resources, past requests for staff to improve service delivery have not been approved. An initial analysis concludes that the General Fund is disproportionately funding contract activity that benefits only five infrastructure bureaus. A more in-depth analysis, that attempts to resolve the inability to improve service delivery with requests for General Fund resources, has resulted in this alternative funding approach.

With input and support of customer bureaus, the Division requests to remove the Design and Construction services team from the GFOH resource allocation and bill bureaus directly for service provision at a level agreed upon by both parties. The Division plans to fully staff this request in accordance with interagency agreements by February 2019 with the following request for ongoing resources: two Senior Procurement Specialists; two Procurement Specialists; and one Procurement Supervisor.

This request is made with the Division having received positive feedback and bureau support during customer outreach and discussion. Customer engagement with infrastructure bureaus began in October 2017, after release of the OMF Funding Methodology Review, during which bureaus expressed a willingness to examine additional charges for enhanced service delivery. In July-August 2018, the BRFS Director and the Chief Procurement Officer engaged bureau directors, customer bureau finance staff, and various operations staff to receive feedback and gauge support for the change to bill bureaus directly. Infrastructure bureaus state that their capital improvement programs will benefit a great deal by paying a small amount more on the front end to avoid incurring additional costs later due to contracting and project delays. Removing existing GFOH funded service for the above noted Design and Construction team would result in General Fund Discretionary savings of \$308,034.

**General Fund savings resulting from Design and Construction request**

CBO has indicated that the GFOH model is not likely to be updated mid-year. This package is constructed using General Fund Discretionary and Overhead accounts to illustrate the expected savings to General Fund Discretionary with adoption of the request. OMF expects savings to occur with adoption of this package whether the GFOH Model is updated or not, however delaying the GFOH model update will delay capture of the General Fund savings. If the GFOH model is not updated: OMF requests that General Fund Discretionary one-time funding is substituted in-whole for the ongoing General Fund Discretionary and Overhead accounts: the Division will fund the proposed Design & Construction section with IA billed revenue as requested: GFOH savings resulting from a switch to IA funding will produce a year-end GFOH funding balance (unused funds) that can be incorporated into future GFOH Model calculations: and OMF and City bureaus will fully incorporate changes in the FY 2019-20 budget with adoption of the proposed CAL Target adjustments.

The Division requests to use a portion of this General Fund savings from the Design and Construction request for additional service enhancements totaling \$72,003 in General Fund Discretionary and \$92,562 in General Fund Overhead revenue. The Office of Management and Finance (OMF) supports directing the remaining General Fund Discretionary savings of \$236,013 in the Fall BuMP to offset the impact of IA rates to infrastructure bureaus wholly or in large part funded by General Fund resources, i.e., Portland Parks & Recreation; the Office of Community & Civic Life, and Portland Fire & Rescue.

**Division request for service enhancements funded by General Fund savings**

The Division requests the above estimated savings generated by the change to IA funding to the following service enhancements to improve service level performance citywide: one new Goods and Services Procurement Specialist, one Risk Specialist, and a Compliance Services Supervisor. The Procurement Specialist for the Goods and Services Team is being requested to handle PTE procurements that are unrelated to construction and design, which will be routed to the Goods and Services Team in the future. Additionally, annual volume for the Goods and Services Team has increased year-over-year and is expected to continue to increase. This projected, continued increase in volume, in addition to the PTE procurements that will transition to the Goods and Services Team, require an additional Procurement Specialist to keep up with demand and meet the agreed upon citywide service level descriptions. The Risk Specialist is a position that is in high demand and supported by all bureau customers. One of the most significant pain points conveyed to Procurement during the organizational assessment focus group sessions what how dysfunctional the process is for the City Attorney's Office to review and approve of contractor insurance certificates. In conversations with the City Attorney's Office, they expressed a desire to stop reviewing contractor insurance certificates if Procurement would hire a resource. A dedicated resource in Procurement to conduct risk assessments for procurements before they are issued as well as a compliance review of the selected contractors insurance certificates would be of great value to the City. The Compliance Services Supervisor is needed purely as a factor of the increase in contracts that the City is awarding. For Procurement to continue its compliance duties, a supervisor is necessary to provide span of control, as well as an additional resource to perform and manage the work. The Division requests funding for these positions on a one-time basis, and requests FY 2019-20 CAL Target

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perform and manage the work. The Division requests funding for these positions on a one-time basis, and requests FY 2019-20 CAL target adjustments for ongoing resources to fully implement these enhancements.

This request also includes a Senior Program Manager funded with Community Opportunities and Enhancements Program (COEP) funding. The COEP Program is funded by a 1% assessment on all City construction projects for the purposes of workforce development, technical assistance and related efforts to increase diversity by contractors and subcontractors. This position would manage the COEP Program and directly supervise two existing program coordinators for the Minority Evaluation Program and the Prime Contractor Development Program.

Request for FY 2019-20 CAL target adjustments, net-zero General Fund Discretionary impact

The Division requests two ongoing OMF Current Appropriation Level (CAL) target adjustments in as much as the net impact is zero to General Fund Discretionary resources. The Division also supports consideration of a third request on behalf of infrastructure bureaus for CAL target adjustments to offset the change to direct IA funding, until such time that projects and plans may fully incorporate the new interagency charge for design and construction into project plans:

- 1.OMF requests to reduce the FY 2019-20 CAL target in an amount no less than the current Construction service team General Fund/GFOH appropriation, resulting in savings to City General Fund Discretionary resources.
- 2.OMF requests to add ongoing General Fund service enhancements to the FY 2019-20 CAL target, with the General Fund Discretionary impacts not to exceed the above noted reduction in GF resources by the Design and Construction Team.
- 3.OMF requests consideration for bureaus funding their construction activity entirely or in large part with General Fund resources to receive FY 2019-20 CAL target adjustments to offset the change to direct IA funding as noted herein, in an amount not to exceed the current impact to City General Fund Discretionary resources by the Construction services team.

Impacts of not funding this request

The impact of not funding this request will result in continued erosion of service levels by the Division. Infrastructure bureaus report that their future contract activity is expected to increase, although the magnitude and duration are indeterminate at this time. General Citywide growth continues to impact the remainder of Division services, such as Goods and Services, and Compliance services. The FY 2017-18 budget included one-time funding used to examine procurement service processes, performance, and recommending service enhancements. This work began April 2018, when BRFS hired a new Chief Procurement Officer. Immediately after, the CPO and a consultant conducted focus group sessions with three major stakeholders for an organizational assessment, in the following order: 1) Division staff; 2) Bureau customers; and 3) external stakeholders. Throughout April, May and June, focus group sessions were held with the three stakeholder groups to hear feedback about the level of customer service that Procurement Services provides to its internal and external customers. The feedback received was all generally consistent, thematic and provided Procurement Services with the areas to focus on for process improvement.

Following the organizational assessment, Procurement Services staff engaged a separate consultant to analyze the Invitation to Bid (ITB) and Request for Proposals (RFP) processes to look for opportunities to streamline and make the processes more efficient and effective. Staff mapped out the current-state processes for ITBs and RFPs, then used value stream mapping, a lean management tool, to design future state process that eliminates waste and non-value-added steps. As a result of this work, staff were able to develop performance targets for those two procurement processes regarding cycle-time as well as consistent procurement reporting standards, so all staff are uniformly reporting on the same milestones throughout the ITB and RFP processes. The initial performance targets, mentioned above, were established using data from multiple, disparate systems over the past two years as well as the work that staff performed developing the current-state maps. With the SOP's that have been implemented, the Division is compiling data to track and measure against the performance targets. On an annual basis, the Division will analyze its data and refresh the performance targets to effectively manage expectations from customers and external stakeholders. In addition to tracking performance, the Division has developed a report that it intends to publish for City staff to track every procurement throughout the process in accordance with the standard process milestones that have been developed and are being reported on. This provides for Division accountability and transparency for bureau customers and will greatly cut down on the back and forth status updates that occur between bureau project managers and Division staff.

An investment in staff will allow the Division to fully implement its reorganization, process improvements and efficiencies. If this request package is not approved in full, the proposed reorganization will not be possible; the Division will not be capable of establishing a dedicated Design and Construction Team to support the infrastructure bureaus via Interagency Agreements with its existing resources. It would further overburden the Goods and Services Team and their ability to keep up with citywide demand would be severely impacted, which would further erode the level of service that bureaus receive. As mentioned already, the City is growing, which means more procurements and contracts. The Division's staffing levels have been stagnant for years while the volume of procurements and contracts have increased year over year. This request package and the additional resources are critical for the Division to make up for a historical lack of resources, but more importantly, it sets the Division up for a strong likelihood of success into the future. All bureaus are projecting an increase in the amount of procurements and contracts over the next several years. In order to establish and maintain certain levels of service, Procurement

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needs the resources being requested.  
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**CBO Discussion and Recommendation**

Recommended with adjustments.

The Procurement division within the Bureau of Revenue & Financial Services is proposing a substantial reorganization and expansion of service levels as part of the Fall BMP, the mid-year and future impacts of which are complex and ongoing in nature. Fall BMP actions are typically reserved for technical adjustments and for addressing urgent and unforeseen budgetary issues; issues of this complexity are best addressed during annual budget development to avoid making off-cycle ongoing funding decisions. However, given the sense of urgency in large infrastructure bureaus for improved Procurement service levels, the recent organizational assessment work by the Procurement division, and positive support from Council staff in the pursuit of these changes, OMF and CBO staff have undertaken an extensive analysis of both the current year and ongoing impacts of this request.

Overall, the Procurement division is requesting new interagency agreement funding of \$975,293 and the equivalent of \$164,565 in new General Fund resources, which would support a request for 8.0 additional FTE in the current fiscal year. The FY 2019-20 full year impact of these requests, as submitted, is estimated at \$2.2 million in interagency agreement revenue and \$408,858 in ongoing General Fund resources. The Procurement division currently has 40.17 FTE and is funded entirely with General Fund Discretionary/Overhead resources. As discussed in greater detail below, the net impact of the recommended changes on General Fund discretionary resources is actually positive due to the proposed removal of one of Procurement's functions from the General Fund overhead model and associated cost shift onto infrastructure bureaus.

**Request Overview – Establishment of Interagency-Funded Design & Construction Group**

Large infrastructure bureaus (i.e. Water, BES, PBOT) have cited concerns with the current state of Procurement services levels, especially in light of the growing demand from those bureaus as they ramp up spending on large capital projects. Overall Procurement contract volume has increased 123% over the last four years, driven almost entirely by increases in construction contracting. This increased demand for Procurement services on construction projects is anticipated to continue over the next five years, and there is concern from infrastructure bureaus that service levels in Procurement will act as a limiter on throughput of critical infrastructure projects.

In order to better meet the demand from large infrastructure bureaus, Procurement is proposing to

- establish a distinct group within Procurement that is dedicated to design/construction contracts
- change the funding model for this body of work (and 7.0 existing FTE) by removing it from the General Fund Overhead model and instead funding it via interagency agreements (IAs) with customer bureaus
- expand staffing levels in this new group by 5.0 IA-funded FTE.

The Procurement division provided support for the establishment of an IA-funded Design & Construction group by showing that it is primarily a small subset of infrastructure bureaus that rely on these services. Over the last three years, between 86% and 96% of all construction contracts were initiated by BES, Water, PBOT, and Parks. It may be appropriate for these bureaus to fund this service via direct payment for service rather than through the General Fund overhead model. CBO notes, however, that the Overhead Committee has not yet formally weighed in on the removal of the cost pools supporting Design & Construction work from the overhead model, and any recommendations are subject to the approval of that group.

Conceptually, the removal of a body of work and (associated costs) from the General Fund Overhead model will result in savings to both the General Fund and overhead-payers once the model is updated. CBO has made it clear to both Procurement and IA-payer bureaus that the model will not be re-run mid fiscal year, which means that IA-payer bureaus will be temporarily double-charged for this body of work until the impact of the reorganization is trued up in the overhead model.

**Request Overview – Retention of General Fund Overhead Resources in Procurement**

While the overhead model will not be technically updated mid-fiscal year, the result of establishing IA-funding for Design & Construction services would be corresponding underspending in Procurement's General Fund budget in the current year. This would also necessitate a Current Appropriation Level (CAL) adjustment for Procurement in FY 2019-20, pending approval of the Overhead Committee of changes to the overhead model.

The Procurement division is requesting to retain a portion of these General Fund resources, in both the current year and on an ongoing basis, to support 3.0 additional FTE for work unrelated to Design & Construction. The request is for limited term positions in the current year, with ongoing positions established based on future CAL adjustments. The FTE requests are as follows:

- Risk Manager – this position would consolidate and standardize the City's review and approval of contractor insurance certificates. Contractors view the current process as dysfunctional, and waivers of insurance requirements occur on bureau by bureau basis with little oversight.
- Compliance Services Supervisor – this position would provide expanded capacity and oversight in Procurement's compliance group. Per Procurement, the driving factor for this request is an increase in the number of construction contracts and related compliance with social equity in contracting goals.
- Goods and Services Procurement Specialist – this position would address workload shifted to the Good & Services Division under the proposed reorganization.

This request is equivalent to requesting ongoing General Fund resources in a Fall BMP; while the proposed reorganization will create savings to the General Fund on an ongoing basis, Procurement division's proposed retention of these resources via CAL adjustment is essentially a first claim on available General Fund resources outside of the larger prioritization process that will occur during FY 2019-20

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budget development.

**CBO Discussion and Recommendation**

Commitments to Improved Service Levels, Performance Tracking, and Greater Transparency

Under new leadership, the Procurement division has engaged in an in-depth organizational assessment and process improvement effort over the last six months. As part of that effort the division has developed a process map that will help clarify work flows and establish meaningful customer-centric performance measures. In addition, the division has identified critical path issues that will reduce bottlenecks in time-to-execution for City contracts. Accurate data on the performance of Procurement division has been unavailable in previous years, as the division did not track time-to-execution for procurement contracts on an individual or aggregate basis. Customer bureaus have been generally dissatisfied with service levels provided by Procurement, from both a timeliness perspective and due to confusion over the procurement process itself.

CBO commends the work that the Procurement Division has done in establishing support for the establishment of an interagency agreement funding model with customer bureaus. The support from infrastructure bureaus, and CBO's support of the reorganization request in general, is in large part based on Procurement's commitment to new, meaningful performance measures established in service level agreements and trust in the division's commitment to ongoing process improvement, customer service, and transparency.

**Interagency Agreement Allocation Methodology**

CBO has some concerns about the application of an interagency agreement funding model and the proposed allocation methodology.

Ultimately these are concerns that should be addressed by ongoing communication between Procurement and customer bureaus. It is worth noting, however, that collective agreement around desired service levels and cost of service may prove difficult to obtain. In particular, CBO has the following concerns:

- The size and cost of the proposed Design & Construction group does not scale with forward-looking projections of service demand. The allocation methodology takes the total Design & Construction cost pool and allocates these costs to IA-payers based on a backward-looking three-year average of bureaus' construction contract activity. However, the actual cost and FTE total of the proposed Design & Construction group (\$2.2 million per year, 12 FTE) does not scale up or down with fluctuations in demand for service over the long term. Should demand for construction contracting wane in future years, reductions in the cost of this service will involve complex negotiations among multiple payers with different needs. The CFO and CPO have publicly committed to customers that the D&C staffing will scale with demand.
- Impact of allocation methodology on bureaus with periodic or infrequent construction projects. The allocation methodology is designed to work well for bureaus with large and ongoing construction procurements. For bureaus with infrequent or periodic needs for construction procurement support (e.g. the Fire Bureau), the allocation methodology will cause a long 'tail' of IA payments for several years after Procurement support is received. It will be critical for Procurement to communicate these impacts to infrequent users of Design & Construction services and for bureaus to program these costs as part of construction project delivery.

**CBO Recommended Changes on the Proposed Request**

After reviewing the proposed organizational and funding model and working with bureau staff, CBO has made the following recommendations regarding the reorganization and funding model:

- CBO recommends that the Design & Construction group be established with 6.0 existing FTE, rather than the 7.0 FTE as proposed, with IA-payers funding the addition of 6.0 FTE rather than 5.0 FTE. This change would right-size the request to preserve base levels of service in General Fund-funded portions of Procurement, and obviate the need for the requested Goods and Services Procurement Specialist.
- CBO recommends that IA-payers directly fund 75% of the requested Compliance Services Supervisor, as the driving factor for this request is the growth in workload associated with construction contracts.
- CBO recommends that the Procurement division retain General Fund resources that would otherwise be underspent sufficient to fund a Risk Manager position and a portion of the Compliance Services Supervisor. The enterprise risk identified regarding contractor insurance requirements is sufficient to meet the urgency standards for General Fund requests in the Fall BMP. The portion of the Compliance Specialist funded by the General Fund is minimal, but necessitated if the large Design & Construction reorganization moves forward.

**Overall Cost Implications and One-Time Offsets for Impacted General Fund Bureaus**

The net cost impact of the proposed Design & Construction reorganization and expansion is substantial for infrastructure bureaus under the reorganization. The total cost of this expanded function is approximately \$2.5 million annually, inclusive of CBO's recommended changes. After accounting for IA-payers reduced overhead charges from the removal of this function from the overhead model, the net full year cost increase for IA-payers is estimated as follows:

Cost Increase for Procurement Services for IA-payers

- PBOT \$154,323
- Parks (fund 402)\$554,300
- BES \$627,726
- Water\$263,048
- Facilities Services \$305,530
- Spectator Facilities \$10,757
- Fire\$3,134
- Civic Life\$3,096

The estimated cost increases to IA-payers based on CBO's recommended changes are not substantially different than as proposed by Procurement in its partial year Fall BMP request, and to the degree that the recommendations are accepted, bureaus should make adjustments to partial year IA charges in the FY 2018-19 Spring BMP.

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Parks & Recreation, which would absorb new Procurement costs in the Parks Capital Improvement Program Fund, has expressed concerns about the ability to absorb the consequences of Procurement's reorganization and expansion, as well as general ambivalence about improvements to service levels in construction contracting given that its bond program is winding down. The increase in cost to Parks is substantial compared to the bureau's payment in the current state. However, to the degree that the Overhead Committee is supportive of removing the construction contracting function from the overhead model, this is a cost that should be borne by the Parks Capital Improvement Program fund and programmed into the costs of its future construction projects. Parks' construction projects are generally funded by bond proceeds or by system development charges (SDCs), but the bond projects programmed in the current year and outyears do not currently account for these costs.

In order to alleviate the near-term cost burden until Procurement costs can be included in future construction project cost estimates, CBO recommends that one-time General Fund resources be allocated to the bureau to offset the cost impact. In the current year, CBO recommends the total estimated partial year impact to Parks – \$229,795 – be re-allocated to Parks from Procurement's planned General Fund underspending.

Research into the allowable uses of SDCs indicates that procurement costs can be appropriately funded from SDCs as a project cost. SDCs comprise approximately 50% of Park's capital project funding over the next several years, and procurement costs should be budgeted in SDC-funded projects going forward. CBO recommends that Parks receive one-time General Fund resources equivalent to 50% of the IA charge from Procurement in In FY 2019-20 and FY 2020-21 to allow additional time to incorporate these costs in non-SDC construction project budgets.

The IA impacts to Fire and Civic Life are minimal, but CBO recommends that these bureaus also receive one-time General Fund resources to offset this unforeseen impact. Beginning in FY 2019-20 and going forward, these bureaus should incorporate the estimated costs of Procurement support for construction projects into project budgets.

Summary of Current Year and Future Year Budget and FTE Recommended by CBO:

- Recognize an increase of \$975,293 in additional IA revenue in Procurement from BES, Water, PBOT, Parks, Fire, and Civic Life in FY 2018-19.
- Authorize 6.75 additional permanent FTE in addition to 6.0 existing FTE to establish the Design & Construction group. The 6.75 FTE is comprised of 6.0 additional Design & Construction staff and 0.75 FTE for the requested Compliance Services Supervisor. The total Design & Construction group, 12.75 FTE, is funded by ongoing IA revenue of approximately \$2.5 million.
- Reduce Procurement Services FY 2018-19 General Fund discretionary resources on one-time basis by \$236,025, and reallocate to Parks (\$229,795), Fire (\$3,134), and Civic Life (\$3,096).
- Allow Procurement services to retain \$57,114 in General Fund resources that would otherwise be underspent. In concert with administrative overhead charges included in Procurement's IA revenues, to fund 1.25 FTE in the current fiscal year. This includes 1.0 FTE Risk Manager and 0.25 FTE Compliance Services Supervisor.
- Require Procurement services to underspend its General Fund allocation by \$379,222 in FY 2018-19.
- Reduce Procurement's ongoing CAL appropriation by \$1,444,242 in FY 2019-20. This reduction is \$137,077 less than it would otherwise have been, and is sufficient to support the conversion of 1.25 FTE in concert with administrative overhead charges included in Procurement's IA revenues. The General Fund Discretionary portion of savings from this CAL reduction, \$666,517, are sufficient to fund recommended one-time CAL adjustments for Parks in future years.
- Increase Park's CAL appropriation on one-time basis in FY 2019-20 and FY 2020-21 by \$275,754.
- The net between Procurement and Parks CAL adjustments will be incorporated into the General Fund forecast.

Community Opportunities and Enhancements Program (COEP) Contract Manager

Council approved a series of interrelated resolutions in November 2017 that changed the City's approach to social equity in contracting. One of these resolutions, Resolution 37331, directed OMF and OEHR to develop the Community Opportunities and Enhancements Program (COEP), the purpose of which is to implement a Citywide approach to supporting "low-income, disadvantaged, minority and women workers in the construction trades and the development and growth of D/M/W/ESB firms". The proposed funding plan for this work is a 1% charge against all public improvement contracts in the City, which equates to approximately \$1 million - \$2 million per year.

The management of this program was initially intended to reside in the Procurement Division, but more recently it was determined that the function and associated resources would be directed to Prosper Portland. The Procurement Division, with the support of Prosper Portland, is requesting 1.0 FTE to manage an intergovernmental agreement (IGA) with Prosper Portland for this work. This position would be funded from the 1% charge against all public improvement projects, and would also be responsible for management of existing social equity programs within the Procurement Division.

CBO has general concerns with the layering of administrative charges on the 1% resource, as Prosper Portland is also likely to charge administrative costs against the 1% resource for program management, but notes that an active IGA manager may result in clearer performance outcomes for the COEP. Without active management of this large contracts, the City may lose the ability to elicit clear performance outcomes that would justify the \$1 million - \$2 million in annual program costs.

It is CBO's understanding that the COEP and the related '1%' resources have not yet been formally authorized by Council. CBO recommends the establishment of this position and recognition of the presumed revenue from a budgetary perspective, but notes that the Procurement Division should not move forward with hiring this position until the revenues are assured.

CBO further recommends that the Procurement Division undertake an analysis of the cost impact of the City's various '1%' programs. Efforts to advance social equity in contracting are laudable, but to date there has been limited effort to quantify the costs impact of these efforts. The social equity in contracting changes established in November 2017 via Council resolution will have both hard dollar costs visible the City (i.e. the 1% charge against public improvement costs) and less visible costs embedded in large contracts (i.e. contractors' costs to meet the

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City's social equity goals). Combined with the City's various other percentage-based charges for public improvement projects (i.e. 2% for Art, 1.5% for Green Energy Technology), this new 1% charge has real implications for the City's cost of doing business and the availability of resources for other crucial priorities.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_054 - FAC - Increase IA with BES for Security

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 153,000                                       | 0   | 153,000                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>153,000</b>                                | <b>0</b>                                    | <b>153,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 153,000                                       | 0   | 153,000                                   |
| <b>TOTAL REVENUES</b>           | <b>153,000</b>                                | <b>0</b>                                    | <b>153,000</b>                            |

**Bureau Description:**

This package requests to increase BES' IA with Facilities as provider in the amount of \$153,000 for security services.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_055 - BRFS - Procurement IA's for Compliance Tracking

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 25,000                               | 0                                  | 25,000                           |
| <b>TOTAL EXPENDITURES</b>       | <b>25,000</b>                        | <b>0</b>                           | <b>25,000</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 25,000                               | 0                                  | 25,000                           |
| <b>TOTAL REVENUES</b>           | <b>25,000</b>                        | <b>0</b>                           | <b>25,000</b>                    |

**Bureau Description:**

BRFS is requesting Council approval to increase budget by \$25,000 to cover the increased software vendor costs for compliance tracking that Procurement Services performs on behalf of infrastructure bureaus. The revenue backing this increase is provided by BES, Water, Parks, Facilities and PBOT.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** GF Revenue Carryover

**Request:** MF\_056 - BRFS - Procurement Liquidated Damages Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 4,000   | 0   | 4,000                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>4,000</b>                                  | <b>0</b>                                    | <b>4,000</b>                              |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 4,000   | 0   | 4,000                                     |
| <b>TOTAL REVENUES</b>           | <b>4,000</b>                                  | <b>0</b>                                    | <b>4,000</b>                              |

**Bureau Description:**

The BRFS Procurement Division is requesting Council approval to carry over \$4,000 of year-end general fund balance associated with liquidated damages revenues received late in FY 2017-18. Under Procurement Administrative Rules (ADM – 1.20), liquidated damages are assessed when contractors fail to comply with the Workforce Training & Hiring Program; this revenue is then granted to organizations supporting the Workforce Training & Hiring Program goals.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Program Carryover Request

**Request:** MF\_057 - BRFS - GovInvest Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 37,537                               | 0                                  | 37,537                           |
| <b>TOTAL EXPENDITURES</b>       | <b>37,537</b>                        | <b>0</b>                           | <b>37,537</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 27,522                               | 0                                  | 27,522                           |
| Miscellaneous                   | 10,015                               | 0                                  | 10,015                           |
| <b>TOTAL REVENUES</b>           | <b>37,537</b>                        | <b>0</b>                           | <b>37,537</b>                    |

**Bureau Description:**

BRFS is requesting Council approval to increase budget to carry over implementation costs of the GovInvest system not incurred in FY 2017-18. The revenue to back these costs is comprised of Treasury investment earnings and interagencies with Human Resources (Health Fund), FPDR and CBO.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Program Carryover Request

**Request:** MF\_058 - BRFS - Grants COEP/1% Program Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 2,844                                | 0                                  | 2,844                            |
| <b>TOTAL EXPENDITURES</b>       | <b>2,844</b>                         | <b>0</b>                           | <b>2,844</b>                     |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 2,844                                | 0                                  | 2,844                            |
| <b>TOTAL REVENUES</b>           | <b>2,844</b>                         | <b>0</b>                           | <b>2,844</b>                     |

**Bureau Description:**

The Grants Management Division is requesting a total of \$2,844 in budget authority carryover for the Community Opportunities and Enhancement Program (COEP). COEP manages the grant awards to provide disadvantaged, minority, women, and emerging small businesses with workforce development and technical assistance for specific capital projects. Due to some personnel changes, the program did not move according to schedule but is now operating and anticipates a heavy workload. The resources will come via a \$2,844 interagency with PBOT.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_059 - BTS - BDS IA Adjustment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 430,000                                       | 0   | 430,000                                   |
| Contingency                     | 1,268,436                                     | 0   | 1,268,436                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>1,698,436</b>                              | <b>0</b>                                    | <b>1,698,436</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 1,698,436                                     | 0   | 1,698,436                                 |
| <b>TOTAL REVENUES</b>           | <b>1,698,436</b>                              | <b>0</b>                                    | <b>1,698,436</b>                          |

**Bureau Description:**

This request is to increase the interagency agreement between BTS and BDS to cover additional expenses associated with the POPS (Portland Online Permitting System) project.

**CBO Discussion and Recommendation**

The Bureau of Technology Services is requesting an increase in interagency agreement revenues by \$1.6 million that will be used to support the Bureau of Development Services' (BDS) Portland Online Permitting System (POPS) project. Concurrently, BDS is drawing \$5.6 million from the Development Services Fund's contingency and adding the funds to the POPS program budget. BDS's FY 2018-19 Requested Budget financial plan assumed POPS program expenditures would total \$10.9 million for the year, and \$15.1 million over the 5-year period. Considering that \$5.2 million have already been spent on the project over the last two years, the project total is expected to be \$20.0 million. CBO recommends this adjustment with BTS. CBO notes that the project is currently projected to remain within budget, but as indicated in the most recent quality assurance report to the Technology Oversight Committee (TOC), "the stability of the program's scope is increasing, and work to define scope is still ongoing."

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_060 - BTS - Parks IA Adjustment

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | (50,000)                             | 0                                  | (50,000)                         |
| <b>TOTAL EXPENDITURES</b> | <b>(50,000)</b>                      | <b>0</b>                           | <b>(50,000)</b>                  |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | (50,000)                             | 0                                  | (50,000)                         |
| <b>TOTAL REVENUES</b>     | <b>(50,000)</b>                      | <b>0</b>                           | <b>(50,000)</b>                  |

**Bureau Description:**

This request is to adjust the interagency between BTS and Parks, reducing the Radio/Video Billable account for anticipated reduced expenses in the Parks Rangers program.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_061 - Occupational Nurse and Wellness Program

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 135,900                                       | 0   | 135,900                                   |
| External Materials and Services | 101,599                                       | 0   | 101,599                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>237,499</b>                                | <b>0</b>                                    | <b>237,499</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 237,499                                       | 0   | 237,499                                   |
| <b>TOTAL REVENUES</b>           | <b>237,499</b>                                | <b>0</b>                                    | <b>237,499</b>                            |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 1.00  | 0.00  | 1.00                                      |
| <b>TOTAL FTE</b>                | <b>1.00</b>                                   | <b>0.00</b>                                 | <b>1.00</b>                               |

**Bureau Description:**

This request will transfer the Occupational Nurse Program from Risk Management to the Benefits Program to provide proactive wellness services to City Employees.

**CBO Discussion and Recommendation**

As a result of the recent reorganization within OMF, the Occupational Health Program that was previously managed by the Risk Management Division have been relocated to the Bureau of Human Resources (BHR). This program includes the City's occupational nurse and the flu shot program. This request will transfer the Occupational Nurse Program from Risk Management to the Benefits Program to provide proactive wellness services to City Employees.

This program, as being redefined under the Bureau of Human Resources, has an expanded role in providing proactive wellness services for City employees, which includes the development of policies and practices that minimize safety and health hazards in addition to injury and illness prevention. This position will also serve as the point person for immediate response to health exposures and public health crises. This position will continue the clinical role of arranging flu clinics and addressing exposures, as previously was the case when the position was organized within the Risk Management Division. Costs of this program are allocated to specific bureaus based on service levels provided by the Occupational Health nurse.

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_062 - BTS - OMF CAO's Office IA Adjustmnet

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 3,750                                | 0                                  | 3,750                            |
| <b>TOTAL EXPENDITURES</b> | <b>3,750</b>                         | <b>0</b>                           | <b>3,750</b>                     |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 3,750                                | 0                                  | 3,750                            |
| <b>TOTAL REVENUES</b>     | <b>3,750</b>                         | <b>0</b>                           | <b>3,750</b>                     |

**Bureau Description:**

This request is to adjust the interagency between BTS and OMF to cover additional anticipated Operations Billable expenses.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_064 - CityFleet - HR Professional Development

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 1,321                                | 0                                  | 1,321                            |
| Contingency                     | (1,321)                              | 0                                  | (1,321)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request increases interagency agreement with Human Resources by \$1,321 for additional professional development funds for the DCTU contract.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_065 - P&D - HR Professional Development

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 341                                  | 0                                  | 341                              |
| Contingency                     | (341)                                | 0                                  | (341)                            |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request increases interagency agreement with Human Resources by \$341 for additional professional development funds for the DCTU contract.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_066 - True up Space Optimization project budget

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 1,499,645                            | 0                                  | 1,499,645                        |
| Capital Outlay                  | 3,200,606                            | 0                                  | 3,200,606                        |
| Contingency                     | 156,271                              | 0                                  | 156,271                          |
| <b>TOTAL EXPENDITURES</b>       | <b>4,856,522</b>                     | <b>0</b>                           | <b>4,856,522</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Bond and Note                   | 4,856,522                            | 0                                  | 4,856,522                        |
| <b>TOTAL REVENUES</b>           | <b>4,856,522</b>                     | <b>0</b>                           | <b>4,856,522</b>                 |

**Bureau Description:**

The purpose of this budget adjustment request is to update the budget for the Space Optimization to match the latest projection of costs to be incurred in FY 2018-19. The project is funded with note sales in FY 2018-19 and the increase in costs is funded with an increase in note sales.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_067 - BTS - Replacement Contingency Appropriation

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>     | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to reappropriate BTS replacement contingency and technology reserves, moving them to a GL contingency account separate from operating contingency.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_068 - BTS - Children's Levy IA Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 3,000                                | 0                                  | 3,000                            |
| Contingency                     | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>3,000</b>                         | <b>0</b>                           | <b>3,000</b>                     |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 3,000                                | 0                                  | 3,000                            |
| <b>TOTAL REVENUES</b>           | <b>3,000</b>                         | <b>0</b>                           | <b>3,000</b>                     |

**Bureau Description:**

This request is to move interagency appropriation for the Children's Levy out of the Commissioner of Public Affairs funded program and into a new funded program for the Children's Levy.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_069 - Bus Ops-Move Cable IA to Cable Fund

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 18,001                               | 0                                  | 18,001                           |
| <b>TOTAL EXPENDITURES</b> | <b>18,001</b>                        | <b>0</b>                           | <b>18,001</b>                    |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 18,001                               | 0                                  | 18,001                           |
| <b>TOTAL REVENUES</b>     | <b>18,001</b>                        | <b>0</b>                           | <b>18,001</b>                    |

**Bureau Description:**

This request creates a new interagency with the Office for Community Technology in the amount of \$34,667 for services with OMF Business Operations (\$52,000 annually, prorated per effective November 1, 2018). It also removes the remaining balance of the existing OCT interagency within the Revenue Bureau after billing Revenue for 4 months of services.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_070 - Spectator Venues - Adjust Beginning Fund Balance

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | 3,187,619                            | 0                                  | 3,187,619                        |
| <b>TOTAL EXPENDITURES</b>       | <b>3,187,619</b>                     | <b>0</b>                           | <b>3,187,619</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 3,187,619                            | 0                                  | 3,187,619                        |
| <b>TOTAL REVENUES</b>           | <b>3,187,619</b>                     | <b>0</b>                           | <b>3,187,619</b>                 |

**Bureau Description:**

This request increases the beginning fund balance to match the projected CAFR ending fund balance for FY 2017-18.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_071 - Spectator Venues Technical Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The City's Flu Shot Program moves from Risk Management to the Bureau of Human Resources. This request moves \$16 from Risk Management IA to BHR.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_072 - BTS - EBSS IA Adj Occ Health-Flu Move to BHR

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The City's Occupational Health program, including the flu shots program, will move from Risk Management to the Bureau of Human Resources as part of the Fall BMP. However, since BHR is not an internal service fund, the accounts and funded programs for these IA's need to be changed in the Fall BMP so billings can be processed after the Fall BMP is approved.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_073 - BTS - Occupational Health to BHR Move

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| Contingency                     | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move appropriation out of the interagency BTS has with Risk and into the Human Resource's IA due to the Occupational Health move to a new bureau.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_074 - CityFleet - Occupational Health move to BHR

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The City's Occupational Health program, including the flu shot program, moves from Risk Management to the Bureau of Human Resources. This request moves \$388 from Risk Management IA to BHR.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_075 - P&D- Occupational Health move to BHR

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The City's Occupational Health program, including the flu shot program, moves from Risk Management to the Bureau of Human Resources. This request moves \$109 from Risk Management IA to BHR.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_076 - FAC - Add 1 Limited Term Security Manager

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Personnel Services        | 86,843  | (54,381)                                    | 32,462                                    |
| Contingency               | (86,843)                                      | 54,381                                      | (32,462)                                  |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                |   |   |   |
| Limited Term Positions    | 0.67  | -0.50                                       | 0.17                                      |
| <b>TOTAL FTE</b>          | <b>0.67</b>                                   | <b>-0.50</b>                                | <b>0.17</b>                               |

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_076 - FAC - Add 1 Limited Term Security Manager

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

This package requests authority for 1 FTE limited term Security Manager.

In addition to day-to-day oversight of Facilities Services' security apparatus, the Building Security Manager is responsible for the following:

- Provides information and assistance to elected officials and their staff, bureau directors, and other City leaders in the areas of strategic, emergent, and organizational security planning.
- Plans, organizes, and evaluates security functions for all OMF owned and/or operated facilities, to include buildings that have 24/7 operational responsibilities.
- Partners with Police, the District Attorney Office, the City Attorney's office, Water Bureau, Parks Bureau, and other agencies to achieve a consistent level of surveillance to ensure the continuous safety and security of City employees, facilities, visitors, and assets.
- Manages and directs the work of subordinate supervisors and staff; monitors security facilities resources against a variety of potential security threats and issues such as Active Shooter, workplace violence, protests and civil unrest, destruction of property, theft, vandalism, contaminations, medical emergencies, fires, elevator entrapments.
- Leads building security related investigations including but not limited to the following:

- oSuspicious activities
- oMedical and non-medical Emergencies
- oWork-place threats/disruptions
- oWork-place violence
- oCivil unrest and protests
- oTheft & vandalism
- oFire

- The Manager will also arrange for security escorts for troubled individuals and develop tailored workplace safety plans for employees who are under the threat of workplace violence.
- Manages contracts and vendor relationships for building security services for 9 facilities plus the mayor's security detail. Security services currently employs 40 security officers with an annual contract value of approximately \$2M. Includes periodically issuing requests for proposals and managing vendor selection and contracting processes according to applicable policies and laws. Contracts for these services are large and complex and involve the provision of essential services on a daily basis to a several City facilities with a wide variety of uses and security needs. This position performs regular performance reviews and ensures that contracted services are being performed in accordance with contract terms and performance standards.

Year to date, the security team has responded to the following:

- 39 situations requiring police/fire response
- 26 arrests
- 7 staff assaults
- 44 trespass, vandalism, property damage and theft
- 7 protests
- 34 building alarms
- 2,420 requests for escort
- 101 elevator malfunctions/entrapments
- Over 100 other issues

Aside from the immediate response required, for those events requiring investigation, the Building Security Manager must interview witnesses, understand what happened, identify root cause, and prevent recurrence. Investigations can take anywhere from a few hours to weeks to conclude. Prior to the hire of a limited term security manager in April 2017, G4S security did not conduct investigations because it was outside of the scope of the contract. Since the hire of the City Security Manager the following investigative cases have been completed:

- 2017: 2 investigative cases completed - (workplace violence, threats)
- 2018: 14 investigative cases completed - (theft, vandalism, threats/harassment, workplace violence, trespass, assaults)

Previously, the position responsibilities were performed by the Operations & Maintenance manager or temporary employee which was not sustainable. The essential security services procured and managed by this position impact every City facility that OMF manages, and every employee and member of the public that uses those facilities, on a daily basis. Without this position and the dedicated oversight of the security program that it affords, the City risks service degradation and interruptions. Finally, in August 2018, as an indication of broad-based support, the position was endorsed for hiring in the Fall BMP by the multi-bureau Citywide Security Steering Committee.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_076 - FAC - Add 1 Limited Term Security Manager

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

**CBO Discussion and Recommendation**

Recommended with adjustments. OMF is the fund manager for the Facilities Services fund, but CBO notes concerns with the use of operating reserves for additional FTE this early in the fiscal year. OMF's internal policies around the use of operating reserves indicate that operating reserve is meant for one-time, emergency, or unanticipated expenditure requirements, and that the operating reserve can only be used after it is determined that the operating budget cannot fund the expenditure. These limited term FTE requests do not seem to meet this standard.

Facilities Services has indicated that body of work performed by the Security Manager position may be ongoing in nature. There is currently an incumbent performing these functions, funded within existing resources, that is working on developing a longer-term vision for security management. Position authority for this incumbent is set to expire in April 2019. CBO recommends the draw on reserves for this position and the associated position authority match what is required for the remainder of the current fiscal year. Any ongoing position authority and funding will be determined as part of FY 2019-20 budget development.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_077 - CityFleet - IA Adjustment with PF&R

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Capital Outlay            | 15,000  | 0   | 15,000                                    |
| <b>TOTAL EXPENDITURES</b> | <b>15,000</b>                                 | <b>0</b>                                    | <b>15,000</b>                             |
| <b>REVENUES</b>           |   |   |   |
| Interagency Revenue       | 15,000  | 0   | 15,000                                    |
| <b>TOTAL REVENUES</b>     | <b>15,000</b>                                 | <b>0</b>                                    | <b>15,000</b>                             |

**Bureau Description:**

The Fire Bureau requests to increase the interagency by \$15,000 to cover expenses related to the purchase of new trailers to assist in transporting equipment to and from wildland fire deployments.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_078 - P&D - Changes to BIBS Admin IA

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | (114,689)                                     | 0   | (114,689)                                 |
| Contingency                     | 114,689                                       | 0   | 114,689                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The purpose of this budget adjustment request is to adjust IA's with BIBS Administration and the former BIBS funds to reflect a reorganization that put P&D under BTS, Risk Management under BRFS, and BIBS Administration, Fleet and Facilities under the CAO's Office. As of October 1, 2019 P&D and Risk Management will no longer be provided services by BIBS Administration. So for October through June 2019 their IA costs have been reduced and reallocated to Fleet and Facilities. Costs through September have been estimated and so these IA adjustments will be trued up in the Spring BMP.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_079 - CityFleet - Changes in BIBS Admin IA

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 105,481                              | 0                                  | 105,481                          |
| Contingency                     | (105,481)                            | 0                                  | (105,481)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The purpose of this budget adjustment request is to adjust IA's with BIBS Administration and the former BIBS funds to reflect a reorganization that put P&D under BTS, Risk Management under BRFS, and BIBS Administration, Fleet and Facilities under the CAO's Office. As of October 1, 2019 P&D and Risk Management will no longer be provided services by BIBS Administration. So for October through June 2019 their IA costs have been reduced and reallocated to Fleet and Facilities. Costs through September have been estimated and so these IA adjustments will be trued up in the Spring BMP.

**CBO Discussion and Recommendation**

Recommended with reservations. The Bureau of Internal Business Services (BIBS) underwent a reorganization during FY 2017-18. BIBS was disbanded, and functions previously within BIBS were moved to other parts of OMF; Facilities Services and CityFleet moved to the Office of the Chief Administrative Officer (CAO), Risk Management moved to the Bureau of Revenue and Financial Services, and Printing & Distribution was moved to the Bureau of Technology Services.

Under the previous BIBS organizational structure, the BIBS bureau director's office was funded via interagency charges against these various funds for administrative and management overhead. CBO has previously cited concerns over the growth in these management and administrative charges, in combination with OMF-Business Operations charges, against these funds. This is not to say that administrative and management support functions are not necessary and important components of serviced delivery, but to note that these overhead costs comprise an increasing component of rates charged to customers.

OMF-CAO is requesting to reduce the established management and administrative charges with Risk Management and Printing & Distribution funds. This is appropriate, as these funds are not managed within the CAO's Office. However, rather than reducing associated expenditures to match the decreased revenue from this interagency charge, OMF-CAO is requesting to offset this revenue reduction with higher administrative and management charges against funds under its management (Facilities Services and CityFleet). The total increase relative to FY 2017-18 is approximately \$300,000, a 58% increase.

CBO has concerns with this approach, as it means that Facilities Services and CityFleet will be absorbing substantial additional charges within the current year. This approach also indicates that these funds may be absorbing much higher administrative charges on an ongoing basis – ultimately borne by rate-payers – depending on how the CAO's office sizes its administrative and managerial charges as part of FY 2019-20 budget development.

The impact to the General Fund is seen in the total administrative and managerial costs allocated out as part of rates paid by Facilities Services and CityFleet customers. Ultimately, OMF is the manager of these funds, but CBO notes concerns over the lack of attempt to absorb the reduced revenue by reducing expenses, and recommends that administrative and managerial charges against these funds as part of FY 2019-20 budget development are in line with FY 2017-18 charges rather than the higher rate.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_080 - BTS - Application Analyst III Position

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 49,986  | 0   | 49,986                                    |
| External Materials and Services | 0   | 0   | 0   |
| Contingency                     | (49,986)                                      | 0   | (49,986)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 0.50  | 0.00  | 0.50                                      |
| <b>TOTAL FTE</b>                | <b>0.50</b>                                   | <b>0.00</b>                                 | <b>0.50</b>                               |

**Bureau Description:**

This request is to add an Applications Analyst III position to BTS. The Bureau of Transportation has requested additional BTS assistance, so this position will be 100% billable to Transportation. Requirements of the position include support, development, and maintenance of PBOT applications including enterprise asset management systems, geographic information systems, internal and external facing web applications, and REST (representational state transfer) web services. Related to this is Request #MF\_145, an increase to the BTS interagency with Transportation that includes the cost of the position as an increase to account 651532 (Strategic Technology Billable).

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_081 - BRFS Technical Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Includes adjustments for the IA changes to reduce IA with Risk Management and increase IA with BHR.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_082 - Spec. Venues - Procurement Design & Construction

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 6,050                                | 0                                  | 6,050                            |
| Contingency                     | (6,050)                              | 0                                  | (6,050)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to appropriate funds for Spectator Venues share of a bureau to bureau interagency with Procurement Services to cover design and construction services.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_083 - BRFS - Revenue Division CEO Surtax

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 50,000                               | (50,000)                           | 0                                |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>50,000</b>                        | <b>(50,000)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 50,000                               | (50,000)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>50,000</b>                        | <b>(50,000)</b>                    | <b>0</b>                         |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | 0.50                                 | -0.50                              | 0.00                             |
| <b>TOTAL FTE</b>                | <b>0.50</b>                          | <b>-0.50</b>                       | <b>0.00</b>                      |

**Bureau Description:**

Council ordinance 188129 authorized the CEO Surtax and signaled the workload and budget required to administer it, including this \$50,000 in support of a half-time revenue collection position . Pursuant to that decision, the BRFS Revenue Division is requesting \$50,000 general fund and an ongoing CAL target adjustment to offset the additional costs of administering this tax. These functions include educational outreach; data queries; reviews of filings for compliance and accuracy. Absent this additional resource, other business license tax compliance and collection efforts will be reduced.

**IMPACTS OF NOT FUNDING:** BRFS will attempt to absorb the current year costs as vacancy savings emerge; BRFS cannot guarantee, however, that sufficient savings will emerge. If they do not, current audit and collection staff efforts would get reallocated to the surtax resulting in loss of general fund revenue of \$168,000.

**CBO Discussion and Recommendation**

Not recommended. The Revenue Division estimates the annual cost of implementing the CEO surtax at \$50,000, which would support 0.5 FTE. The Revenue Division's BMP submission indicates that this may be able to be absorbed within existing resources due to vacancy savings. CBO recommends this approach, and to the degree that absorption is not possible, existing OMF-wide resources should be tapped to support this function. As a large organization with substantial General Fund resources, OMF should ensure that revenue-generating functions are fully funded and supported. An internal reallocation within OMF may supplant other activities, but financial policy indicates that revenue collection efforts that produce positive net income for City service delivery should be the highest budget priority. Annual OMF-wide General Fund underspending is typically in the range of \$1 million.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_085 - BRFS - Rental Registration Program

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 167,058                              | 0                                  | 167,058                          |
| External Materials and Services | 73,942                               | 0                                  | 73,942                           |
| Internal Materials and Services | 32,000                               | 0                                  | 32,000                           |
| <b>TOTAL EXPENDITURES</b>       | <b>273,000</b>                       | <b>0</b>                           | <b>273,000</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Charges for Services            | 0                                    | 0                                  | 0                                |
| General Fund Discretionary      | 273,000                              | 0                                  | 273,000                          |
| <b>TOTAL REVENUES</b>           | <b>273,000</b>                       | <b>0</b>                           | <b>273,000</b>                   |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | 1.50                                 | -1.50                              | 0.00                             |
| Limited Term Positions          | 0.00                                 | 1.50                               | 1.50                             |
| <b>TOTAL FTE</b>                | <b>1.50</b>                          | <b>0.00</b>                        | <b>1.50</b>                      |

**Bureau Description:**

Council Ordinance 189086 was adopted to create a Rental Registration program in the City and directed the Revenue Division to request support positions in the Fall BuMP. This ordinance created a new program within Revenue that requires three staff positions to support. Pursuant to that decision, the Revenue Division is requesting Council approval for three full-time permanent Revenue & Tax Specialist IV's; transfer of a one-year limited-term Business Systems Analyst created in the FY 2018-19 Adopted Budget in the CAO's Office; and materials & services budget associated with both.

Given that this is a Fall BMP request, only a partial year funding is required for the three permanent positions and associated M&S budgets. A single full-year's funding, however, is required for the limited-term position and associated M&S. Both of these needs are offset by the \$175,000 of one-time general fund budgeted for Rental Registration in the CAO's office; this request will transfer that budget to the Revenue Division. Thus, this request is only for the difference -- \$273,000. Going forward, the estimated annual cost is \$565,000.

IMPACTS OF NOT FUNDING: The Rental Registration program will not launch.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_085 - BRFS - Rental Registration Program

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

Recommended with adjustments. The Revenue Division is requesting \$273,000 in General Fund one-time resources to support the implementation of the rental registration system. Council directed the establishment of a rental registration system via ordinance in July 2018. The ordinance amended the City's Business License Law (City Code Chapter 7.02) in order to establish certain provisions for a new Residential Rental Registration Program. The amendment requires that all owners of residential rental property within the City register their rental properties as part of the standard business license tax filing process. The amended code also notes that, while no fee will be imposed in connection with registration in the program's first year, a fee may be enacted via administrative rule in later years to achieve full or partial cost recovery.

\$375,000 has already been allocated for Rental Registration Program development in FY 2018-19. The Portland Housing Bureau was allocated \$200,000 in one-time resources for costs related to technical program requirements, and the Office of Management & Finance was similarly allocated \$175,000 in one-time resources to manage rental registration system development.

The current \$273,000 request is to fund three positions (1.5 FTE, approximately \$167,000) for the remainder of the fiscal year and materials and services costs for changes to the existing tax application system to accommodate (approximately \$106,000). The Revenue Division notes that there are approximately 20,000-30,000 business license accounts that will be impacted by the new regulations, and staff resources are required to conduct outreach, field customer service inquiries, and address compliance. The division estimates this workload requires three full time positions, and these positions are needed in the near-term to ramp up to the April filing deadline. Given that this program and related code changes were established in July 2018, this request meets the urgent and unforeseen standard by which Fall BMP General Fund requests are evaluated.

However, the Revenue Division's request for resources to support the costs of system changes are duplicative of resources already allocated to the Housing Bureau. The \$200,000 previously allocated to the Housing Bureau (PHB) was originally intended for developing a registration system and associated technical requirements. The bureaus determined to move forward with adjustments to the existing tax application system rather than a new system, so it is reasonable for PHB resources to support the cost of these adjustments. CBO recommends that \$100,000 of the resources previously allocated to PHB be reallocated to the Revenue Division to fund the required changes to the existing tax application system.

In sum, CBO recommends the Revenue Division receive \$273,000 in new General Fund resources – \$100,000 from PHB and \$173,000 in new General Fund resources – to support 1.5 FTE and related implementation costs for the rental registration system. CBO notes that PHB had intended to repurpose the \$200,000 for outreach and education work around the rental registration system; CBO's recommendation would leave PHB with \$100,000 in resources to perform this work.

The Revenue Division has cited ongoing costs of approximately \$565,000 for its management of the rental registration. However, these costs will not necessarily be borne by the General Fund on an ongoing basis; most other jurisdictions with rental registration systems use a fee-based structure to achieve cost recovery. The amended code indicates that fees will not be introduced in the first year of the rental registration program, but leaves the door open to future fees to support program costs. CBO recommends that the Revenue Division and PHB develop a fee-based cost recovery model for Council consideration as part of FY 2019-20 budget development.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_086 - BRFS - Remove OCT From OMF Revenue Division

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | (911,662)                            | 0                                  | (911,662)                        |
| External Materials and Services | (973,997)                            | 0                                  | (973,997)                        |
| Internal Materials and Services | (102,613)                            | 0                                  | (102,613)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>(1,988,272)</b>                   | <b>0</b>                           | <b>(1,988,272)</b>               |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Intergovernmental Revenues      | (719,764)                            | 0                                  | (719,764)                        |
| General Fund Discretionary      | (1,268,508)                          | 0                                  | (1,268,508)                      |
| <b>TOTAL REVENUES</b>           | <b>(1,988,272)</b>                   | <b>0</b>                           | <b>(1,988,272)</b>               |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | -6.00                                | 0.00                               | -6.00                            |
| Limited Term Positions          | -0.67                                | 0.00                               | -0.67                            |
| <b>TOTAL FTE</b>                | <b>-6.67</b>                         | <b>0.00</b>                        | <b>-6.67</b>                     |

**Bureau Description:**

Per a FY 2018-19 Adopted Budget note, City Council re-established the Office for Community Technology as a stand-alone bureau effective November 2018. This decision package serves to remove existing OCT appropriation from the OMF Revenue Division's budget. This appropriation represents estimated costs for eight months of FY 2017-18 operations. During the Spring BMP, OMF and OCT will bring forward packages to address any cases where OCT actual revenues and expenditures need to be trued up across the two organizations. resources that remain in the Revenue Division's budget

**CBO Discussion and Recommendation**

Recommended as requested. See CB\_01 for additional analysis.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_087 - BRFS - Mitigate Financial Impact of OCT Transfer

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 31,549                               | (31,549)                           | 0                                |
| External Materials and Services | 31,667                               | (31,667)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>63,216</b>                        | <b>(63,216)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 63,216                               | (63,216)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>63,216</b>                        | <b>(63,216)</b>                    | <b>0</b>                         |

**Bureau Description:**

The Revenue Division is requesting Council allocate general fund to offset the financial impact of the OCT's departure from BRFS. Once relocated (estimated at April 2019) OCT will no longer pay a proportional share of lease cost at Columbia Square. Additionally, once re-established as a stand-alone bureau, OCT will no longer pay a share of fixed Revenue Division overhead (i.e., administration & finance staff costs). The one-time impact and request in FY19 is \$63,216 and the ongoing impact is \$190,000.

**IMPACTS OF NOT FUNDING:** BRFS will attempt to absorb the current year costs as vacancy savings emerge; BRFS cannot guarantee, however, that sufficient savings will emerge. If they do not, staff layoffs would be the alternative to overexpenditure. The layoff of two (2) tax collectors would be required to balance the budget ongoing. If these layoffs occur, the annual cost to general fund in lost revenue is estimated at \$675,000.

**CBO Discussion and Recommendation**

Not recommended. The proposed establishment of OCT as a stand-alone office will reduce the Revenue Division's revenue and expenses associated with that function, reducing the Revenue Division's ability to allocate its administrative and managerial overhead across these groups (and the related revenue sources). This "gap" is what the Revenue Division is requesting resources to offset.

CBO acknowledges that there is likely a net negative impact on the Revenue Division as a result of this and other reorganizations, but has several comments and recommendations on the calculation of the cost impact, and would recommend that any revised or future request address these issues:

- The calculation of rent impacts related to the reorganization should be net of space required by the Revenue Division for additional staff added in recent years. In particular, in FY 2018-19 the division has 3.0 additional Arts Tax positions, 3.0 additional revenue collection staff, and 1.0 additional business systems analyst position. The division may also have additional staff soon from the transfer of a program from the Auditor's Office. In cases where these positions are supported with General Fund revenue, the requests typically included sufficient resources to cover materials and services. For non-General Fund supported positions, non-General fund resources can be appropriately charged to cover the cost of rent for those positions.
- Any future or revised request for resources should continue to be based on actual loss of rental revenue. The Water Bureau staff are expected to remain physically located in the Revenue Division until FY 2020-21, and the reduced rental revenue from OCT will depend on the as-yet undetermined timing of OCT's physical relocation.
- The calculation of reorganizations on the Revenue Division's indirect staff costs should be based on an updated allocation model. The exclusion of the Water Bureau and OCT from the allocation pool will increase the percentage of pooled costs borne not just by the General Fund, but the Revenue Division's other resources (i.e. costs charged to the Arts Tax and Transient Lodging funds). The request as submitted is not inclusive of the changes to the Revenue Division's internal allocation model.
- The impact of these reorganizations on the Revenue Division's ability to pay charges entirely internal to OMF do not warrant mitigation with new General Fund resources. These are cost allocation issues that can and should be handled within OMF, a large organization with substantial General Fund resources.

As a general matter CBO recommends that OMF absorb these impacts in the current fiscal year. OMF-wide General Fund underspending is typically \$1 million or more per year, and annual General Fund underspending in the Bureau of Revenue of Financial Services is usually in the range of \$600,000. OMF is able to request additional resources in the FY 2018-19 Spring BMP if absorption is not possible, and better information will be available at that point on actual cost impacts.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_088 - BRFS - Add Back Business Solutions Manager

|                            | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|----------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>        |                                      |                                    |                                  |
| Personnel Services         | 39,796                               | (39,796)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>  | <b>39,796</b>                        | <b>(39,796)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>            |                                      |                                    |                                  |
| General Fund Discretionary | 39,796                               | (39,796)                           | 0                                |
| <b>TOTAL REVENUES</b>      | <b>39,796</b>                        | <b>(39,796)</b>                    | <b>0</b>                         |
| <b>FTE</b>                 |                                      |                                    |                                  |
| Full-Time Positions        | 1.00                                 | -1.00                              | 0.00                             |
| <b>TOTAL FTE</b>           | <b>1.00</b>                          | <b>-1.00</b>                       | <b>0.00</b>                      |

**Bureau Description:**

The Revenue Division is requesting Council allocate general fund to add back the Business Solutions team manager that moved to the Water Bureau with the Cayenta Support Team. Prior to the move, this position was funded 50% by the Water Bureau and 50% by the general fund. Thus, this request is for the portion previously paid by Water; in FY 2018-19, this is \$39,796 (for a partial year) while the ongoing need is approximately \$80,000.

IMPACTS OF NOT FUNDING: BRFS will attempt to absorb the current year costs as vacancy savings emerge; BRFS cannot guarantee, however, that sufficient savings will emerge. If they do not, the lack of a Business Solutions manager poses a significant risk to the Integrated Tax System implementation and increases the likelihood of a critical failure in one of our tax programs.

**CBO Discussion and Recommendation**

Not recommended as requested. The Revenue Division is requesting \$39,796 in one-time General Fund resources to support 0.5 FTE that was previously directly funded by the Water Bureau. The position in question, the manager of the Business Solutions group in the Revenue Division, is a critical position for the organization. CBO recommends that OMF absorb the full cost of this position with anticipated vacancy savings in the current year and request resources in the Spring BMP if this is not possible. Given the criticality of this position, CBO recommends OMF reallocate existing resources to fund this position on an ongoing basis; to the degree that this supplants other activities, this should be highlighted for Council as part of OMF's program offer budget in FY 2019-20.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_089 - BRFS - Integrated Tax System Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 29,364  | 0   | 29,364                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>29,364</b>                                 | <b>0</b>                                    | <b>29,364</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 29,364  | 0   | 29,364                                    |
| <b>TOTAL REVENUES</b>           | <b>29,364</b>                                 | <b>0</b>                                    | <b>29,364</b>                             |

**Bureau Description:**

Starting in FY 2017-18, Council provided three years of funding for the BRFS Revenue Division to hire two staff to develop requirements and begin implementation of an Integrated Tax System. BRFS is requesting that the \$29,364 unspent budget from the prior fiscal year be rebudgeted into FY 2018-19 in order that it may continue to support this project.

**IMPACTS OF NOT FUNDING:** This funding will contribute to the ITS implementation. Not budgeting these funds would add to the future need for funds.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_090 - BRFS - Revenue-OCT interim support interagency

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 26,496                               | 0                                  | 26,496                           |
| External Materials and Services | 29,769                               | 0                                  | 29,769                           |
| <b>TOTAL EXPENDITURES</b>       | <b>56,265</b>                        | <b>0</b>                           | <b>56,265</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 56,265                               | 0                                  | 56,265                           |
| <b>TOTAL REVENUES</b>           | <b>56,265</b>                        | <b>0</b>                           | <b>56,265</b>                    |

**Bureau Description:**

BRFS is requesting Council approval to add budget to facilitate administrative support and lease cost sharing for OCT while they remain housed within the Revenue Division's space.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_091 - BRFS - ADU Waiver Compliance

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 82,500  | 0   | 82,500                                    |
| External Materials and Services | 12,356  | 0   | 12,356                                    |
| Internal Materials and Services | 10,144  | 0   | 10,144                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>105,000</b>                                | <b>0</b>                                    | <b>105,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Charges for Services            | 105,000                                       | 0   | 105,000                                   |
| <b>TOTAL REVENUES</b>           | <b>105,000</b>                                | <b>0</b>                                    | <b>105,000</b>                            |

**Bureau Description:**

Council Ordinance 189050 was adopted to encourage the continued construction of accessory dwelling units as one component of increasing the supply of housing in Portland. This ordinance created a new program within Revenue. As directed under this ordinance, the Revenue Division is requesting Council approval for a full-time, permanent position and associated materials and services budget in order to administer this program. This \$105,000 request represents nine months of cost in FY 2018-19, supported by the waiver application fee revenues. A permanent position will be requested in the FY19-20 budget process.

**IMPACTS OF NOT FUNDING:** Position is supported by application fees. If unfunded, this work would not get done or the Division would need to reallocate a revenue-collecting position to it.

**CBO Discussion and Recommendation**

Recommended as requested. This budgetary action is in alignment with Council Ordinance 189050. CBO notes that Revenue Division will need to manage program expenditures to match actual program revenue, as this function is not intended to have a General Fund subsidy.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_092 - BRFS - Mitigate Cayenta Billing Transfer Impact

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 62,243                               | (62,243)                           | 0                                |
| External Materials and Services | 45,852                               | (45,852)                           | 0                                |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>108,095</b>                       | <b>(108,095)</b>                   | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 108,095                              | (108,095)                          | 0                                |
| <b>TOTAL REVENUES</b>           | <b>108,095</b>                       | <b>(108,095)</b>                   | <b>0</b>                         |

**Bureau Description:**

The Revenue Division is requesting Council allocate general fund to offset cost recovery impacts of the Cayenta Support Team move from BRFS to the Water Bureau. Now that it has been transferred, this program no longer pays a share of fixed Revenue Division overhead (i.e., administration & finance staff costs). Additionally, in FY 2020-21 leadership anticipates this workgroup will relocate to a different office and thereby cease paying a share of the fixed existing office space lease cost. These are fixed expenses that cannot be reduced or absorbed within budget.

**IMPACTS OF NOT FUNDING:** BRFS will attempt to absorb the current year costs as vacancy savings emerge; BRFS cannot guarantee, however, that sufficient savings will emerge. If they do not, staff layoffs would be the alternative to overexpenditure. The layoff of 1.5 tax collectors would be required to balance the budget ongoing. If these layoffs occur, the annual cost to general fund in lost revenue is estimated at \$506,000.

**CBO Discussion and Recommendation**

Not recommended. Late in FY 2017-18, the Water Bureau and the Revenue Division negotiated a reorganization that transferred 6.5 FTE of the Revenue Division's Business Solutions group to the Water Bureau, along with management of the Cayenta billing system. The majority of direct costs associated with this group were absorbed by the Water Bureau, offset by the reduction in interagency payments from the Water Bureau to the Revenue Division, and these changes were incorporated into the FY 2018-19 Adopted Budget. However, the Revenue Division will no longer be able to allocate its administrative and managerial overhead across this groups (and the related revenue sources). This "gap" is what the Revenue Division is requesting resources to offset.

The primary allocated costs are as follows: the cost for rented space in the Columbia Square building, the cost for indirect staff support (i.e. management and accounting), charges for OMF-Business Operations support, and a "General Fund overhead charge" that is internal to OMF bureaus.

CBO acknowledges that there is likely a net negative impact on the Revenue Division as a result of this and other reorganizations, but has several comments and recommendations on the calculation of the cost impact, and would recommend that any revised or future request address these issues:

- The calculation of rent impacts related to the reorganization should be net of space required by the Revenue Division for additional staff added in recent years. In particular, in FY 2018-19 the division has 3.0 additional Arts Tax positions, 3.0 additional revenue collection staff, and 1.0 additional business systems analyst position. The division may also have additional staff soon from the transfer of a program from the Auditor's Office. In cases where these positions are supported with General Fund revenue, the requests typically included sufficient resources to cover materials and services. For non-General Fund supported positions, non-General fund resources can be appropriately charged to cover the cost of rent for those positions.
- Any future or revised request for resources should continue to be based on actual loss of rental revenue. The Water Bureau staff are expected to remain physically located in the Revenue Division until FY 2020-21, and the reduced rental revenue from OCT will depend on the as-yet undetermined timing of OCT's physical relocation.
- The calculation of reorganizations on the Revenue Division's indirect staff costs should be based on an updated allocation model. The exclusion of the Water Bureau and OCT from the allocation pool will increase the percentage of pooled costs borne not just by the General Fund, but the Revenue Division's other resources (i.e. costs charged to the Arts Tax and Transient Lodging funds). The request as submitted is not inclusive of the changes to the Revenue Division's internal allocation model.
- The impact of these reorganizations on the Revenue Division's ability to pay charges entirely internal to OMF do not warrant mitigation with new General Fund resources. These are cost allocation issues that can and should be handled within OMF, a large organization with substantial General Fund resources.

As a general matter CBO recommends that OMF absorb these impacts in the current fiscal year. OMF-wide General Fund underspending is typically \$1 million or more per year, and annual General Fund underspending in the Bureau of Revenue of Financial Services is usually in the range of \$600,000. OMF is able to request additional resources in the FY 2018-19 Spring BMP if absorption is not possible, and better information will be available at that point on actual cost impacts.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_093 - BTS - Procurement Div. Design & Construction

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 20,411                               | 0                                  | 20,411                           |
| Contingency                     | (20,411)                             | 0                                  | (20,411)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to appropriate funds for the BTS share of a bureau to bureau interagency with Procurement Services to cover design and construction services.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_094 - Health Fund Fall Bump adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (12,472)                                      | 0   | (12,472)                                  |
| Internal Materials and Services | 12,472  | 0   | 12,472                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request will allow the Benefits Program to enter into an Intergovernmental Agreement to fund GOV Invest.

**CBO Discussion and Recommendation**

GOV invest is a software that will allow the Bureau of Human Resources to better model different scenarios for the City's pension liabilities. Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_095 - BHR GF-Portland Building Child Care Center

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 90,000                               | (90,000)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>90,000</b>                        | <b>(90,000)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 90,000                               | (90,000)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>90,000</b>                        | <b>(90,000)</b>                    | <b>0</b>                         |

**Bureau Description:**

The purpose of this budget adjustment request is to provide funding for the design and permitting phase for a project to construct a second daycare center in the reconstructed Portland Building. The current center would be retained.

Funding for this phase would be provided by \$127,000 from the current daycare center account in the Facilities Services Fund and \$90,000 of one-time General Fund money. OMF plans to request funding for construction phase in the FY 2019-20 budget process. The request will propose funding with debt and including it in the overall debt financing for the Portland Building reconstruction project. Debt service would be included in the blended office rental rates beginning in FY 2020-21.

Completing the design and permitting phase of the project in FY 2018-19 will allow the construction phase to begin in July 2019 and be completed when the building opens. This BMP request will also insure the project has met the City's 5% cash funding requirement.

**CBO Discussion and Recommendation**

OMF is requesting \$90,000 of one-time General Fund discretionary resources and drawing \$127,000 from the current childcare center maintenance account to fund the design work of constructing a childcare facility into the southeast corner of the 1st floor of the Portland Building, similar to the location and size in the building prior the reconstruction. OMF has indicated that if this request is not approved, the childcare facility will not be incorporated into the building. If constructed, the childcare facility is estimated to cost \$2.1 million and is not included in the current project budget. The construction costs would be financed with other debt proceeds and funded using the allocation model that allocates costs to bureaus based on space in the downtown core.

The current plan is that the City would continue to fund both the lease costs of the secondary site where the childcare facility was relocated during the construction (serving approximately 40-50 families) and then this additional site in the Portland Building (expected to serve another 40-50 families).

On-site childcare is a benefit highly-demanded by employees, and BHR has identified this benefit as part of the City's Employer of Choice initiative. Moreover, with childcare costs often being a significant and burdensome cost to families, it is common for employers to offer a childcare benefit or provide on-site childcare options.

CBO supports these goals, but has two primary concerns: first, to the degree that it has long been expected that a childcare facility would be incorporated into the Portland Building, it should have been included in overall project costs. Second, CBO has concerns about the equity of this benefit. The benefit value for a very small segment of employees is substantial when considering the \$2.1 million construction costs (annualized over the financing of the building), the current lease costs of the CityKids facility, and the opportunity costs of not using or leasing this space for another City purpose. Rough estimates indicate that around \$150,000 in total City subsidy to the daycare facility is shared by approximately 50 employees. Employees who benefit most are those who work downtown, can afford the costs of these childcare services, and are able to receive a space in this competitive program. City employees who do not work downtown, cannot afford this service, or who remain on the waitlist do not receive any subsidy for childcare, thus raising significant concerns about the equity of this benefit. It may be far more equitable for the City to consider offering a monthly or annual stipend to partially offset the high costs of childcare, while still providing on-site childcare at market rates.

Prior to developing this space, CBO recommends that OMF facilities and BHR develop a funding model for constructing this space that meets the City's goal of providing an on-location childcare service, but also distributes employer-subsidized support for childcare more equitably across employees.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_096 - BTS - OCT Move To Cable

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 29,489                               | 0                                  | 29,489                           |
| <b>TOTAL EXPENDITURES</b> | <b>29,489</b>                        | <b>0</b>                           | <b>29,489</b>                    |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 29,489                               | 0                                  | 29,489                           |
| <b>TOTAL REVENUES</b>     | <b>29,489</b>                        | <b>0</b>                           | <b>29,489</b>                    |

**Bureau Description:**

This request is to appropriate BTS interagency funds with the Office for Community Technology as they move from OMF's funded program to Cable's.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_097 - BTS - OCT Move From BRFS

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | (489)                                | 0                                  | (489)                            |
| <b>TOTAL EXPENDITURES</b> | <b>(489)</b>                         | <b>0</b>                           | <b>(489)</b>                     |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | (489)                                | 0                                  | (489)                            |
| <b>TOTAL REVENUES</b>     | <b>(489)</b>                         | <b>0</b>                           | <b>(489)</b>                     |

**Bureau Description:**

This request is to reduce the BTS interagency with the Office for Community Technology in the BRFS funded program for OMF.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_098 - Risk I&C - True-up Beginning Fund Balance

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | 1,559,939                            | 0                                  | 1,559,939                        |
| <b>TOTAL EXPENDITURES</b>       | <b>1,559,939</b>                     | <b>0</b>                           | <b>1,559,939</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 1,559,939                            | 0                                  | 1,559,939                        |
| <b>TOTAL REVENUES</b>           | <b>1,559,939</b>                     | <b>0</b>                           | <b>1,559,939</b>                 |

**Bureau Description:**

This request increases the beginning fund balance by \$1,559,939 to true up the budgeted beginning fund balance for the Insurance and Claims Fund to match the actual balance at July 1, 2018 and place the resulting appropriation in fund contingency.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_099 - Risk WC – True-up Beginning Fund Balance

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | 372,589                              | 0                                  | 372,589                          |
| <b>TOTAL EXPENDITURES</b>       | <b>372,589</b>                       | <b>0</b>                           | <b>372,589</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 372,589                              | 0                                  | 372,589                          |
| <b>TOTAL REVENUES</b>           | <b>372,589</b>                       | <b>0</b>                           | <b>372,589</b>                   |

**Bureau Description:**

This request increases the beginning fund balance by \$372,589 to true up the budgeted beginning fund balance for the Workers' Compensation Fund to match the actual balance at July 1, 2018 and place the resulting appropriation in fund contingency.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_100 - Risk I&C – Salary Adjustment Contingency

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 40,332                               | 0                                  | 40,332                           |
| Contingency               | (40,332)                             | 0                                  | (40,332)                         |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move \$40,332 in bureau contingency funds budgeted for cost of living and health care increases.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_101 - Risk WC – Salary Adjustment Contingency

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 37,710                               | 0                                  | 37,710                           |
| Contingency               | (37,710)                             | 0                                  | (37,710)                         |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move \$37,710 in bureau contingency funds budgeted for cost of living and health care increases.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_102 - Risk I&C – Decrease IA with BIBS

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 14,500  | 0   | 14,500                                    |
| Internal Materials and Services | (84,282)                                      | 0   | (84,282)                                  |
| Contingency                     | 69,782  | 0   | 69,782                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This package decreases IA's with BIBS Administration by \$84,325. The purpose of this budget adjustment request is to adjust IA's with BIBS Administration and the former BIBS funds to reflect a reorganization that put P&D under BTS, Risk Management under BRFS, and BIBS Administration, Fleet and Facilities under the CAO's Office. As of October 1, 2018, P&D and Risk Management will no longer be provided services by BIBS Administration. So, for October through June 2019 their IA costs have been reduced and reallocated to Fleet and Facilities. Costs through September have been estimated and so these IA adjustments will be trued up in the Spring BMP.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_103 - Risk WC – Decrease IA with BIBS

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 24,200  | 0   | 24,200                                    |
| Internal Materials and Services | (78,977)                                      | 0   | (78,977)                                  |
| Contingency                     | 54,777  | 0   | 54,777                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This package decreases IA's with BIBS Administration by \$80,254. The purpose of this budget adjustment request is to adjust IA's with BIBS Administration and the former BIBS funds to reflect a reorganization that put P&D under BTS, Risk Management under BRFS, and BIBS Administration, Fleet and Facilities under the CAO's Office. As of October 1, 2018, P&D and Risk Management will no longer be provided services by BIBS Administration. So, for October through June 2019 their IA costs have been reduced and reallocated to Fleet and Facilities. Costs through September have been estimated and so these IA adjustments will be trued up in the Spring BMP.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_104 - FAC - Reauthorize UW II Position

|                     | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------|---|---|---|
| <b>FTE</b>          |   |   |   |
| Full-Time Positions | 1.00  | 0.00  | 1.00                                      |
| <b>TOTAL FTE</b>    | 1.00  | 0.00  | 1.00                                      |

**Bureau Description:**

This package requests to reauthorize position authority for a limited term Utility Worker II position approved in the FY 2017-18 Adopted Budget that was not put into SAP and therefore did not roll over into BRASS for authorization in FY 2018-19. Resources for this position exist through the Facilities hourly billable rates.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_105 - Risk WC – Occ. Health move to BHR

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | (112,179)                            | 0                                  | (112,179)                        |
| External Materials and Services | (120,583)                            | 0                                  | (120,583)                        |
| Internal Materials and Services | (1,224)                              | 0                                  | (1,224)                          |
| Contingency                     | (3,543)                              | 0                                  | (3,543)                          |
| <b>TOTAL EXPENDITURES</b>       | <b>(237,529)</b>                     | <b>0</b>                           | <b>(237,529)</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | (237,529)                            | 0                                  | (237,529)                        |
| <b>TOTAL REVENUES</b>           | <b>(237,529)</b>                     | <b>0</b>                           | <b>(237,529)</b>                 |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | -1.00                                | 0.00                               | -1.00                            |
| <b>TOTAL FTE</b>                | <b>-1.00</b>                         | <b>0.00</b>                        | <b>-1.00</b>                     |

**Bureau Description:**

This package decreases the Risk Workers' Comp budget and interagency agreements by \$237,561. The City's Occupational Health program, including flu shots will move from Risk Management to the Bureau of Human Resources.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_106 - Risk – Move BRFS (OCT) IA to OCT Fund

|                       | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|-----------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>       |                                      |                                    |                                  |
| Interagency Revenue   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move the Risk interagency with the Office of Community Technology (OCT) from BRFS fund to the OCT fund.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_108 - FAC - Add 1 LTD Dispatch Position

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Personnel Services        | 48,053  | 0   | 48,053                                    |
| Contingency               | (48,053)                                      | 0   | (48,053)                                  |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                |   |   |   |
| Limited Term Positions    | 0.67  | 0.00  | 0.67                                      |
| <b>TOTAL FTE</b>          | <b>0.67</b>                                   | <b>0.00</b>                                 | <b>0.67</b>                               |

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_108 - FAC - Add 1 LTD Dispatch Position

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

This package requests a Limited Term Dispatcher/Scheduler position within Facilities Services. Dispatch is the “switchboard” for Facilities Services and helps guide the work of approximately 20 Facilities Maintenance Technicians and Utility Workers. Dispatch is also the “face” of Facilities, responsible for fielding dozens of customer requests each day from a variety of sources including walk-ups, phone, email, and web-based requests. The group issues access cards and access privileges to City employees, vendors, and guests. They schedule and coordinate the daily work of the technicians and utility workers depending on demand workorder prioritization, preventive maintenance schedules, and ad hoc requests or special needs that arise on a daily basis. Dispatchers respond to information requests or follow-ups from Facilities management and staff, building coordinators, and thousands of other City staff.

Customer demands received by Dispatch run the gamut, but generally fall into the following ten categories:

- Door/Key/Access Issues
- Electrical/Lighting
- HVAC & Hot/Cold
- Elevators
- Theft/Vandalism
- Plumbing
- Furniture, Interior Furnishings & Moves
- Building Exterior, Landscaping, Pest
- Custodial
- Building Interior

Dispatch is also responsible for extensive administrative functions, including:

- Maintaining access card records
- Assisting with the timekeeping for the FMTs
- Editing, researching, dispositioning, and terminating demand and preventive maintenance workorders that require manual intervention
- Maintaining large conference room schedules, and sending out room schedule reports to security on a daily and weekly basis

Due to inadequate staffing, Dispatch is frequently a bottleneck in the process of resolving customer requests. Demands are expected to continue to increase significantly as client bureaus bring on more staff (and the space required to accommodate them), leading up to and following the move back into the Portland Building in 2019, and as Facilities designs and develops its performance management and asset management programs in FY18-19 and FY19-20. The Dispatcher position will also help support the requirements planning and implementation of a new workorder system.

Dispatch experiences approximately 100-200 customer contacts per day. Walk-ups and phone calls requiring immediate attention make up 50% of contacts and occur primarily in the morning hours for a rate of approximately 10-20 per hour, or one every 3-6 minutes. Daily customer contacts generally break down by medium as follows:

- Email: 50-100 (25-50 per person per day)
- Phone: 30-50 (15-25 per person per day)
- Walk-up: 20-40 (10-20 per person per day)
- Web: 5-10 (3-5 per person per day)

This does not include internal communications with Facilities staff to initiate or follow-up on customer requests.

With only 2 staff members working overlapping shifts, there are currently 6 business hours each day where only a single dispatcher is present. Break and lunch coverage when a staff member is absent for training, vacation, illnesses, etc. requires coverage by the supervisor, who has nearly 20 other employees to manage including FMTs, FMT Apprentices, and Utility Workers. Additionally, the recent loss of temporary staffing has resulted in the reduction of business hours from 6pm to 5pm. Any absence requires Dispatch to open late (8am vs. 630am) or close early (3pm vs. 5pm). Lastly, additional personnel shortages for Sixth & Main 5th floor reception either requires the FMT Supervisor to staff the desk, or routes reception traffic around the corner to Dispatch, which is already understaffed.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_108 - FAC - Add 1 LTD Dispatch Position

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:** An additional Dispatcher/Coordinator will enable Facilities Services to provide adequate coverage during regular business hours and ensure that customer requests are responded to in a timely manner.

**CBO Discussion and Recommendation**

Recommended as requested. Ultimately, OMF is the fund manager for the Facilities Services fund. However, CBO notes concerns with the use of operating reserves for additional FTE this early in the fiscal year. OMF's internal policies around the use of operating reserves indicate that operating reserve is meant for one-time, emergency, or unanticipated expenditure requirements, and that the operating reserve can only be used after it is determined that the operating budget cannot fund the expenditure. This limited term FTE requests do not seem to meet this standard.

CBO notes a pattern of Facilities Services requesting limited term positions in the Fall BMP funded by drawing from operating reserves. Operating reserves are built by "savings" to the fund on various rates charged by Facilities Services to customer bureaus. To the degree that Facilities Services can maintain a stable operating reserve and fund additional positions from its existing annual resources (i.e. without increasing rates), that option should be explored for positions that are ongoing in nature. This would be particularly relevant for the requested Dispatcher position.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_109 - FAC - Add 1 LTD Program Specialist

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 66,162                               | 0                                  | 66,162                           |
| Contingency               | (66,162)                             | 0                                  | (66,162)                         |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>FTE</b>                |                                      |                                    |                                  |
| Limited Term Positions    | 0.67                                 | 0.00                               | 0.67                             |
| <b>TOTAL FTE</b>          | <b>0.67</b>                          | <b>0.00</b>                        | <b>0.67</b>                      |

**Bureau Description:**

This package requests the creation of a Program Specialist position within the Facilities Operations team to administer building programs and critical infrastructure including but not limited to fire and life-safety systems, elevators, generators, uninterruptible power supplies, energy improvement applications, and other programs for approximately 30 OMF-owned and managed buildings.

The Specialist will report to the Operations and Maintenance Manager and will have oversight of several facilities programs including the following:

- Fire/Life-Safety
- 41 sites receiving fire extinguisher services
- 34 traditional sprinkler fire suppression systems
- 5 pre-action “dry” fire suppression systems
- 30 fire alarm systems
- 28 fire panel monitoring
- 6 gas suppression systems
- 38 AED units
- 17 Diesel & Natural Gas Backup Generators at 14 sites
- 15 Uninterruptible Power Supplies at 14 sites
- 42 Elevators
- Access Control System with more than a dozen buildings and over 400 access points
- “Portland Oregon” sign maintenance
- Energy Efficiency Programs (e.g., the Strategic Energy Management partnership with EnergyTrust of Oregon)

Most of these programs span OMF’s building portfolio. Managing them holistically helps to reduce the types of equipment employed, thereby reducing overall complexity and enabling reductions in spare parts inventories, technician training and certifications, the number of vendors employed, and contract complexity. Ultimately, this enables Facilities to hold down costs and rental rates.

The Specialist works with service providers to ensure the contracted scope of work is completed on time and to prescribed service levels. The Specialist is responsible for contract administration and will help develop RFPs and contract terms including the scope of work, levels of service and performance standards. The Specialist will review and approve purchase orders and invoices, and manage vendor relationships for assigned programs.

Facilities Services currently has a single Specialist responsible for all of these programs. One Specialist is only able to meet the bare minimum requirements to keep these programs afloat. To backstop the role, Facilities has relied on individual contributors and managers in other roles and with unrelated responsibilities who had previous knowledge of these programs. This detracts from their performance of their other duties and is not a sustainable situation in the long term. In addition, in the event of an absence, there is no redundancy in place to provide coverage and immediate response on critical fire and life-safety, emergency backup power systems, and elevators during business hours, which could result in a significant and prolonged disruption to City business in primary facilities.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_109 - FAC - Add 1 LTD Program Specialist

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

Recommended as requested. Ultimately, OMF is the fund manager for the Facilities Services fund. However, CBO notes concerns with the use of operating reserves for additional FTE this early in the fiscal year. OMF's internal policies around the use of operating reserves indicate that operating reserve is meant for one-time, emergency, or unanticipated expenditure requirements, and that the operating reserve can only be used after it is determined that the operating budget cannot fund the expenditure. This limited term FTE requests do not seem to meet this standard.

CBO notes a pattern of Facilities Services requesting limited term positions in the Fall BMP funded by drawing from operating reserves. Operating reserves are built by "savings" to the fund on various rates charged by Facilities Services to customer bureaus. To the degree that Facilities Services can maintain a stable operating reserve and fund additional positions from its existing annual resources (i.e. without increasing rates), that option should be explored for positions that are ongoing in nature. This would be particularly relevant for the requested Program Specialist position.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_110 - FAC - Add 1 LTD Furniture Program Coordinator

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 71,894                               | 0                                  | 71,894                           |
| Contingency               | (71,894)                             | 0                                  | (71,894)                         |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>FTE</b>                |                                      |                                    |                                  |
| Limited Term Positions    | 0.67                                 | 0.00                               | 0.67                             |
| <b>TOTAL FTE</b>          | <b>0.67</b>                          | <b>0.00</b>                        | <b>0.67</b>                      |

**Bureau Description:**

This decision package requests a Program Coordinator position within Facilities Services to oversee the furniture program for the Portland Building and the City's surplus and historic furniture program, plus all associated business processes and contracts.

The Coordinator will have overall responsibility for ordering and deploying replacement workspace furniture and components from the standard kit of parts for approximately 1,700 City staff in the Portland Building, and responding to requests for modifications. The position will also have responsibility for common area furniture, appliances, and equipment including, the kitchenettes on floors 4-14, the 15th floor marketplace, and the fitness center. The coordinator will also collaborate with the conference room & event space coordinator on replacement furniture for conference rooms, and will facilitate changes to the furnishings in bureau focus rooms. The position will have responsibility for all related warranty claims, on-site and remote spare parts and component inventory, furniture and equipment maintenance, cleaning, and repair contracts for all of the above.

The coordinator will also manage the surplus and historic furniture program for the City, and associated contracts.

The coordinator will enable Facilities Services to ensure that Portland Building tenants' furniture needs are met in a timely manner. The position will be responsible for development and continuous improvement of the furniture workorder intake process and will direct dedicated Facilities Utility Workers in the installation of customer orders.

**CBO Discussion and Recommendation**

Recommended as requested. Ultimately, OMF is the fund manager for the Facilities Services fund. CBO notes that this position could also be appropriately funded from the Space Optimization project budget, as it is for one-time start-up work to ensure the Portland Building is furnished upon re-opening. CBO notes that the request narrative indicates an ongoing body of work; any expansion of this body of work into an ongoing program or function will need to be considered as part of FY 19-20 budget development.

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

**Bureau:** Office of Management & Finance

**Type:** Program Carryover Request

**Request:** MF\_111 - FAC - HUCIRP Program Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 43,133  | 0   | 43,133                                    |
| Contingency                     | (43,133)                                      | 0   | (43,133)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The Housing and Urban Camping Impact Reduction Program ended FY 2017-18 \$43,133 under budget, which fell to Facilities ending fund balance. This package requests to reappropriate this amount to continue program activities.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Capital Set-Aside Request

**Request:** MF\_112 - FAC - GFCSA - PCC/ECC Redundant Utility Supply

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 7,500,000                            | (7,500,000)                        | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>7,500,000</b>                     | <b>(7,500,000)</b>                 | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Fund Transfers - Revenue        | 7,500,000                            | (7,500,000)                        | 0                                |
| <b>TOTAL REVENUES</b>           | <b>7,500,000</b>                     | <b>(7,500,000)</b>                 | <b>0</b>                         |

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

**Bureau:** Office of Management & Finance

**Type:** Capital Set-Aside Request

**Request:** MF\_112 - FAC - GFCSA - PCC/ECC Redundant Utility Supply

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

- Asset Information: The Portland Communication Center (911) and the Emergency Coordination Center (ECC) are adjacent to each other in Southeast Portland near the intersection of I-205 and Powell Blvd. The 911 building was completed in 1994, the ECC in 2014. Both facilities are equipped with uninterruptible power supplies and diesel backup generators. Despite this redundancy, 911 recently experienced a power outage and subsequent failure of the backup system which resulted in a service disruption and brought to light several vulnerabilities, including single-sourced utility grid power.

Both 911 and the ECC meet the FEMA definition of critical facilities<sup>1</sup>.<sup>\*</sup> In addition to uninterruptible power supplies and backup generators, best practice would dictate that critical facilities also have a redundant utility power source fed from a different substation (either owned by the same or a different electric utility). FEMA states that "Redundancy is a key strategy for improving the reliability of both utility power systems and individual critical facility emergency power systems" and that "the probability of all electrical services failing simultaneously is much less than the probability of a single-service failure. Redundant services can provide uninterrupted electric power even when one service fails or, at a minimum, redundant services can significantly reduce outage durations when an electrical failure occurs."<sup>3</sup> Furthermore, relying on backup generators to run for extended periods of time frequently results in equipment failure<sup>2</sup>.

Secondly, 911 is using its original electrical service that is approaching 30 years in age and which is at capacity and in need of an upgrade. An electrical reliability study was completed by EC Electric in June 2018. The study identified and confirmed several deficiencies and recommended the following:

1. Replace existing UPS' that are at the end of their useful lives. Note: Replacing the UPS' - the most critical corrective action needed - was previously funded through General Fund Capital Set-aside and is currently under design, with project completion expected by May 2019.
2. System-wide electrical upgrade to include the following:
  - a. Redundant utility power supply
  - b. HVAC in critical areas supported by generator backup
  - c. All feeders in galvanized rigid conduit (GRC) or concrete encased per National Electric Code (NEC) 708.10(C)(1)
  - d. Selective coordination as per NEC 708.54 - replacing fuses with circuit breakers will restore system operation more quickly and can be adjusted to avoid nuisance tripping while providing an even higher level of protection
  - e. Surge suppression needed as per NEC 708.20(D)

- Project Description: This project will redesign and upgrade the 911 electrical system and connect both the 911 and the ECC to a second electrical utility grid with cutover in the event of a power failure on the primary feed.

Currently, realizing one of the two failure mode will result in the following consequences:

Human Health and Safety Impacts - Loss of utility power to 911 could result in a disruption to 911 operations during which emergency calls would not be answered, potentially contributing to injuries or loss of life, especially during a major incident. Loss of utility power to the ECC could impede and disrupt the ECCs ability to communicate with first responders and carry out its core function of coordinating emergency response.

Service Impacts - Essential emergency response and emergency coordination services are at risk of disruption due to outdated electrical infrastructure at 911 and a lack of redundant utility power supply at both 911 and ECC. Power outages at 911 or the ECC following a major incident could result in an extended service outage during which emergency calls would not be answered, possibly resulting in injuries or loss of life. Additionally, the Emergency Coordination Center would be hindered or prevented from carrying out its core function of coordinating citywide emergency response activities. Facilities Services is expected to provide uninterrupted power to these sites so that emergency response plans can be executed by the Portland Bureau of Emergency Management (PBEM) and Bureau of Emergency Communication (BOEC).

Environmental Impacts- Potential for environmental disaster were 911 to experience an outage and fail to respond in a timely manner to a hazardous material spill, fire, or other emergency in a neighborhood, waterway, or sensitive natural area.

Legal & Regulatory Compliance Impacts - Potential for lawsuits in the event of a service outage that results in an inability to respond in a timely manner or a failure to act in the event of an emergency.

Financial Impacts - Facilities is expected to provide uninterrupted power to these critical facilities. In the event of a prolonged power outage, damage and loss of sensitive equipment in excess of \$2 million is expected. Additionally, there is potential for significant monetary settlements for lawsuits and claims resulting from a service outage that can be shown to have caused or contributed to an inability to respond or failure to act that resulted in injuries or loss of life.

Benefits that make the project eligible to receive a bonus:

Improve the City's resiliency and emergency preparedness posture. Help ensure continuity of essential emergency response services in

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

**Bureau:** Office of Management & Finance

**Type:** Capital Set-Aside Request

**Request:** MF\_112 - FAC - GFCSA - PCC/ECC Redundant Utility Supply

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:** Improves the City's resiliency and emergency preparedness posture. Helps ensure continuity of essential emergency response services in the event of a significant natural or human-caused disaster.

- Increases the City's investment in the outer east-side, a historically under-served part of the city.

\*Not to be confused with building code definitions. ECC is a Type 3 Essential Facility whereas 911 was recently brought up to essential facility code with respect to seismic only.

1 Per EC Electric Reliability Study, June 2018, and FEMA:

[https://www.fema.gov/media-library-data/1436818953164-4f8f6fc191d26a924f67911c5eaa6848/FPM\\_1\\_Page\\_CriticalFacilities.pdf](https://www.fema.gov/media-library-data/1436818953164-4f8f6fc191d26a924f67911c5eaa6848/FPM_1_Page_CriticalFacilities.pdf)

2 FEMA 577 (pg 4-104): <https://www.fema.gov/media-library-data/20130726-1609-20490-1678/fema577.pdf>

3 FEMA P-1019 (Appendix B):

[https://www.fema.gov/media-library-data/1424214818421-60725708b37ee7c1dd72a8fc84a8e498/FEMAP-1019\\_Final\\_02-06-2015.pdf](https://www.fema.gov/media-library-data/1424214818421-60725708b37ee7c1dd72a8fc84a8e498/FEMAP-1019_Final_02-06-2015.pdf)

**CBO Discussion and Recommendation**

Not recommended. OMF is requesting \$7.5 million in General Fund discretionary resources from the capital set-aside to create a redundant power supply and address other electrical issues at the ECC/PCC buildings where the Bureau of Emergency Communications and the Portland Bureau of Emergency Management are located. The most urgent electrical need of these public safety and emergency response facilities is the uninterrupted power supply, which was funded in prior budget process and is currently being installed.

This request is intended to address two remaining issues: first, Federal Emergency Management Agency (FEMA) recommends that critical facilities have a redundant (second source) power supply in addition to the uninterrupted power supply and back-up generators. Second, the electrical service for Portland Communication Center (BOEC) has not been upgraded since being built in 1994. A recent study identified several necessary upgrades. Additionally, a recent power outage and subsequent failure of the backup power supply daylighted several vulnerabilities and single points of failure in the electrical system. The bureau believes that there is increased risk of potential 9-1-1 service outages if the electrical system is not upgraded. During these outages, similar to the outage experienced last year, emergency call-takers and dispatchers would be unable to dispatch Police, Fire and EMS services. A redundant power supply also provides greater assurance that these facilities would retain power during a major event.

The bureau has determined that it is necessary to address the entirety of the project, and that addressing only the most critical subcomponents would not be cost-efficient and would result in having to use backup generators during construction, exposing the facility to the risk of further service outages.

Given this information, CBO agrees that it is necessary to address the electrical system at these facilities. However, due to limited availability of capital set-aside resources (\$3.9 million available) and the higher rankings of other capital set-aside projects, CBO does not recommend funding this time.

CBO does recommend that bureau re-request these funds in the FY 2019-20 capital set-aside process, but addresses the following questions beforehand:

- Given the urgency and criticality of this request, how should current major maintenance funds be repurposed to lower the requested amount? CBO notes that these facilities currently have major maintenance funds that are programmed for other purposes, including an upcoming carpet and paint project at the PCC.
- What is the appropriate portion of costs that should be allocated by the partner jurisdictions that utilize Bureau of Emergency Communication services? What are other scenarios for financing this project? Recently, BOEC and the partner jurisdictions have agreed to fund capital costs associated with the facility.
- What is the long-term plan for the location of Bureau of Emergency Communications, and what is the appropriate level investment in repair and replacing the current facility based upon these plans? Given the current state of the building and size constraints relative to the desired staffing requirements of BOEC, the Portland Communications Center may no longer meet the City's needs.
- How can this project be scoped to address the most critical components, and what are potential phasing options?

Answering these outstanding questions are critical to refining the request and ensuring that scarce General Fund discretionary resources are used to address the City's most pressing infrastructure needs.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_113 - FAC - IA with BHR for Daycare Design Phase

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 217,000                              | (90,000)                           | 127,000                          |
| Contingency                     | (127,000)                            | 0                                  | (127,000)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>90,000</b>                        | <b>(90,000)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 90,000                               | (90,000)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>90,000</b>                        | <b>(90,000)</b>                    | <b>0</b>                         |

**Bureau Description:**

The purpose of this budget adjustment request is to provide funding for the design and permitting phase for a project to construct a second daycare center in the reconstructed Portland Building. The current center would be retained.

Funding for this phase would be provided by \$127,000 from the current daycare center account in the Facilities Services Fund and \$90,000 of one-time General Fund money. OMF plans to request funding for construction phase in the FY 2019-20 budget process. The request will propose funding with debt and including it in the overall debt financing for the Portland Building reconstruction project. Debt service would be included in the blended office rental rates beginning in FY 2020-21.

Completing the design and permitting phase of the project in FY 2018-19 will allow the construction phase to begin in July 2019 and be completed when the building opens. This BMP request will also insure the project has met the City's 5% cash funding requirement.

**CBO Discussion and Recommendation**

See package MF\_095 for discussion.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_114 - FAC - Appropriate COLA contingency

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 144,800                              | 0                                  | 144,800                          |
| Contingency               | (144,800)                            | 0                                  | (144,800)                        |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This package request to allocate contingency set aside for cost of living adjustments approved by Council and implemented July 1st.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_115 - BTS - CBO IA Adjustment

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Contingency               | 35,000                               | 0                                  | 35,000                           |
| <b>TOTAL EXPENDITURES</b> | <b>35,000</b>                        | <b>0</b>                           | <b>35,000</b>                    |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 35,000                               | 0                                  | 35,000                           |
| <b>TOTAL REVENUES</b>     | <b>35,000</b>                        | <b>0</b>                           | <b>35,000</b>                    |

**Bureau Description:**

This request is to adjust the interagency between the City Budget Office and BTS to cover anticipated expenses related to the BRASS replacement project.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_116 - BTS - Fire IA Adjustment

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Contingency               | 60,000  | 0   | 60,000                                    |
| <b>TOTAL EXPENDITURES</b> | <b>60,000</b>                                 | <b>0</b>                                    | <b>60,000</b>                             |
| <b>REVENUES</b>           |   |   |   |
| Interagency Revenue       | 60,000  | 0   | 60,000                                    |
| <b>TOTAL REVENUES</b>     | <b>60,000</b>                                 | <b>0</b>                                    | <b>60,000</b>                             |

**Bureau Description:**

This request is to adjust the interagency between Fire and BTS to cover anticipated Network and Engineering expenses associated with Fire's WiFi installation project.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_117 - BTS\_EBSS IA Adj OCT Move from BRFS to Cable

|                       | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|-----------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>       |                                      |                                    |                                  |
| Interagency Revenue   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to reduce the EBS interagency with the Office for Community Technology (OCT) in the BRFS funded program for OMF and increase the EBS interagency with OCT as they move from OMF's funded program to Cable's.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_118 - BRFS - Revenue Division Fund Balance Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 3,800                                | 0                                  | 3,800                            |
| External Materials and Services | 1,221,919                            | 0                                  | 1,221,919                        |
| Internal Materials and Services | 17,916                               | 0                                  | 17,916                           |
| Contingency                     | 2,045,817                            | 0                                  | 2,045,817                        |
| <b>TOTAL EXPENDITURES</b>       | <b>3,289,452</b>                     | <b>0</b>                           | <b>3,289,452</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 2,246,736                            | 0                                  | 2,246,736                        |
| Taxes                           | 1,000,000                            | 0                                  | 1,000,000                        |
| Licenses & Permits              | 21,000                               | 0                                  | 21,000                           |
| Interagency Revenue             | 17,916                               | 0                                  | 17,916                           |
| Miscellaneous                   | 3,800                                | 0                                  | 3,800                            |
| <b>TOTAL REVENUES</b>           | <b>3,289,452</b>                     | <b>0</b>                           | <b>3,289,452</b>                 |

**Bureau Description:**

This request makes adjustments to budgeted beginning fund balance in the Revenue Division. The primary adjustment is a \$2,544,268 increase in the Recreational Marijuana Tax Fund due primarily to prior year underspending.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_119 - FAC - Reauthorize Permanent Prog Coord

|                     | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------|---|---|---|
| <b>FTE</b>          |   |   |   |
| Full-Time Positions | 1.00  | 0.00  | 1.00                                      |
| <b>TOTAL FTE</b>    | 1.00  | 0.00  | 1.00                                      |

**Bureau Description:**

This package requests to reauthorize position authority for a perment Asset Management Program Coordinator approved in the FY 2017-18 Adopted Budget that was not put into SAP and therefore did not roll over into BRASS for authorization in FY 2018-19. Resources to fund this position are included in the FY 2018-19 Facilities Corporate Rate.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_120 - FAC - BIBS Admin IA Increase

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 173,787                              | 0                                  | 173,787                          |
| Contingency                     | (173,787)                            | 0                                  | (173,787)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The purpose of this budget adjustment request is to adjust IA's with BIBS Administration and the former BIBS funds to reflect a reorganization that put P&D under BTS, Risk Management under BRFS, and BIBS Administration, Fleet and Facilities under the CAO's Office. As of October 1, 2018 P&D and Risk Management will no longer be provided services by BIBS Administration. So for October through June 2019 their IA costs have been reduced and reallocated to Fleet and Facilities. Costs through September have been estimated and so these IA adjustments will be trued up in the Spring BMP.

**CBO Discussion and Recommendation**

Recommended with reservations. The Bureau of Internal Business Services (BIBS) underwent a reorganization during FY 2017-18. BIBS was disbanded, and functions previously within BIBS were moved to other parts of OMF; Facilities Services and Cityfleet moved to the Office of the Chief Administrative Officer (CAO), Risk Management moved to the Bureau of Revenue and Financial Services, and Printing & Distribution was moved to the Bureau of Technology Services.

Under the previous BIBS organizational structure, the BIBS bureau director's office was funded via interagency charges against these various funds for administrative and management overhead. CBO has previously cited concerns over the growth in these management and administrative charges, in combination with OMF-Business Operations charges, against these funds. This is not to say that administrative and management support functions are not necessary and important components of serviced delivery, but to note that these overhead costs comprise an increasing component of rates charged to customers.

OMF-CAO is requesting to reduce the established management and administrative charges with Risk Management and Printing & Distribution funds. This is appropriate, as these funds are not managed within the CAO's Office. However, rather than reducing associated expenditures to match the decreased revenue from this interagency charge, OMF-CAO is requesting to offset this revenue reduction with higher administrative and management charges against funds under its management (Facilities Services and Cityfleet). The total increase relative to FY 2017-18 is approximately \$300,000, a 58% increase.

CBO has concerns with this approach, as it means that Facilities Services and Cityfleet will be absorbing substantial additional charges within the current year. This approach also indicates that these funds may be absorbing much higher administrative charges on an ongoing basis – ultimately borne by rate-payers – depending on how the CAO's office sizes its administrative and managerial charges as part of FY 2019-20 budget development.

The impact to the General Fund is seen in the total administrative and managerial costs allocated out as part of rates paid by Facilities Services and Cityfleet customers. Ultimately, OMF is the manager of these funds, but CBO notes concerns over the lack of attempt to absorb the reduced revenue by reducing expenses, and recommends that administrative and managerial charges against these funds as part of FY 2019-20 budget development are in line with FY 2017-18 charges rather than the higher rate.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_121 - FAC - Add IA with Procurement for Des and Const

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 130,707                              | 0                                  | 130,707                          |
| Contingency                     | (130,707)                            | 0                                  | (130,707)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This package requests to establish an IA with the Procurement Division for design and construction contracting services.

**CBO Discussion and Recommendation**

Recommended as requested. See MF\_053 for a detailed analysis of this reorganization and funding model change.

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

**Bureau:** Office of Management & Finance

**Type:** Capital Set-Aside Request

**Request:** MF\_122 - BRFS - Capital Set-Aside Integrated Tax System

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 5,495,993                            | (5,495,993)                        | 0                                |
| External Materials and Services | 4,504,007                            | (4,504,007)                        | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>10,000,000</b>                    | <b>(10,000,000)</b>                | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 10,000,000                           | (10,000,000)                       | 0                                |
| <b>TOTAL REVENUES</b>           | <b>10,000,000</b>                    | <b>(10,000,000)</b>                | <b>0</b>                         |

**Bureau Description:**

Revenue Division is working toward an integrated tax system to allow for the replacement of the aging, multiple tax administration systems. The current systems are maintained through in house staff along with a third party contractor. The shrinking pool of talent available to replace either of these represents a sizeable risk for the City. During the first stage of the project the Division is gathering requirements, and writing a Request for Proposal. A three-year decision package was submitted in FY 2017-18 (MF\_16), and approved the hire of two limited-term staff to complete this first stage of the project. This decision package accompanies a capital set-aside request of \$10,000,000; the Revenue Division is currently estimating an additional \$15M would be funded through a benefits-sharing agreement with the vendor selected through the RFP. If a benefits-sharing agreement is not the selected funding mechanism for vendor and implementation costs, the Revenue Division expects costs of approximately \$25M over a 5-year project timeline. The implemented system with or without a benefits-sharing agreement is expected to result in increased revenue collection, ultimately fully recouping the cost.

Currently Revenue Division uses multiple databases to administer a variety of tax and fee collection programs. The Revenue Division must replace its aging tax administration systems with a single integrated tax system that is capable of administering existing and future tax programs; has data warehousing and robust audit selection functions; allows the integration and expansion of access to federal tax information (FTI) that meets safeguarding requirements in IRS publication 1075; and allows City business and personal tax program taxpayers to access their accounts through a secure taxpayer portal, which also includes the ability to file tax returns electronically at the same time federal and state tax returns are filed.

This tax administration system replacement project is critical to the future success of the Division to increase City general fund revenues through increased collections, audit selection, an integrated access to federal tax information (FTI) and Modernized eFiling (MeF). This project expands levels of service above the current base-line adding long-requested automation through third party tax preparation software (e.g., H&R Block, Intuit), providing a taxpayer portal for self-service account functions, and increasing the efficiency and effectiveness of Revenue staff in responding to taxpayer questions.

**CBO Discussion and Recommendation**

Not recommended. Revenue Division is working toward an integrated tax system to allow for the replacement of the aging, multiple tax administration systems. The total project cost is estimated at \$25 million in General Fund discretionary resources over five years, and the project is entirely unfunded at this point.

The Revenue Division has requested \$10 million in Capital Set-Aside resources in the Fall BMP for implementation of an Integrated Tax System. However, when Council passed the resolution establishing the General Fund Capital Set Aside, the use of those funds was restricted to infrastructure/maintenance projects related to emergency preparedness, parks and recreation, and transportation for a period of 4 years. The restricted use period began in FY 15-16, so FY 18-19 is the last year of this restriction (assuming it is not extended by Council). The Capital Set-Aside Validation Committee declined to rank this request for that reason.

CBO does not recommend a Capital Set-Aside award for this project, as it is not eligible for these funds based on the restrictions set by Council. CBO does note, however, the critical nature of this project and recommends that the Revenue Division accurately scope the project cost and work with their Commissioner-in-Charge to develop a plan for funding this project beginning in FY 2019-20.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_123 - P&D - Print Management System. B00045

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | (118,512)                            | 0                                  | (118,512)                        |
| Contingency                     | 353,736                              | 0                                  | 353,736                          |
| <b>TOTAL EXPENDITURES</b>       | <b>235,224</b>                       | <b>0</b>                           | <b>235,224</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Miscellaneous                   | 235,224                              | 0                                  | 235,224                          |
| <b>TOTAL REVENUES</b>           | <b>235,224</b>                       | <b>0</b>                           | <b>235,224</b>                   |

**Bureau Description:**

In the Adopted Budget phase of the FY 2018-19 budget process OMF worked with the Council and CBO to add a decision package to fund a print management system in the Printing & Distribution (P&D) Fund and a technology package in the Facilities Services Fund. OMF had been working with the Portland Building project team on technology requirements for the reconstructed building. And, due to the time to properly define, design, write specifications, and bid the hardware and software to have available when the building reopens the packages were approved.

A print management system will allow City employees to conveniently retrieve their copies from any networked City copier from any location in the Portland Building by swiping their identification card or entering a code to print their documents. This will result in more secure printing, better tracking of copier usage, and better management of the City's system of copiers. This will also advance Citywide sustainability goals by reducing paper consumption. An integrated print management system will work well in the reconstructed Portland Building where most meeting rooms will be shared by all City bureaus. This integrated system will also be deployed to other City locations as an enterprise-wide solution.

Since June OMF has developed the business case for the system, defined requirements for implementing the system, developed a financial plan, and completed an analysis of financial impacts.

This Fall BMP request updates the FY 2018-19 budget to reflect a new cost estimate (total costs are approximately the same as in the CIP, but FY 2018-19 costs are lower) and updates the funding source to a debt financing. The debt financing follows the model of Space Optimization project. This will include line of credit financing, with the line of credit retired with bonds. This will be combined with the retirement of other lines of credit for the Portland Building reconstruction project and Space Optimization. While the Facilities technology package debt service would be included in the blended downtown offices space rental rates beginning in FY 2020-21, the debt service for a print management system would be included in P&D copier rates beginning in FY 2020-21. Interest on the line of credit and the City's 5% cash funding requirement are funded by the P&D fund.

Separately, in this Fall BMP, is a request for annual target adjustments for General Fund bureaus for cost increases for the print management system that will begin being charged to bureaus in FY 2020-21. Total annual costs are estimated at \$40,000 for ongoing operations costs and \$73,159 for debt service for seven years. The P&D Fund will cover any partial year operations costs in FY 2019-20.

**CBO Discussion and Recommendation**

OMF is requesting to reallocate budget within the Printing & Distribution Operating Fund to plan for the financing of the Print Management System project that will be incorporated into the Portland Building project. This financing plan will result in an annual increase of \$40,000 for ongoing operations costs and \$73,159 for debt service for seven years for General Fund bureaus. As a result, bureaus will see increases in interagency costs of less than \$10,000 per bureau beginning in FY 2020-21. OMF has requested increases in the FY 2019-20 current appropriation level targets for General Fund bureaus to fund these costs.

A print management system will allow City employees to retrieve their copies from any networked City copier within the Portland Building by swiping their identification card or entering a code. The goal of print management systems intends to result in more secure printing and the reduction of paper waste. The Portland Building Project team has solicited feedback from customer bureaus and has support to move forward with this project.

CBO recommends the requested reallocation of FY 2018-19 budget but does not recommend the requested current appropriation level adjustments for General Fund bureaus. Given the relatively small increase, CBO recommends that bureaus absorb these additional costs beginning in FY 2020-21.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_124 - FAC - Increase IA for Union Prof Dev Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 407                                  | 0                                  | 407                              |
| Contingency                     | (407)                                | 0                                  | (407)                            |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to match an IA increase from BHR for union related professional development funds carryover.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_125 - Risk I&C Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to break out the external materials and services budget that was loaded to one account in the Adopted Budget. This also includes adjustments to interagency agreements that net zero, due to programs moving between funded programs.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_126 - Risk WC - Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to break out the external materials and services budget that was loaded to one account in the Adopted Budget. This also includes adjustments to interagency agreements that net zero, due to programs moving between funded programs.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_127 - FAC - Office for Comm. Tech Relocation

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 662,500                              | (120,000)                          | 542,500                          |
| <b>TOTAL EXPENDITURES</b>       | <b>662,500</b>                       | <b>(120,000)</b>                   | <b>542,500</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 662,500                              | (120,000)                          | 542,500                          |
| General Fund Discretionary      | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>662,500</b>                       | <b>(120,000)</b>                   | <b>542,500</b>                   |

**Bureau Description:**

In the FY 2017-18 budget, City Council established the Office for Community Technology (OCT) as a stand-alone office effective September 2018 and directed Facilities Services to develop plans for the physical relocation of the OCT. OCT is requesting \$620,000 for tenant improvements, IT connections, furnishings, and move costs related to the relocation, as well as \$170,000 per year in ongoing lease and IT costs (prorated for April-June 2019). Facilities will manage the project to relocate OCT and have the lease with the landlord and bill OCT for lease and operations costs. This budget request establishes these interagency agreements. Through the FY 2019-20 budget process OCT will request the ongoing funding for the lease cost and operations costs.

**CBO Discussion and Recommendation**

Partially recommended. This request matches a request from the Office for Community Technology of \$620,000 for the physical relocation of OCT from the Revenue Division.

These estimated relocation costs are substantial, and particularly notable is the \$148,000 contingency line item. Relocating OCT into existing City-owned space would be less expensive, but Facilities Services has indicated that existing City-owned space is not available for OCT's relocation in the near term. Additional City-owned space may become available in the next two years, when the 4th & Montgomery property comes online or with other fluctuations in space planning at the 1900 Building and the Portland Building. City staff in OCT and the Revenue Division have indicated that near-term relocation is preferable, both for the sake of organizational clarity and due to the Revenue Division's need to maintain federal security standards regarding access to federal tax data. Given these considerations and the direction in the budget note, CBO recommends OCT be allocated one-time General Fund resources of \$500,000 to fund physical relocation costs, and has updated the OMF side of the interagency agreement to match. CBO's recommendation reduces the total amount of contingency embedded in the cost estimate by \$120,000; to the degree that the relocation cannot be managed within a \$500,000 budget, OCT should attempt to absorb the difference or request additional resources in the FY 2018-19 Spring BMP when actual relocation costs are better quantified.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_128 - FAC - 1900 Building Major Maintenance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 4,258,631                            | 0                                  | 4,258,631                        |
| Contingency                     | (4,258,631)                          | 0                                  | (4,258,631)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to fund major maintenance projects at the 1900 Building from the Facilities major maintenance reserve.

Carryover projects:

- window water intrusion -- \$192,696
- 4th floor carpet replacement -- \$98,369
- Restroom upgrade for ADA requirements and sustainable features -- \$1,835,401
- 2nd floor HVAC repairs – \$15,000
- generator replacement -- \$1,977,165
- fire panel replacement -- \$100,000
- EV charger monitors network -- \$40,000

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_129 - FAC - City Hall Major Maintenance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 193,793                              | 0                                  | 193,793                          |
| Contingency                     | (193,793)                            | 0                                  | (193,793)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to fund major maintenance projects at City Hall from the Facilities major maintenance reserve.

Carryover projects:

- exterior masonry, eco roof, roof replacement, air handlers, generator fueling -- \$73,636
- new carpet for the Lovejoy conference room – \$60,157
- improve seismic bracing on sprinkler system -- \$10,000
- atrium lighting – 50,000

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_130 - FAC - ECC Major Maintenance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 53,319                               | 0                                  | 53,319                           |
| Contingency                     | (53,319)                             | 0                                  | (53,319)                         |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to fund major maintenance projects at the Emergency Coordination Center from the Facilities major maintenance reserve.

Carryover projects:

- domestic water pump replacement -- \$53,319

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_131 - FAC - Update Beginning Fund Balance

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Contingency                     | (1,493,226)                          | 0                                  | (1,493,226)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>(1,493,226)</b>                   | <b>0</b>                           | <b>(1,493,226)</b>               |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | (1,493,226)                          | 0                                  | (1,493,226)                      |
| <b>TOTAL REVENUES</b>           | <b>(1,493,226)</b>                   | <b>0</b>                           | <b>(1,493,226)</b>               |

**Bureau Description:**

This package requests to update the Facilities Services beginning fund balance based on fiscal year-end ending fund balance analysis. This will result in a beginning fund balance reduction of \$1,493,226.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_132 - P&D - Move BRFS-OCT to OCT Cable Fund

|                       | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|-----------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>       |                                      |                                    |                                  |
| Interagency Revenue   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to appropriate P&D interagency funds with the Office for Community Technology as they move from OMF's funded program to Cable's and reduce the interagency in BRFS.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_133 - CityFleet - Move BRFS-OCT to OCT Cable Fund

|                       | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|-----------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>       |                                      |                                    |                                  |
| Interagency Revenue   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to appropriate CityFleet interagency funds with the Office for Community Technology as they move from OMF's funded program to Cable's and reduce the interagency in BRFS.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_134 - FAC - Portland Communication Center MM Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 1,989,201                                     | 0   | 1,989,201                                 |
| Contingency                     | (1,989,201)                                   | 0   | (1,989,201)                               |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This decision package requests to fund major maintenance projects at the Portland Communication Center from the Facilities major maintenance reserve.

Carryover projects:

- upgrade exterior lighting -- \$20,430
- upgrade interior lighting -- \$38,560
- HVAC replacement RTU's 8,9,10 -- \$462,697
- HVAC centralization – \$967,514
- UPS replacement -- \$500,000

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_135 - FAC - Justice Center MM Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 1,194,991                                     | 0   | 1,194,991                                 |
| Contingency                     | (1,194,991)                                   | 0   | (1,194,991)                               |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This decision package requests to fund major maintenance projects at the Justice Center from the Facilities major maintenance reserve. Many of these projects are shared condo projects with the County.

Carryover projects:

- UPS server room replacement -- \$488,093
- entry gate barrier replacement -- \$3,721
- foundation waterproofing -- \$50,000
- main entry replacement -- \$40,000
- repair dome window and frame -- \$65,934
- waterproof mechanical room -- \$52,500
- replace 16 VFD's -- \$100,000
- replace main switch gear -- \$174,552
- install auto valves for lieberts -- \$17,904
- UPS replacement (shared) -- \$134,787
- electrical bus duct study -- \$37,500
- sallyport control system -- \$30,000

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_136 - BRFS - Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | (159,614)                            | 0                                  | (159,614)                        |
| External Materials and Services | 172,114                              | 0                                  | 172,114                          |
| <b>TOTAL EXPENDITURES</b>       | <b>12,500</b>                        | <b>0</b>                           | <b>12,500</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| General Fund Discretionary      | 12,500                               | 0                                  | 12,500                           |
| <b>TOTAL REVENUES</b>           | <b>12,500</b>                        | <b>0</b>                           | <b>12,500</b>                    |

**Bureau Description:**

BRFS is requesting Council approval for several technical adjustments that do not change total OMF appropriation level. (Note: there is a net increase of \$12,500 in BRFS due to a shift of resources from the CAO's office to BRFS.) The primary aim of this decision package is to redeploy vacancy savings to fund emerging spending needs in the bureau without going to City Council to request funding. These include continued process improvement consulting services in the Procurement Services; contract code hearings officer services (required by City Code) in the Revenue Division; and contribution to a joint strategic planning effort to develop a regional approach to achieving construction workforce equity.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_137 - Health Fund Budget Account Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 130,185                              | 0                                  | 130,185                          |
| External Materials and Services | 16,898,499                           | 0                                  | 16,898,499                       |
| Internal Materials and Services | 21                                   | 0                                  | 21                               |
| Contingency                     | (6,171,821)                          | 0                                  | (6,171,821)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>10,856,884</b>                    | <b>0</b>                           | <b>10,856,884</b>                |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Charges for Services            | 11,505,491                           | 0                                  | 11,505,491                       |
| Miscellaneous                   | (648,607)                            | 0                                  | (648,607)                        |
| <b>TOTAL REVENUES</b>           | <b>10,856,884</b>                    | <b>0</b>                           | <b>10,856,884</b>                |

**Bureau Description:**

Recognize MERP/DCAP, VSP, and Standard Insurance revenues and expenses in the health fund, rather than the clearing account.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_138 - CityFleet - IA Adjustment with Parks

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Capital Outlay            | 100,000                              | 0                                  | 100,000                          |
| <b>TOTAL EXPENDITURES</b> | <b>100,000</b>                       | <b>0</b>                           | <b>100,000</b>                   |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Interagency Revenue       | 100,000                              | 0                                  | 100,000                          |
| <b>TOTAL REVENUES</b>     | <b>100,000</b>                       | <b>0</b>                           | <b>100,000</b>                   |

**Bureau Description:**

Portland Parks Bureau requests to adjust their interagency agreements to fund new vehicle purchases.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_139 - FAC - Match Housing Bureau IA Increase Request

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 30,000                               | 0                                  | 30,000                           |
| <b>TOTAL EXPENDITURES</b>       | <b>30,000</b>                        | <b>0</b>                           | <b>30,000</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 30,000                               | 0                                  | 30,000                           |
| <b>TOTAL REVENUES</b>           | <b>30,000</b>                        | <b>0</b>                           | <b>30,000</b>                    |

**Bureau Description:**

This package requests to establish an IA with the Housing Bureau for requested property cleanup services from HUCIRP.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_141 - FAC - Security Services Radio Replacement

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 139,977                                       | 0   | 139,977                                   |
| Contingency                     | (139,977)                                     | 0   | (139,977)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This decision package requests replacement of security guard radios in the amount of \$139,977.

During City Hall disturbances immediate communication is paramount in alerting City employees and elected officials about what is occurring in the building and giving them instructions on what specific safety protocols to take.

In 2016, the City Hall Emergency Security Syndicate (CHESS) members asked security for an emergency alert plan to be put in place that will immediately alert employees of a large-scale disturbance occurring inside and/or outside of City Hall and nearby locations. As part of the response plan, City Security has implemented a four-tier notification system, 1) Motorola Radio's, 2) landline phone, 3) PA system, 4) security officer checks suite.

Security has learned that the most immediate and efficient method of emergency notification is the use of Motorola radio's. In 2016, City Facilities purchased 47 used digital radio's and chargers from BTS Communications. These radios and chargers were distributed to the City Hall security desk, G4S Project Managers, security officers for their use while on duty at their assigned posts, and to each office suite in City hall.

Each suite in City Hall has a radio and radio charger positioned at their respective front reception desk. Security developed and implemented a training plan for City employees with 90% employee participation.

Security radios are also used to support the Facilities Fire and Life Safety program during Fire drills and/or actual fire emergencies.

As additional bureau's request security services, additional radios and chargers will be needed. BTS Communications said that the current radios and some chargers are coming to the end of their life cycle and will need to be replaced in the near future.

If the radios are not replaced, and they fail, it will negatively impact the most effective tier in our current notification system.

**CBO Discussion and Recommendation**

Recommended as requested. This request draws \$139,977 from Facilities Services operating reserves to fund the replacement of security guard radios. OMF is ultimately the manager of this fund. To the degree that additional or expanded equipment purchases are embedded in this request (beyond normal replacement), CBO would suggest the bureau wait to purchase additional radio equipment until the outcome of any FY 2019-20 security enhancements requests are known.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_142 - FAC - Technology Package

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | <b>(543,628)</b>                              | 0   | <b>(543,628)</b>                          |
| Capital Outlay                  | 0   | 0   | 0   |
| Contingency                     | 2,680,335                                     | 0   | 2,680,335                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>2,136,707</b>                              | <b>0</b>                                    | <b>2,136,707</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Miscellaneous                   | 2,136,707                                     | 0   | 2,136,707                                 |
| <b>TOTAL REVENUES</b>           | <b>2,136,707</b>                              | <b>0</b>                                    | <b>2,136,707</b>                          |

**Bureau Description:**

In the Adopted Budget phase of the FY 2018-19 budget process OMF worked with the Council and CBO to add a decision package to fund a print management system in the Printing & Distribution (P&D) Fund and a technology package in the Facilities Services Fund. OMF had been working with the Portland Building project team on technology requirements for the reconstructed building. Due to the time to properly define, design, write specifications, and bid the hardware and software to have available when the building reopens, the packages were approved.

The technology package includes audio/visual technologies for meeting rooms, a conference room scheduling system, and a digital signage system. This package is a companion to a Printing and Distribution print management system package.

The audio/visual technologies for meeting rooms project will install a standardized and highly reliable suite of audio/visual technologies in most meeting rooms on all floors of the Portland Building. The technologies will allow the City to make the best use of its shared meeting rooms and allow these rooms to complement the other spaces in the building to which employees will have access. Similar technologies will be available in rooms open to the public. The technologies will support many types of meetings, including video conferencing capabilities.

The room scheduling system project includes the hardware and software to track, manage, and report on the usage and availability of rooms within a facility or group of facilities. The primary benefit to users is a fast, efficient way to find a conference room or similar room in a shared, distributed-room environment. Additionally, the system will provide room usage data to help inform operators and users.

The digital signage system project includes the hardware and software to present static or real-time information to viewers. The system can present specific messages or provide status information to a broad group of viewers, including the public and City employees. A digital signage system is an effective, nimble method of communicating information to a variety of users.

All three projects will be scalable to eventually deploy in other City-owned or managed facilities to achieve a true enterprise-wide solution

Since June OMF has developed the business cases for the projects, defined requirements for implementing them, developed a financial plan, and completed an analysis of financial impacts.

This Fall BMP request updates the FY 2018-19 budget to reflect a new cost estimate (total costs are \$655,000 more than in the CIP, but FY 2018-19 costs are lower) and updates the funding source to debt financing. The debt financing follows the model used for the Space Optimization project. This will include line of credit financing, with the line of credit retired with bonds. This will be combined with the retirement of other lines of credit for the Portland Building reconstruction project and Space Optimization. This will allow for savings in the reconstruction project (currently projected at \$2 million) to offset costs of the technology package. The resulting debt service will be included in the blended downtown office space rental rates beginning in FY 2020-21. Interest on the line of credit and the City's 5% cash funding requirement are funded by cash transfers from the City funds with tenants in the Portland Building.

Separately, in this Fall BMP, is a request for annual target adjustments for General Fund bureaus for cost increases for the Facilities technology package that will begin being charged to bureaus in FY 2020-21. Total annual costs are estimated at \$777,843 for ongoing operations and replacement costs and \$657,689 for debt service for seven years. Ongoing operations costs include replacement, operations and maintenance, and two support positions. These support positions will be BTS employees and will be requested in the FY 2019-20 budget process. The Facilities Services Fund will cover any partial year operating costs in FY 2019-20.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_142 - FAC - Technology Package

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

Not recommended as requested. The Portland Building Reconstruction project has been underway for several years and is anticipated to be completed ahead of schedule. Council originally established a \$195 million budget for this project, and later approved an additional \$18.8 million expansion of the project (i.e. "Space Optimization") to purchase standardized furniture for the reconstructed building so that additional staff could be accommodated.

The current request is for \$4.2 million in additional resources for bringing the Portland Building back online, specifically for audio/visual technology in the reconstructed building. OMF is proposing to debt-finance this \$4.2 million project, so is requesting authority to incur additional debt as well as resources to cover the ongoing costs debt-financing and operations. The ongoing costs of this \$4.2 million project are estimated at \$1.44 million beginning in FY 2020-21; this includes \$657,689 for debt service and \$777,843 for operations, maintenance, and replacement costs. OMF has submitted a request to increase General Fund bureaus' FY 2019-20 current appropriation levels (CAL) by \$440,812 to offset these impacts.

The \$4.2 million technology project has three sub-components:

- Outfitting the Portland Building with standardized and supported audio/visual equipment across 62 shared meeting rooms and 86 bureau huddle spaces, \$3,277,862;
- Developing a more robust room scheduling system, \$134,872;
- Providing digital signage for information sharing and assisting the public with way-finding, \$102,787
- Cable and switches, \$262,350;
- Staff hours, \$241,040; and
- Contingency, \$209,763

All of these projects will add value to the operational efficiency of the reconstructed Portland Building. Given the timeline of the reconstruction project, with bureaus beginning to move back in as early as summer 2019, there is a certain level of urgency in approving this funding plan if the technology is to be in place upon re-opening. However, it cannot be said that this request for new resources is unforeseen in nature. OMF has been aware for some time that the \$195 million Portland Building Reconstruction project, as scoped by the project team, did not include resources for audio/visual technology in the reconstructed building. CBO has alternately encouraged OMF to rescope the project budget to account for these costs, or to include a request for the required ongoing resources to support this project as part of FY 2018-19 budget development. Because high confidence cost estimates were not yet available, OMF declined to put forward a request for ongoing resources to support this project as part of FY 2018-19 budget development.

Given the tight budgetary environment going into FY 2019-20 budget development and large known funding needs across the City, CBO has concerns with the proposed plan to preemptively allocate almost \$500,000 in ongoing General Fund resources via CAL adjustment .

CBO also has concerns about the inclusion of this project in the downtown core blended rental rate, as proposed by OMF. The downtown blended rate has grown enormously over the last several years: the per-square foot rate that bureaus will pay in space rent beginning in FY 2020-21 has almost doubled as a result of the combined debt service for the Portland Building Reconstruction project, the Space Optimization project, and the 4th & Montgomery project. The debt-related costs for building are appropriately included in the blended rate, but CBO is concerned about the inclusion of building-specific amenities and projects. As proposed, tenants in City Hall, the 1900 Building, and other leased space would all pay a share of the costs of audio/visual technology in the Portland Building. This is not a logical application of a blended rate model, and inclusion of Portland Building technology costs in the blended rate would set a precedent that will likely lead to the inclusion of additional building-specific projects in the blended rate on an ad-hoc basis. Additional parameters and policy around the downtown blended rate model are warranted prior to the inclusion of building-specific amenities.

OMF fiscal staff are supportive of the inclusion of the technology package in blended rates, but share CBO's concern about the lack of formal parameters around what can be appropriately included in the blended rate model going forward. CBO recommends that Council direct OMF to develop a formal policy around application of the blended rate, noting which types of costs can be appropriately included in the rate model and which types should be borne by directly by bureaus outside of the blended rate.

It is clear that a reconstructed Portland Building will need audio/visual technology in order to meet the needs of tenant bureaus and the public. If the project is not approved as requested, OMF has indicated that many rooms in the Portland Building would not have audio/visual equipment, with the remaining rooms having existing audio/visual brought back into the building from leased-space.

OMF has also indicated both that the technology project is scalable, and that approximately \$2 million in underspending on the Portland Building Reconstruction project is anticipated. This underspending would equate to approximately \$160,000 in annual savings on the downtown blended rate charges. This projected underspending has been incorporated into the requested CAL adjustments.

It would be ideal from an operations perspective if the Portland Building had new standardized and integrated audio/visual technology. However, the overall ongoing cost of the project – \$1.4 million across all bureaus, including \$450,000 in ongoing General Fund resources – warrants evaluation and scaling in the context of other urgent funding needs across the City.

Given the availability of existing bureau-owned audio/visual technology and general concerns about inclusion of this project in the blended rate model, CBO recommends that OMF work with Portland Building tenants to come up with a scaled audio/visual technology plan that is funded by tenant bureaus and considered as part of the FY 2019-20 budget process. This could be as simple as providing tenant bureaus with standardized options from which to purchase audio/visual equipment going forward and helping bureaus understand the spaces for which they will need to purchase equipment. The risk with this approach is that the Portland Building will almost certainly not have an integrated or standardized set of audio/visual technologies upon re-opening. To mitigate against other cost implications of delaying this project, such as installing cabling after the reconstruction project is completed, CBO recommends that OMF move forward with the most

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_142 - FAC - Technology Package

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

project, such as installing cabling after the reconstruction project is completed, CBO recommends that OMB move forward with the most critical building-wide aspects of this project that can be managed within the existing Portland Building project budget.

**CBO Discussion and Recommendation**

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_143 - P&D - Revenue Bureau IA Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 13,144                               | 0                                  | 13,144                           |
| <b>TOTAL EXPENDITURES</b>       | <b>13,144</b>                        | <b>0</b>                           | <b>13,144</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 13,144                               | 0                                  | 13,144                           |
| <b>TOTAL REVENUES</b>           | <b>13,144</b>                        | <b>0</b>                           | <b>13,144</b>                    |

**Bureau Description:**

This request is to increase the interagency with Revenue Bureau to match their package MF\_085.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_144 - PPA Health Fund Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 1,764,882                            | 0                                  | 1,764,882                        |
| Contingency                     | 877,422                              | 0                                  | 877,422                          |
| <b>TOTAL EXPENDITURES</b>       | <b>2,642,304</b>                     | <b>0</b>                           | <b>2,642,304</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Charges for Services            | 2,551,639                            | 0                                  | 2,551,639                        |
| Miscellaneous                   | 90,665                               | 0                                  | 90,665                           |
| <b>TOTAL REVENUES</b>           | <b>2,642,304</b>                     | <b>0</b>                           | <b>2,642,304</b>                 |

**Bureau Description:**

Appropriate Kaiser resources and requirements in fund 707001, and recognize clearing fund resources and requirements in fund 707 (Standard Insurance and VSP)

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_145 - BTS - Transportation IA Adjustment

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Contingency               | 282,080                                       | 0   | 282,080                                   |
| <b>TOTAL EXPENDITURES</b> | <b>282,080</b>                                | <b>0</b>                                    | <b>282,080</b>                            |
| <b>REVENUES</b>           |   |   |   |
| Interagency Revenue       | 282,080                                       | 0   | 282,080                                   |
| <b>TOTAL REVENUES</b>     | <b>282,080</b>                                | <b>0</b>                                    | <b>282,080</b>                            |

**Bureau Description:**

This request is to adjust the interagency between BTS and Transportation to cover additional Operations Billable expenses anticipated for Transportation's expansion to the 13th floor of the Sixth + Main Building. Transportation has also requested additional Strategic Technology billable assistance, so this request also includes additional IA funding to cover those billable services.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_146 - BTS - Facilities IA Adjustment

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 139,977                              | 0                                  | 139,977                          |
| <b>TOTAL EXPENDITURES</b>       | <b>139,977</b>                       | <b>0</b>                           | <b>139,977</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 139,977                              | 0                                  | 139,977                          |
| <b>TOTAL REVENUES</b>           | <b>139,977</b>                       | <b>0</b>                           | <b>139,977</b>                   |

**Bureau Description:**

This request is to increase the interagency between BTS and Facilities Services to cover the purchase of replacement radios for security guards.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_147 - FAC - Kelly Building Major Maintenance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 463,346                              | 0                                  | 463,346                          |
| Contingency                     | (463,346)                            | 0                                  | (463,346)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to fund major maintenance projects at the Kelly Building from the Facilities major maintenance reserve.

Carryover projects:

- upgrade building lighting -- \$38,560
- replace 2 boilers; rehab 1 boiler – \$125,395
- replace chiller -- \$224,391
- replace UPS -- \$75,000

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_148 - FAC - North Precinct Major Maintenance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 725,060                              | 0                                  | 725,060                          |
| Contingency                     | (725,060)                            | 0                                  | (725,060)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to fund major maintenance projects at North Precinct from the Facilities major maintenance reserve.

Carryover projects:

- locker room project with structural analysis -- \$717,076
- gas shut off valve -- \$4,100
- replace motorized gate – 3,884

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_149 - FAC - Police Trng Major Maintenance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 204,556                              | 0                                  | 204,556                          |
| Contingency                     | (204,556)                            | 0                                  | (204,556)                        |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Charges for Services            | 0                                    | 0                                  | 0                                |
| Miscellaneous                   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This decision package requests to fund major maintenance projects at Police Training from the Facilities major maintenance reserve.

Carryover projects:

- Replace HVAC RTU's 1,3,7 – \$144,556
- second floor – scenario village -- \$60,000

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Encumbrance Carryover Request

**Request:** MF\_150 - FAC - Asset Management Contract Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 145,208                                       | 0   | 145,208                                   |
| Internal Materials and Services | 0   | 0   | 0   |
| Contingency                     | (145,208)                                     | 0   | (145,208)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This package requests to carryover funding approved in FY 2017-18 from Facilities major maintenance accounts for asset management project costs.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_151 - BIBS Admin-Change Flu Shots account

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

The purpose of this budget adjustment request is to update the BIBS Administration budget to reflect that charges for the flu shots IA funded program will come from BHR, as a result of the Occupational Health program being transferred to BHR from Risk Management.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_152 - CityFleet - IA increase with PBOT for TR\_003

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 260,000                                       | 0   | 260,000                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>260,000</b>                                | <b>0</b>                                    | <b>260,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 260,000                                       | 0   | 260,000                                   |
| <b>TOTAL REVENUES</b>           | <b>260,000</b>                                | <b>0</b>                                    | <b>260,000</b>                            |

**Bureau Description:**

This request increases the interagency with Portland Bureau of Transportation. The Vision Zero Safety Action Plan (action D7) states that City of Portland new truck purchases will be equipped with side guards (mud flaps that prevent bicyclists from slipping under the vehicle) to meet national safety standards. All City and contracting trucks should be outfitted with side guards by December 31, 2021. A total of \$260,000 would provide \$2,200 per truck to bring the City's heavy truck fleet up to standard, guarding against bicycle and pedestrian fatalities. This request matches Fall Bump Request TR\_003.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_153 - BTS - EBSS - Children's Levy IA Adjustment

|                       | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|-----------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>       |                                      |                                    |                                  |
| Interagency Revenue   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request is to move interagency appropriation for the Children's Levy from the Commissioner of Public Affairs funded program to the new Children's Levy funded program.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_154 - CityFleet - IA Increase with PBOT for TR001

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Capital Outlay            | 200,000                                       | 0   | 200,000                                   |
| <b>TOTAL EXPENDITURES</b> | <b>200,000</b>                                | <b>0</b>                                    | <b>200,000</b>                            |
| <b>REVENUES</b>           |   |   |   |
| Interagency Revenue       | 200,000                                       | 0   | 200,000                                   |
| <b>TOTAL REVENUES</b>     | <b>200,000</b>                                | <b>0</b>                                    | <b>200,000</b>                            |

**Bureau Description:**

This request increases the interagency with Portland Bureau of Transportation for the purchase of a small street sweeper to match Transportation request TR\_001.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** Technical Adjustment

**Request:** MF\_155 - P&D - IA adjustment with Children's Levy

|                       | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|-----------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>REVENUES</b>       |                                      |                                    |                                  |
| Interagency Revenue   | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This technical adjustment moves the interagency agreements with Children's Levy to the new funded program.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Management & Finance

**Type:** New Request

**Request:** MF\_156 - FAC - IA with Water for HUCIRP Storage Space

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (2,250)                                       | 0   | (2,250)                                   |
| Internal Materials and Services | 2,250   | 0   | 2,250                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This package requests to establish an IA with the Water Bureau for temporary HUCIRP program storage space. In prior years this IA was \$9,200 for a full year. HUCIRP will be moving their storage to the Ivon warehouse to accommodate increased space needs for property held for 30 days from campsite cleanups.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of the Mayor

**Type:** Program Carryover Request

**Request:** MY\_001 - Mayor-OEO Program Carryover Funding

|                            | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|----------------------------|---|---|---|
| <b>EXPENDITURES</b>        |   |   |   |
| Personnel Services         | 23,000  | 0   | 23,000                                    |
| <b>TOTAL EXPENDITURES</b>  | <b>23,000</b>                                 | <b>0</b>                                    | <b>23,000</b>                             |
| <b>REVENUES</b>            |   |   |   |
| General Fund Discretionary | 23,000  | 0   | 23,000                                    |
| <b>TOTAL REVENUES</b>      | <b>23,000</b>                                 | <b>0</b>                                    | <b>23,000</b>                             |

**Bureau Description:**

In the FY 2017-18 OEO, the External Materials and Services budget in the Mayor's Office was reduced by \$23,000 to pay for two vacation payouts that hit the FY 2018-19 budget. This request allocates the \$23,000 in funding that was approved during the OEO process.

**CBO Discussion and Recommendation**

CBO recommends this request.

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

**Bureau:** Office of the Mayor

**Type:** Encumbrance Carryover Request

**Request:** MY\_002 - Mayor-Encumbrance Carryover Requests

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 54,979                               | 0                                  | 54,979                           |
| <b>TOTAL EXPENDITURES</b>       | <b>54,979</b>                        | <b>0</b>                           | <b>54,979</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 54,979                               | 0                                  | 54,979                           |
| <b>TOTAL REVENUES</b>           | <b>54,979</b>                        | <b>0</b>                           | <b>54,979</b>                    |

**Bureau Description:**

The Mayor's Office is requesting a total of \$54,979 in encumbrance carryovers. This amount includes \$14,979 for a facilitation contract with Nancy Hamilton (PO#22235736) and \$40,000 for a PSU Hatfield Fellow (PO#22238184).

**CBO Discussion and Recommendation**

CBO recommends this request.

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

**Bureau:** Office of the Mayor

**Type:** Technical Adjustment

**Request:** MY\_003 - Mayor-Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This request corrects some of the accounts where the Facilities charges were loaded for the Mayor's Office. It also moves the interagency for Occupational Health out of the Risk Fund and into the Health Fund.

**CBO Discussion and Recommendation**

CBO recommends this technical adjustment as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** Encumbrance Carryover Request

**Request:** NI\_001 - Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 151,767                              | 0                                  | 151,767                          |
| <b>TOTAL EXPENDITURES</b>       | <b>151,767</b>                       | <b>0</b>                           | <b>151,767</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 151,767                              | 0                                  | 151,767                          |
| <b>TOTAL REVENUES</b>           | <b>151,767</b>                       | <b>0</b>                           | <b>151,767</b>                   |

**Bureau Description:**

Encumbrance Carryover of \$151,767 of existing purchase orders/contracts entered into in FY17/18 that are continuing to FY 18/19.

The details are listed in the attached worksheet, but the breakdown is:

- \$101,131 for EPAP grants
- \$34,953 for non-profit coalition small grants
- \$15,683 for EPCO small grants
- \$13,329 for NPNS small grants

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** Encumbrance Carryover Request

**Request:** NI\_002 - Advance encumbrance carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 220,746                              | 0                                  | 220,746                          |
| <b>TOTAL EXPENDITURES</b>       | <b>220,746</b>                       | <b>0</b>                           | <b>220,746</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 220,746                              | 0                                  | 220,746                          |
| <b>TOTAL REVENUES</b>           | <b>220,746</b>                       | <b>0</b>                           | <b>220,746</b>                   |

**Bureau Description:**

Encumbrance carryover of \$220,746 for outstanding advances that are expected to be recovered in future years. The details are listed in the attached worksheet, but the breakdown is:

- \$147,406 for EPAP grants
- \$46,776 for Coalition small grants
- \$22,313 for CleanStart PDX grant
- \$4251 for the EPCO community fund grant

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_003 - Census 2020 Coordination & Response

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 20,196                               | (20,196)                           | 0                                |
| External Materials and Services | 225,000                              | (225,000)                          | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>245,196</b>                       | <b>(245,196)</b>                   | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 245,196                              | (245,196)                          | 0                                |
| <b>TOTAL REVENUES</b>           | <b>245,196</b>                       | <b>(245,196)</b>                   | <b>0</b>                         |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Limited Term Positions          | 0.25                                 | -0.25                              | 0.00                             |
| <b>TOTAL FTE</b>                | <b>0.25</b>                          | <b>-0.25</b>                       | <b>0.00</b>                      |

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_003 - Census 2020 Coordination & Response

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

The mission of the Office of Community & Civic Life is “to promote a culture of civic engagement...” Fundamental to engagement is simply to be recognized as a member of the community. Yet, this is not the reality for many. Predictably, children, young mobile persons, renters, homeless, immigrants and refugees (especially undocumented immigrants and linguistic minorities), American Indians and Alaska Natives, LGBTQ, low income, racial and ethnic minorities and “persons who are angry at and/or distrust the government” are undercounted in each decennial Census (Source: Hard to Count Working Group, US Census Bureau). The consequences are reflected in the inaccurate narratives about the size of communities and diversity of our society, in political representation at every level of government, and in the fiscal appropriation of federal funds.

The Census has been conducted every decade since 1790. Knowledge and predictability of the decennial census is known. Yet, for whatever reasons, the function of preparing for, engaging community and bureau partners, and ensuring a complete count is not institutionalized within Portland’s city government, thus making this request urgent and long overdue. “Counting every person in the country is no easy task — it is the largest peacetime mobilization we undertake as a nation” (Source: U.S. Census Bureau). After consultation with Commissioners offices and city bureaus, the Office of Community & Civic Life proposes to be the convening bureau to coordinate City activities in service of and in partnership with Portland communities and under the direction of their elected officials for each decennial census to come, beginning with the 2020 count.

It is important to recognize that acknowledgment of the need does not immediately translate into bureau capacity to fulfill the role. The best-case scenario is that if this request is approved in November 2018, the bureau and City will have 17 months to prepare for Census Day (April 1, 2020). According to the timeline set by the U.S. Census Bureau, Complete Count Committees and community partners should already be in place and have received training in 2018, with the development of community workplans and strategy to get a complete count beginning in 2019. Waiting for the FY 19-20 budget process will ensure we miss this critical period for preparedness, which we have seen in previous decades as detrimental to the complete count effort.

This request was not included in the FY 18-19 budget proposal as the bureau did not have the opportunity to assess the City capacity for Census preparation (e.g., the director was only five months in her role) nor was the community conversation at the stage of readiness in January 2018. Initial educational activities in the philanthropic community, for example, began only in January 2018. Civic Life began conversations with Commissioners offices, bureaus, philanthropy, and community members in earnest in 2018. Subsequently, the bureau can reallocate some staffing capacity but does not have discretionary funds to assign to this effort. Ninety-two percent of this request invests in building community partner capacity; modest support is requested for a half-time assistant program specialist to provide support to the newly re-written Civic Engagement program coordinator and the Community & Neighborhood Involvement Center program coordinator, whose time will be re-allocated to Census efforts.

What is at stake/What is to be gained:

The City’s ability to coordinate and respond to the decennial count affects:

- Political representation. Decennial census data are used for Congressional apportionment and state legislative re-districting. Oregon stands to gain a sixth seat in the House of Representatives after the 2020 Census—its first such addition in three decades—if current population estimates hold. (Oregon narrowly missed gaining an additional seat in 2010.)
- Financial representation and apportionment. A projected \$675 billion in federal funds will be disbursed annually in part on census data. These include investments in transportation, housing, public insurance, Supplemental Nutrition Assistance Program, Head Start, homeless services, and more (Source: U.S. Census Bureau). Oregon stands to lose \$1,169 per person per year in federal funding for each person not counted on the Census (Source: Counting for Dollars 2020. The Role of the Decennial Census in the Geographic Distribution of Federal Funds. <https://gwipp.gwu.edu/>). As the largest population center in the state of Oregon, if the Portland metropolitan area is undercounted, then the entire state suffers as a result.
- Community identity and emerging electorate. Census data also informs research, academia, City bureau and other administrative decisions.

\*\* Inaccurate counts hamper our ability to make investments and provide services equitably. Many if not all City Bureaus use census data for some level of program functioning. Civic Life, for example, contracts with Portland State University to translate census tract boundaries to neighborhood coalition boundaries and uses this data in the discussion of “funding equity” between neighborhood coalitions.

\*\* Inaccurate counts minimize the community standing of emerging populations and subsequently distorts their representation at all levels of government functioning. For example, in 2016, unmarried women, people of color and young people age 18-29—also referred to as the Rising American Electorate—were responsible for more than 80% of growth in the US population since 2000 and comprised 59.2% of voting-eligible Americans (nearly 133 million eligible voters).

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_003 - Census 2020 Coordination & Response

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
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**Bureau Description:**

Members of these groups are more likely to have a lower median income, to live in poverty, to be renters and not have health coverage. This emerging majority are also the predictable hard-to-count populations. Further, within this population, there are those who are also immigrants and refugees, homeless, have children or otherwise culturally or linguistically isolated, also resulting in additional undercounts (Source: The Voter Participation Center).

\*\* Many activities have already taken place for Census preparation, such as address verification. The major phases of the Census effort moving forward as of September 2018 are (as currently defined by the U.S. Census Bureau):

- 2018: Determining state and local Complete Count Committee (CCC) structure and receiving 2020 Census training.

\*\* The critical element of any CCC is identifying, coordinating and capacitating community partners to engage in and leverage their relationships to deliver a complete count. This request addresses this critical and timely step in the process.

- 2019: Continue establishment of CCC's, opening area Census offices, and developing the community workplan and strategy to get to a complete count.

- 2020: Active community mobilization; advertising in early 2020, encouraging self-response.

Census Day is April 1, 2020. Non-response follow-up activities are conducted early April until late July. Apportionment counts are delivered to the President of the United States by December 31, 2020 and redistricting counts released to states by April 1, 2021. The U.S. Census Bureau has already announced that there will be fewer regional Census offices, an emphasis on digital participation and self-response, and less follow up in the 2020 Census. There is widespread concern nationally that these facts and the current political climate will exacerbate the undercount of hard-to-reach populations.

Civic Life role:

The Office of Community & Civic Life has undertaken initial steps to build its institutional capacity to serve in a convening and coordinating role for City efforts for the census. This includes:

- Redesigning and re-classifying the Diversity and Civic Leadership neighborhood program coordinator position to become the Civic Engagement program coordinator to work with the neighborhood coalition offices and Diversity and Civic Leadership cohorts to identify citywide projects of importance to community members; proactively connect and coordinate resources to leverage investments; and provide civic engagement training in formats appropriate to youth, adult-learner and multicultural audiences. Contingent upon securing additional administrative support, this position will staff the Census activities as proposed below in addition to existing responsibilities. (Hire date tentatively October 2018.)

- Meeting with and coordinating with other private funders/philanthropy, community partners and the representative from the Census Bureau's Los Angeles Regional Office (serving a six-state region including Oregon) on the role of a Census Complete Count Committee for the region. Conversations with philanthropic entities have identified the need for coordinating private and public investments to leverage and streamline efforts rather than requiring community partners to spend valuable time managing multiple funding processes, and the need to collectively develop a Portland-metro and Oregon statewide workplan in 2019. Conversations with community partners have revealed that the Census is a priority for culturally specific and multicultural groups as well as concerns that investment will be too little, too late as has happened in previous decades. This lack of planning, coordination and early investment ensures that there will be a scrambled effort at the end lacking strategy and collaboration and taxing the already-stretched capacity of community partners.

- Identifying and communicating with City Council and other bureaus regarding their interest in and contributions to ensuring an inclusive and complete Census count. Current outreach includes Community Technology, Equity and Human Rights, Government Relations, Housing, Planning and Sustainability, Transportation, and Water. The Directors of each of these bureaus affirms the need for investment in Census preparedness and are willing to, or have already identified, a point person on their staff to participate in coordinated efforts (increasing in 2019 and 2020). Additional bureau outreach will follow in the coming months.

This request is the first of three phased investments preparing for, undertaking and utilizing the outcome of the 2020 Census (spanning FYs 18-19, 19-20 and 20-21). The Fall BMP request of \$245,192 represents the initial preparation phase, spanning activities from January 1 to June 30, 2019. FY 19-20 and 20-21 requests are to be determined. As referenced above, Civic Life is part of a larger emerging effort with philanthropic funders. This group has begun to discuss the need for an aligned and possibly pooled funding effort for the 2020 Census. The benefits, tradeoffs and levels of need and investments have not yet been determined. A continued investment at the same level of support, at a minimum, is expected to be required in FY 19-20.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_003 - Census 2020 Coordination & Response

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
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**Bureau Description:**

Government and philanthropic efforts are the funding mechanism, but government and philanthropy will not get the job done. Especially in this environment when communities are fearful of and distrust government (at all levels), only trusted community partners will deliver a more accurate count. The strategy to ensure an accurate count is to increase the participation among hard-to-count populations by building the community partnerships and community capacity to 1) segment and connect with hard-to-count populations using existing Civic Life and City bureau networks and infrastructure; 2) identify and bridge gaps within current networks and build new relationships and civic engagement infrastructure within these hard-to-count populations; and 3) identify and engage in the broader regional partnerships required to increase the hard-to-count return (e.g., with the State and Portland Metro complete count committees and philanthropic and civic engagement networks.)

Specifically, Civic Life proposes to invest \$245,192 in the following areas from January 1 – June 30, 2019:

- \$20,000 for a community intermediary organization (identified through a grant process) to assume a multiple-community, multicultural coordinator role focusing on organizations and networks representing and led by hard-to-count communities. Funding would support staffing at minimum of 0.5 FTE; up to 15% corresponding administrative expense; and modest program expenses.

Activities would include but are not limited to: meeting with individual community groups (including but not limited to the eight referenced below); convening these groups to share and train on Census information, timeline and activities; participating in the region's complete count committee(s); researching best practices and facilitating the development of shared communications and coordinated outreach strategies (see also description below); coordinating broader strategies such as educating community members on upcoming enumeration jobs; and documenting lessons learned for the benefit of future census efforts.

- \$200,000 for eight organizations (identified through a grant process) embedded in and led by hard-to-count communities. Activities are similar to those identified above, but for a more specific subset of the population, e.g., within the African immigrant refugee community. These outreach activities would also include the identification of possible barriers to census self-response (such as who is filling out the census at addresses that house multiple renters or unregistered apartments or identifying households without internet access in anticipation of the emphasis on digital participation in 2020) and developing shared strategies across organizations to address these barriers; and development and implementation of interactive education that helps community members return their form (such as "practicing" filling out the census form or emphasizing the importance of counting children.)

The investments would be in three overall categories—staffing, outreach and accommodations—with actual allocation of dollars across categories proposed by applicants. In preliminary discussions, there are a range of possible organizations responses to this level of support. For example, organizations with sufficient positions in organizing roles will add this to an existing position to leverage existing relationships and coordination. In some cases, this will require the addition of temporary staff to support work that would then have to be reassigned to others. Smaller organizations may use this support to formalize their current organizing efforts, e.g., paying existing volunteer community leaders. Again, applicants will decide the most appropriate model and allocation of dollars for their organizational form.

\*\* \$20,000 each to support staffing at minimum of 0.5 FTE; up to 15% corresponding administrative expense; and modest program expenses.

\*\* \$2,500 each to support targeted outreach efforts for community- and language- specific groups (e.g., Bhutanese refugee community within the Asian Pacific Islander community)

\*\* \$2,500 each for program expenses, language interpretation and other accommodation expenses

- \$5,000 for shared communications and collateral development among the intermediary and eight community-specific organizations. As organizations identify barriers, questions and opportunities within specific groups and share them through the meetings coordinated by the intermediary, there is an opportunity to create shared messages that work across groups and to learn which communities need more specific messages unique to their members. Coordinated efforts will allow the groups to learn and strategize together more effectively than working in isolation.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_003 - Census 2020 Coordination & Response

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
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**Bureau Description:**

•\$20,192 for half time assistant program specialist in Civic Life to support current neighborhood coalition and Diversity and Civic Leadership activities. This is required to re-direct a portion of the Civic Engagement program coordinator and Community & Neighborhood Involvement Center program coordinator's efforts to administer and monitor these Census-related investments; integrate Census-related activities and goals into existing neighborhood coalition and Diversity and Civic Leadership workplans; participate in the region's complete count committee(s) including in the development of a collective committee/community workplan and measures of success; document efforts and establish processes to institutionalize this function for the future; and coordinate inter-bureau efforts. Examples of the latter include convening city wide partners to share complete count information and materials; developing census-specific messages and outreach materials for distribution among willing city partners; and regularly updating Council offices on key activities.

x

**CBO Discussion and Recommendation**

CBO recommends the City Council and Civic Life work collaboratively across jurisdictions and nonprofits to create a joint plan to prepare for the Count and identify the required resources and proportionate share to do so. This would ensure success of this project, avoiding piecemeal funding allocations and unidentified expectations of City work. CBO does not recommend this request currently, rather CBO recommends Civic Life work with its Commissioner-in-Charge in preparation of the FY 2019-20 budget development for a possible Directive to Develop, which would provide the City eleven months to prepare.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_004 - Extend PUAH staffing through June 30

|                            | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|----------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>        |                                      |                                    |                                  |
| Personnel Services         | 18,117                               | (18,117)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>  | <b>18,117</b>                        | <b>(18,117)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>            |                                      |                                    |                                  |
| General Fund Discretionary | 18,117                               | (18,117)                           | 0                                |
| <b>TOTAL REVENUES</b>      | <b>18,117</b>                        | <b>(18,117)</b>                    | <b>0</b>                         |
| <b>FTE</b>                 |                                      |                                    |                                  |
| Limited Term Positions     | 0.17                                 | -0.17                              | 0.00                             |
| <b>TOTAL FTE</b>           | <b>0.17</b>                          | <b>-0.17</b>                       | <b>0.00</b>                      |

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_004 - Extend PUAH staffing through June 30

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
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**Bureau Description:**

Portland United Against Hate

Civic Life carried over \$55,000 (\$47,000 for personnel costs) of unexpended PUAH funds from FY17-18 in the Spring BMP. An additional \$39,052 of PUAH one-time funding was added as part of the Mayor's proposed budget (\$35,460 for personnel). Personnel costs are budgeted at \$82,460, total. Expected actual costs of PUAH personnel for FY18-19 is \$100,576.61. This request of \$18,116.61 closes that gap. A funding request for \$203,584 for continuation grants for PUAH community-based organizations is being requested through Special Appropriations. Information about both aspects are included here as context for the community work to be supported through the staffing component.

Funds for PUAH program staff was awarded to Civic Life in FY 17-18. An additional \$350,000 was awarded through Special Appropriations to fund community-based organizations to create and utilize a Hate Incident Tracking Tool to demonstrate proof of concept that people who have been targeted by hate violence are more likely to report hate incidents and seek support if there is a trusted community interface (e.g., rather than reporting to the police or other government entity.) PUAH partners were to use this tool—an online reporting platform—to collect and aggregate hate incident data for increased public awareness and to inform policy leaders and decision-making.

Due to the time required for staff recruitment, grant application and execution process, staffing was not in place until November 2017 and funds were awarded to community partners in February 2018. Subsequently, it was not possible to submit an informed request for funding in the FY 18-19 budgeting process (as proposed budgets were submitted January 2018) and the grants are scheduled to end before the proof of concept is finalized.

After addressing cyber security issues related to the digital platform, the Hate Incident Tracking Tool was released for community testing in August 2018. The tool is a digital platform of three functionally-related parts:

- A secure database for tracking hate activity—launched by, reported to and supported by PUAH-funded community partners—and storing information about available community-based resources.
- A private online dashboard allowing approximately 58-organizational PUAH members (including 13 funded partners) to manage reports and resources stored on the database. .
- A mobile-ready public website for individuals to report hate incidents and find available resources by location, communities served and service type offered by funded and unfunded PUAH partners (for example, safe space, mental health, legal aid) .
- The August release date provides funded partners and the public less than three months to test the system and collect and input data before the current November 1, 2018 grant end date for all grantees acting as points of contact for the system. Final reports will be delivered in October 2018 (for community grants) and December 2018 (for the digital platform). These final reports will inform the submission of any funding request for FY 19-20, as appropriate.

This Fall BMP request is to bridge the gap in staff support between the end of FY 17-18 grants to the end of the FY 18-19 fiscal year to utilize the rapid-response community capacity developed in the previous year in implementing the Hate Incident Tracking Tool. Without gap support, the initial investments in networked community capacity and digital reporting tools will not be realized. Gap support for staffing through Civic Life and, for reference, grants through Special Appropriations, is requested as follows:

- \$18,116.61 to continue the program specialist position through end of FY 18-19. Currently, this position only has a total of \$82,460 allocated of a \$100,576.61 needed, which only funds it through mid-April of 2019.
- \$19,838 to Coalition of Communities of Color to continue to beta test and provide technical support for the community implementation of the Hate Incident Tracking Tool. These funds are for activities from October 1, 2018 to June 30, 2019. This builds upon the FY 17-18 investment of \$35,000 (project period of July 1, 2017 – December 31, 2018) to the Coalition of Communities of Color to develop a customized digital platform for this purpose and to conduct community engagement and analysis on the data. This would support staffing at 0.2 FTE (\$8,250), technical services and database maintenance (\$9,000) and administrative costs (\$2,588).
- \$183,746 for continuing support for 12 organizations to beta test, implement, and support the Hate Incident Tracking Tool from December 1, 2018 through June 30, 2019. This builds upon the initial investment of \$315,000 in FY 17-18 grant funds from July 1, 2017 to Nov 1, 2018 to build and network the capacity of community-specific organizations to deliver resources and responses to incidences of hate activity, including community and media mobilization, provision of supportive and protective services for targeted individuals, trainings for resiliency and intervention, and coordination between community and City bureau responses. The following amounts reflect seven months of support pro-rated from original grant amounts:

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_004 - Extend PUAH staffing through June 30

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
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**Bureau Description:**

- oAfrican Youth Community Organization: \$17,500
- oAs the Spirit Moves Us: \$9,966
- oAsian Pacific American Network of Oregon: \$19,250
- oFair Housing Council of Oregon: \$20,113
- oImmigrant Refugee Community Organization, Africa House: \$10,208
- oLatino Network: \$17,753
- oLewis & Clark Graduate School of Education and Counseling: \$20,416
- oLutheran Community Services Northwest: \$20,416
- oOPAL Environmental Justice Oregon: \$10,208
- oPortland Opportunities Industrialization Center + Rosemary Anderson High School: \$10,208
- oQ Center: \$10,208
- oUnite Oregon: \$17,500

**CBO Discussion and Recommendation**

In FY 2017-18, the City appropriated \$468,235 of one-time General Fund resources to provide grants to a network of culturally specific organizations to serve as central points of contact for the reporting of hate acts (\$350,000 through Special Appropriations) and for a limited term position at Civic Life to coordinate these efforts (\$118,235). At the end of the fiscal year, the bureau carried forward \$55,000 of personnel vacancy savings to support the continuation of the limited term position. As part of this Fall BMP the bureau is seeking to expand the original pilot program through a request for \$203,584 in Special Appropriations and a continuation of the limited term position (\$18,117) within Civic Life.

Civic Life is requesting to extend the limited term position for PUAH from April 2019 to the end of the fiscal year – June 30, 2019.

Last spring, Council approved a request to carryover funds for the limited term position to support the pilot's original workplan through April 2019 to support the presentation to City Council in January 2019 and administer grant close-out beginning in February 2019.

Due to delays launching the Hate Incident Tracking Tool, PUAH will only collect three months of data before the current grant end date in November 2018. This contrasts with bureau updates provided in the Adopted Budget for this fiscal year where it was discussed that all grantees were in early stages of their goals and on track to be successful in their work. Civic Life notes that delays with the project were unforeseen, as the update provided for the Adopted Budget was given in January 2018 and shortly thereafter the project experienced delays.

To the degree that additional time is required to close out the pilot, CBO recommends the bureau fund this position through the end of the fiscal year via general underspending. CBO also notes that the bureau has an allocation of compensation set aside in contingency and available for appropriation in the Spring BMP should they be fully staffed throughout the year and requiring additional staff resources.

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

**Bureau:** Office of Community & Civic Life

**Type:** GF Revenue Carryover

**Request:** NI\_005 - Cannabis Revenue Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 614,372                              | 0                                  | 614,372                          |
| <b>TOTAL EXPENDITURES</b>       | <b>614,372</b>                       | <b>0</b>                           | <b>614,372</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| Fund Transfers - Revenue        | 614,372                              | 0                                  | 614,372                          |
| <b>TOTAL REVENUES</b>           | <b>614,372</b>                       | <b>0</b>                           | <b>614,372</b>                   |

**Bureau Description:**

Excess revenues over program expenses for the Cannabis Program. This revenue will be added to the Cannabis Licensing Fund #228000.

FY 18-19 Cannabis Licensing Expenses: \$939,928.18

FY 18-19 Cannabis Licensing Revenues: \$1,554,300.61

Difference: \$614,372.43

Cannabis licensing received \$1.55 million with \$964,287 budgeted. The Cannabis program is engaging in a fee study to determine how best to reduce fees.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_006 - Filemaker Upgrade for I&R Database

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 20,000  | (20,000)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>20,000</b>                                 | <b>(20,000)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 20,000  | (20,000)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>20,000</b>                                 | <b>(20,000)</b>                             | <b>0</b>                                  |

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_006 - Filemaker Upgrade for I&R Database

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
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**Bureau Description:**

The Filemaker database for the Information & Referral program has undergone minimal upgrades since 2005. To illustrate, the current database is operating on Filemaker Version 5.0. The current version of Filemaker is Version 17.

This is a need that was uncovered and directed by Bureau of Technology Services during our recent Life Cycle Replacement. BTS informed us migration to Windows 10 is required citywide and that Filemaker 5.0 with Windows 10 creates information security exposure. The software was not even released for Windows 7 and recommended for upgrade during the Windows 7 upgrade. BTS requires Civic Life to mitigate the potential security risk by either pursuing an upgrade to a Windows 10 compatible version or identifying another Windows 10 compatible solution. BTS cannot allow the Filemaker 5.0 version after the migration to Windows 10. As a temporary measure, the Information & Referral team will continue to operate under Windows 7 until the migration is complete. The migration must be completed before January 2020, giving Civic Life very limited time for the vendor to upgrade, prepare documentation, and train the impacted users.

This need was not known in during the development and submission of the FY 18-19 budget and so there is no funding in the current budget to cover this cost. There is \$7,602 in the FY 18-19 external materials and services budget which is allocated for headset replacement and repairs for Information & Referral specialists, professional membership dues (e.g. the Alliance of Information and Referral Systems); staff training and certification fees; office supplies and services (e.g., water service on 3rd floor of City Hall where there is no kitchen); ergonomic chairs and keyboard (for an incoming staffperson to be hired Q2); language line translation, and more.

Aligned with the planning efforts of a 3-1-1 integrated customer service function for the City, Civic Life is proposing a measured investment of \$20,000 for this conversion to address the security concerns and address compatibility with Windows 10, implement long-overdue updates to simplify the database for maintenance, and take advantage of efficiencies and performance-enhancing functions in Filemaker 16. A database designed from the ground up would cost well over this amount. Information & Referral will subsequently upgrade the software as new versions are released to prevent this situation in the future.

While the Information & Referral program would most likely be integrated within a 3-1-1 program early in its development, the Information & Referral database would not be sophisticated or robust enough to be utilized by 3-1-1. A key component of the 311 program is the development of a CRM (Customer Relationship Management) system and that would replace the Filemaker database. The Filemaker database is not a CRM but rather a "knowledge base" which is only one component of an actual CRM. The development of a citywide CRM will be part of the recommendation presented to Council by the 311 Project team this Fall, however actual approval of this recommendation and a timeline for implementation is unknown and implementation is at best a couple of years away if approved.

The following essential tasks will be conducted in the upgrade and migration to Filemaker 17. While this upgrade will ultimately be put out to bid for proposals, the assessment of critical elements and cost are based on an assessment from Allen Poole, the Filemaker consultant engaged by Information & Referral since 2005. Mr. Poole's rate is \$130 per hour.

- Re-establish developer-level access to all files.
- Convert all files to FileMaker 16 file format.
- Identify and resolve all issues associated with the file format change.
- Assess performance and functionality in FileMaker 17 in considering current needs and prospects for ongoing use (or replacement) of the system.
- Revise the application architecture to no longer require resources installed on client workstations (aside from the FileMaker Pro client).
- Test the new version.
- Migrate current data into the new version and deploy.
- Consolidate all tables into one file to simplify security, maintenance, and future development.
- Modify the existing automation only as necessary (instead of re-writing the scripted automation to take advantage of modern performance and efficiency resources) to preserve current functionality in the new Windows 10 and FileMaker 17 environment.
- Leave in place most legacy system components remaining after conversion and identify opportunities for the Information & Referral staff to be trained by the consultant to remove these components.

The following items will need to be discussed and addressed during the conversion process:

- We will retain the existing user interface (from the 1990s) and accept its performance limitations and lesser ease of use rather than completely rebuild in Filemaker's current Cascading Style Sheet design space. However, we will take advantage of easy fixes as identified during the project for enhanced usability.
- We will determine whether we need to develop user and administrator documentation and support tools, contingent upon need and budget.
- We will limit and carefully choose the addition of new features.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_006 - Filemaker Upgrade for I&R Database

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

CBO does not recommend this request currently. This request is neither urgent or unforeseen. It is early in the fiscal year and CBO notes that the bureau's average underspending over the past five fiscal years within its external materials and services commitment item is 13% or \$512,222 (before encumbrances and carryovers). Meaning it may be possible for the bureau to fund this internally. This is not an unforeseen need, as BTS has flagged this for the bureau previously. BTS reiterated this need during the summer of 2018 as part of Civic Life's Windows 10 lifecycle upgrade, which led to the delay of implementation. Should the bureau identify a continued need and lack of available underspending, it may request General Fund one-time funds as part of the FY 2018-19 Spring BMP.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_007 - Move PUAH funding to correct cost object

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 0                                    | 0                                  | 0                                |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Additional PUAH funds of \$35,840 were added to the Civic Life budget in the Adopted phase, but weren't put into the PUAH functional area. This request moves those funds to the correct functional area.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** New Request

**Request:** NI\_008 - OMF - Procurement Division Design & Construction

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 2,893   | 203   | 3,096                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>2,893</b>                                  | <b>203</b>                                  | <b>3,096</b>                              |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 2,893   | 203   | 3,096                                     |
| <b>TOTAL REVENUES</b>           | <b>2,893</b>                                  | <b>203</b>                                  | <b>3,096</b>                              |

**Bureau Description:**

Increases interagency with OMF Business Operations to assist with Design and Construction. Refer to the associated request from OMF to see the details and learn of possible savings that could offset this increase in Bureau costs.

**CBO Discussion and Recommendation**

CBO recommends this one-time General Fund subsidy, as this request is unforeseen and impacts many bureaus, but flags for Civic Life that it will need to absorb this change on an ongoing basis within its existing budget beginning in FY 2019-20.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_009 - Communications Staffing Increase

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 33,618  | 0   | 33,618                                    |
| Internal Materials and Services | (33,618)                                      | 0   | (33,618)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>FTE</b>                      |   |   |   |
| Limited Term Positions          | 0.46  | 0.00  | 0.46                                      |
| <b>TOTAL FTE</b>                | <b>0.46</b>                                   | <b>0.00</b>                                 | <b>0.46</b>                               |

**Bureau Description:**

In FY17-18 an IA was created with BDS to support Civic Life communications needs. Due to lack of capacity from that communications team, as positions were still being created, we requested to carry that over into FY18-19. Due to a specific time-sensitive project, in conversation with BDS, we need to move these dollars to cover personnel for a temporary hire we have made. The remaining funds will be paying for the time and efforts expended by the BDS Communications staff.

**CBO Discussion and Recommendation**

Civic Life is requesting a reallocation of \$33,618 from its IA with the Bureau of Development Services (BDS) for communication staffing needs to fund an internal temporary hire that focuses on a time-sensitive code change project updating City Code Chapter 3.96 to better reflect the work of the bureau, recent name change, and set voluntary guidelines that represent best practices as related to the bureau's mission. These proposed changes will be presented to City Council by July 2019.

Civic Life has discussed these changes with BDS and received confirmation that due to the specific needs around Civic Life's code change project, it would be best for Civic Life to reallocate the IA funds to support the temporary hire. CBO recommends this request.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_010 - Re-allocate Rent for EPCO

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Due to the Anderson lawsuit in the water bureau, the rent of \$12 annually paid by East Portland Neighbors to the Water Bureau (as it is a lease on their building) on behalf of the East Portland Community Office is being increased. This re-allocation of funds will help cover the rent increase that begins on January 1, 2019 (of \$805.00mo) until June 30, 2019 for a total of \$4,830.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_011 - Move Flu Shot Expenses Out of Risk

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

This technical move covers the IA with OMF in the amount of \$326 for flu shot expenses.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_012 - Correction of Cannabis Allocation Fund

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>           |                                      |                                    |                                  |
| Charges for Services      | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>     | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Allocation of the Cannabis Fund Contribution to the PIO position (\$13,620) was showing in the General Fund instead of the Cannabis Fund. This Correction zeroes out the Cannabis budget in the General Fund.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_013 - Allocate DCTU Additional Costs

|                            | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|----------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>        |                                      |                                    |                                  |
| Personnel Services         | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>  | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>REVENUES</b>            |                                      |                                    |                                  |
| General Fund Discretionary | 0                                    | 0                                  | 0                                |
| General Fund Overhead      | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>      | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Late in the budget process, Civic Life was awarded \$35,337 for "additional DCTU costs". These costs are related to the new DCTU contract and were not included in the requested budget. This request allocates the budget for these changes to the appropriate cost centers based on the costs of DCTU employees in each program.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Community & Civic Life

**Type:** Technical Adjustment

**Request:** NI\_014 - EPAP Personnel Changes

|                           | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>       |                                      |                                    |                                  |
| Personnel Services        | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b> | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |
| <b>FTE</b>                |                                      |                                    |                                  |
| Part-Time Positions       | 0.12                                 | 0.00                               | 0.12                             |
| <b>TOTAL FTE</b>          | <b>0.12</b>                          | <b>0.00</b>                        | <b>0.12</b>                      |

**Bureau Description:**

Per request of the East Portland Action Plan Operations Committee, we are requesting budget authority to convert the current 1.0 FTE Program Coordinator Position which is in a 50/50 job share model to two positions. Maintain a Program Coordinator at 0.6 FTE and add a new Program Specialist at 0.6 FTE. The Operations Committee believes that this new model will help staff up the work more sufficiently than the current model.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Office of Equity & Human Rights

**Type:** Encumbrance Carryover Request

**Request:** OE\_001 - OEHR Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 38,826                               | (8,425)                            | 30,401                           |
| <b>TOTAL EXPENDITURES</b>       | <b>38,826</b>                        | <b>(8,425)</b>                     | <b>30,401</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 38,826                               | (8,425)                            | 30,401                           |
| <b>TOTAL REVENUES</b>           | <b>38,826</b>                        | <b>(8,425)</b>                     | <b>30,401</b>                    |

**Bureau Description:**

Carryover of four encumbered contracts, two (\$33,215) related to the strategic planning process currently underway.

**CBO Discussion and Recommendation**

CBO recommends these requests with the exception of \$8,425 in General Fund encumbrance carryover for a contract originally procured in FY 2016-17 to assist with part of the strategic planning process. The bureau no longer intends to utilize additional services from this vendor.

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

**Bureau:** Office of Equity & Human Rights

**Type:** Technical Adjustment

**Request:** OE\_002 - OEHR Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Internal Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Risk management charges.

**CBO Discussion and Recommendation**

Recommended as requested. As a result of the recent reorganization within OMF, the Occupational Health Program that was previously managed by the Risk Management Division have been relocated to the Bureau of Human Resources (BHR). This program includes the City's occupational nurse and the flu shot program. Consistent with these organizational changes, it was also decided that accounting costs of flu shots within BHR's Health Fund will provide better reporting for overall vaccine compliance. This proposed change moves the interagency agreement from the Risk Management Division cost center to the Bureau of Human Resources' Health Fund.

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

**Bureau:** Commissioner of Public Affairs

**Type:** Technical Adjustment

**Request:** PA\_001 - Gateway Center- OCC Health move to BHR

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The City's Occupational Health program, including the flu shot program, moves from Risk Management to the Bureau of Human Resources. This request moves \$20 from Risk Management IA to BHR for the Gateway District.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Commissioner of Public Affairs

**Type:** Technical Adjustment

**Request:** PA\_002 - CPA Office-Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This requests moves the interagency for Occupational Health out of the Risk Fund and into the Health Fund.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Commissioner of Public Affairs

**Type:** Technical Adjustment

**Request:** PA\_003 - Children's Levy IA change

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

Request moves flu shot budget from Risk to HR per OMF instructions

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Commissioner of Public Affairs

**Type:** Technical Adjustment

**Request:** PA\_004 - Children's Levy PA reductions

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | (423,116)                            | 0                                  | (423,116)                        |
| External Materials and Services | (14,301,329)                         | 0                                  | (14,301,329)                     |
| Internal Materials and Services | (40,401)                             | 0                                  | (40,401)                         |
| Fund Transfers - Expense        | (16,668)                             | 0                                  | (16,668)                         |
| Contingency                     | (8,299,797)                          | 0                                  | (8,299,797)                      |
| <b>TOTAL EXPENDITURES</b>       | <b>(23,081,311)</b>                  | <b>0</b>                           | <b>(23,081,311)</b>              |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | (7,375,000)                          | 0                                  | (7,375,000)                      |
| Taxes                           | (15,706,311)                         | 0                                  | (15,706,311)                     |
| <b>TOTAL REVENUES</b>           | <b>(23,081,311)</b>                  | <b>0</b>                           | <b>(23,081,311)</b>              |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Full-Time Positions             | -5.00                                | 0.00                               | -5.00                            |
| <b>TOTAL FTE</b>                | <b>-5.00</b>                         | <b>0.00</b>                        | <b>-5.00</b>                     |

**Bureau Description:**

This request is to reduce budgets in the PACO (Public Affairs Commissioner Office) as part of the process of creating the Portland Children's Levy as an independent bureau.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** Technical Adjustment

**Request:** PK\_001 - Fall - Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | (232,252)                            | 0                                  | (232,252)                        |
| External Materials and Services | 2,871,845                            | 0                                  | 2,871,845                        |
| Internal Materials and Services | (1,904,645)                          | 0                                  | (1,904,645)                      |
| Capital Outlay                  | 1,149,693                            | 0                                  | 1,149,693                        |
| Contingency                     | 1,473,065                            | 0                                  | 1,473,065                        |
| <b>TOTAL EXPENDITURES</b>       | <b>3,357,706</b>                     | <b>0</b>                           | <b>3,357,706</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 3,818,511                            | 0                                  | 3,818,511                        |
| Charges for Services            | (807,911)                            | 0                                  | (807,911)                        |
| Interagency Revenue             | 107,606                              | 0                                  | 107,606                          |
| Fund Transfers - Revenue        | 0                                    | 0                                  | 0                                |
| Bond and Note                   | 0                                    | 0                                  | 0                                |
| Miscellaneous                   | 239,500                              | 0                                  | 239,500                          |
| General Fund Discretionary      | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>3,357,706</b>                     | <b>0</b>                           | <b>3,357,706</b>                 |

**Bureau Description:**

Technical adjustments between major object categories, cost centers, and/or commitment items that do not impact fund size or contingency. These adjustments include expense reductions within Recreation Services to address some of the identified risk related to potentially unachievable revenue targets. Recreation Services and Customer Service Center have identified initiatives to increase revenue and reduce expenditures to ensure budget accountability and the bureau will continue to monitor budget closely throughout the year to track success of planned activities.

An ongoing 1 FTE position is created within and funded by the System Development Charges Program to maintain the processing services provided through limited term staffing that will remain an ongoing requirement

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** Encumbrance Carryover Request

**Request:** PK\_002 - Fall - Encumbrance Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 572,764                                       | 0   | 572,764                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>572,764</b>                                | <b>0</b>                                    | <b>572,764</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 572,764                                       | 0   | 572,764                                   |
| <b>TOTAL REVENUES</b>           | <b>572,764</b>                                | <b>0</b>                                    | <b>572,764</b>                            |

**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 2017/18, PP&R was underspent by \$703,765, and contained \$1,047,788 in eligible encumbrances. PK\_012 would reduce the underspending to carry forward one-time projects \$131,000 and reducing the available underspending to the \$572,764 requested for carry forward in this package.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** Technical Adjustment

**Request:** PK\_003 - Fall - Beginning Fund Balance Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | (1,045,532)                          | 0                                  | (1,045,532)                      |
| Contingency                     | 8,420,591                            | 0                                  | 8,420,591                        |
| <b>TOTAL EXPENDITURES</b>       | <b>7,375,059</b>                     | <b>0</b>                           | <b>7,375,059</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 7,375,059                            | 0                                  | 7,375,059                        |
| <b>TOTAL REVENUES</b>           | <b>7,375,059</b>                     | <b>0</b>                           | <b>7,375,059</b>                 |

**Bureau Description:**

This package is to adjust the beginning fund balances for PP&R funds to align with the CAFR.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** Technical Adjustment

**Request:** PK\_004 - Fall - Position Changes - Realignment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 128,548                                       | 0   | 128,548                                   |
| External Materials and Services | (41,121)                                      | 0   | (41,121)                                  |
| Contingency                     | (87,427)                                      | 0   | (87,427)                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This package does not add or convert positions. It moves positions between cost centers. These adjustments reallocate costs to appropriate fund centers, which better reflect the organizational structure and operations of the bureau.

**CBO Discussion and Recommendation**

The FY 2018-19 Fall Supplemental budget includes one request for internal adjustments for positions which will have no impact on General Fund discretionary appropriations. Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_005 - Fall - New Revenue

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 2,808,986                                     | 0   | 2,808,986                                 |
| External Materials and Services | 16,222,500                                    | 0   | 16,222,500                                |
| Internal Materials and Services | 2,060,000                                     | 0   | 2,060,000                                 |
| Capital Outlay                  | 18,119,500                                    | 0   | 18,119,500                                |
| Bond Expenses                   | 1,882,837                                     | 0   | 1,882,837                                 |
| Fund Transfers - Expense        | 47,000  | 0   | 47,000                                    |
| Contingency                     | <b>(28,536,313)</b>                           | 0   | <b>(28,536,313)</b>                       |
| <b>TOTAL EXPENDITURES</b>       | <b>12,604,510</b>                             | <b>0</b>                                    | <b>12,604,510</b>                         |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 1,882,837                                     | 0   | 1,882,837                                 |
| Intergovernmental Revenues      | 6,918,986                                     | 0   | 6,918,986                                 |
| Fund Transfers - Revenue        | 47,000  | 0   | 47,000                                    |
| Bond and Note                   | 3,572,850                                     | 0   | 3,572,850                                 |
| Miscellaneous                   | 182,837                                       | 0   | 182,837                                   |
| General Fund Discretionary      | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>12,604,510</b>                             | <b>0</b>                                    | <b>12,604,510</b>                         |

**Bureau Description:**

This package recognizes changes in fund size due to new revenues or adjusted revenue projections.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** Technical Adjustment

**Request:** PK\_006 - Fall - Reallocate One-Time General Fund

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 0   | 0   | 0   |
| Internal Materials and Services | 0   | 0   | 0   |
| Capital Outlay                  | 189,882                                       | 0   | 189,882                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>189,882</b>                                | <b>0</b>                                    | <b>189,882</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 189,882                                       | 0   | 189,882                                   |
| General Fund Discretionary      | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>189,882</b>                                | <b>0</b>                                    | <b>189,882</b>                            |

**Bureau Description:**

This package is to reallocate one-time General Fund discretionary resources in the amount of \$189,882 from the Mt. Scott Community Center Roof Repair project to the Mt. Tabor Yard Shop Replacement project.

The Mt. Scott Community Center Roof was previously funded with one-time General Fund discretionary resources in the FY 2016-17 Adopted Budget. This project will continue with funding from the Build Portland bond program. Reallocated resources for the Mt. Tabor Yard Shop project will go toward project elements including those resulting from Land Use requirements.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_007 - Fall - PEN 1 Drainage Master Plan

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 75,000  | (75,000)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>75,000</b>                                 | <b>(75,000)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 75,000  | (75,000)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>75,000</b>                                 | <b>(75,000)</b>                             | <b>0</b>                                  |

**Bureau Description:**

One-time GF Partnering with BES this study provides analysis and opportunities to manage water in Peninsula Drainage District 1. (Note – BES funding \$75,000 for a total of \$150,000.)

**CBO Discussion and Recommendation**

Given that this request does not meet the standards for urgent and unforeseen requests and the potential availability of resources in the Golf Fund and Portland International Raceway fund, CBO does not recommend this request.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_008 - Fall - Interstate Firehouse Cultural Center

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 50,000  | (50,000)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>50,000</b>                                 | <b>(50,000)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 50,000  | (50,000)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>50,000</b>                                 | <b>(50,000)</b>                             | <b>0</b>                                  |

**Bureau Description:**

One-time GF to continue the community engagement process regarding IFCC and provide staff/resource to keep the building available for community use.

**CBO Discussion and Recommendation**

In addition to concerns about the major maintenance needs, CBO also notes that this request is not urgent or unforeseen, and so does not recommend funding.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_009 - Fall - Native American Technical Assistance

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 20,000  | (20,000)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>20,000</b>                                 | <b>(20,000)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 20,000  | (20,000)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>20,000</b>                                 | <b>(20,000)</b>                             | <b>0</b>                                  |

**Bureau Description:**

Native American Technical Assistance to provide culturally responsive services. PP&R is seeking to contract with a respected Native elder and internationally recognized practitioner to advise the bureau on how to strengthen the relationship with the Native community.

**CBO Discussion and Recommendation**

Due to the relatively low amount of the request and importance of this work, CBO does not recommend new funding but that current resources are reallocated to fund the most critical pieces of this work.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_010 - Fall - Technology Upgrades CCTV and T1

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 60,000  | (60,000)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>60,000</b>                                 | <b>(60,000)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 60,000  | (60,000)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>60,000</b>                                 | <b>(60,000)</b>                             | <b>0</b>                                  |

**Bureau Description:**

Parks technology is recommending the upgrade of all Parks T-1 sites be upgraded to T-5 networks. Current T-1 sites that take payment through credit card machine have frequent failures in both processing credit card payments and in all network-access functions. Additional storage capacity for CCTV cameras to address safety issues.

**CBO Discussion and Recommendation**

Upkeep of community centers should not be funded by a one-time investment. Funding these technology upgrades should be prioritized and built into the bureau's base budget on an ongoing basis. CBO does not recommend this request.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_011 - Fall - Procurement Reorganization

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 214,707                                       | 15,088                                      | 229,795                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>214,707</b>                                | <b>15,088</b>                               | <b>229,795</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 214,707                                       | 15,088                                      | 229,795                                   |
| <b>TOTAL REVENUES</b>           | <b>214,707</b>                                | <b>15,088</b>                               | <b>229,795</b>                            |

**Bureau Description:**

The objective of this Interagency Agreement (IA) is to establish Service Level Agreements (SLA) between Procurement Services and Customer(Parks) and ensure that both parties understand and agree how the services will be performed and the responsibilities and expectations of each party. Due to the financial impact this IA presents to Parks we are requesting GF to subsidize this agreement.

Although PP&R generally supports changes to improve services on design and construction contracting, it is not clear whether the proposal will improve or maintain services or how it would be prioritized against other competing bureau priorities for General Fund resources. PP&R capital projects are proceeding as originally budgeted and to absorb additional expense for this change in billing would be problematic for all budgeted projects. Moving forward, it is not clear the long-term impact for projects as this change will also further increase the administrative costs associated with capital projects and further strain the available funds for major maintenance projects. The short timeline for this change has not provided sufficient time for the bureau to fully evaluate the short and long-term impacts. However, it is clear that PP&R does not have the capacity in existing capital program budgets to absorb the new expense requested this fiscal year (or over \$500,000 in subsequent years) without the General Fund being reallocated to cover this unplanned expense.

**CBO Discussion and Recommendation**

CBO recommends the requested resources be used to fund currently budgeted projects that are funded with General Fund and bond resources. CBO does not recommend using the requested funds for the portion of interagency agreement costs that support system development charge (SDC) funded projects.

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

**Bureau:** Portland Parks & Recreation

**Type:** New Request

**Request:** PK\_012 - Fall - Program Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 31,000  | 0   | 31,000                                    |
| External Materials and Services | 100,000                                       | 0   | 100,000                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>131,000</b>                                | <b>0</b>                                    | <b>131,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 131,000                                       | 0   | 131,000                                   |
| <b>TOTAL REVENUES</b>           | <b>131,000</b>                                | <b>0</b>                                    | <b>131,000</b>                            |

**Bureau Description:**

Council provided one-time funds in FY 2017-18 to convene a Street Tree Task Force to bring options for city maintenance of street trees to Council for consideration. Work will start in FY 2018-19 so funds need to be carried forward for the work to proceed as approved. Council provided one-time funds in FY 2017-18 for summer casual labor to cover increase in Ranger services at Director Park based on workload needs. This carries forward the amount that was not spent in the prior year to maintain these services as approved.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Parks & Recreation

**Type:** Capital Set-Aside Request

**Request:** PK\_013 - Fall - PP&R Capital Set Aside Request

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Capital Outlay            | 23,000,000                                    | (23,000,000)                                | 0   |
| <b>TOTAL EXPENDITURES</b> | <b>23,000,000</b>                             | <b>(23,000,000)</b>                         | <b>0</b>                                  |
| <b>REVENUES</b>           |   |   |   |
| Fund Transfers - Revenue  | 23,000,000                                    | (23,000,000)                                | 0   |
| <b>TOTAL REVENUES</b>     | <b>23,000,000</b>                             | <b>(23,000,000)</b>                         | <b>0</b>                                  |

**Bureau Description:**

Parks bureau assets have a deferred maintenance backlog of over \$430 million, resulting in risks to the public where there is deterioration and possible asset failure. This risk manifests itself in higher maintenance costs associated with the daily dispatches of maintenance staff from emergency to emergency, possibly closing or securing closed assets. The generous support of Portland voters in passing the 2014 Replacement Bond, along with Council's support in funding previous one-time capital maintenance requests, is noticeably reducing some risks, but the accumulated need overwhelms PP&R's available resources. Limited ongoing major maintenance funding must be expended on recurring major maintenance projects such as re-plastering pool shells and emergency response such as landslides and outages to prevent further deterioration of the asset portfolio and loss of service. The 5 projects listed below represent the highest known risks in our asset portfolio. Absent project funding, maintenance costs will continue to increase, and service levels may be reduced.

Pittock Mansion Road Stabilization \$5,000,000

O'Bryant Square \$9,000,000

Forest Park Critical Infrastructure Repairs for Fire Access \$2,500,000

Peninsula Community Center Roof \$2,500,000

ADA Transition Plan Priority Capital Projects \$4,000,000

**CBO Discussion and Recommendation**

CBO does not recommend this request.

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

**Bureau:** Portland Police Bureau

**Type:** Technical Adjustment

**Request:** PL\_001 - MDC Replacement Reserves

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 2,500,000                                     | 0   | 2,500,000                                 |
| Fund Transfers - Expense        | 247,020                                       | 0   | 247,020                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>2,747,020</b>                              | <b>0</b>                                    | <b>2,747,020</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Fund Transfers - Revenue        | 0   | 0   | 0   |
| General Fund Discretionary      | 2,747,020                                     | 0   | 2,747,020                                 |
| <b>TOTAL REVENUES</b>           | <b>2,747,020</b>                              | <b>0</b>                                    | <b>2,747,020</b>                          |

**Bureau Description:**

This is a request to re-establish cash transfers of \$2.7 million for the bureau's mobile data computer replacement project. The resource is a combination of \$2.5 million in replacement reserves from the Technology Fund and the remainder from the Police Special Revenue Fund. The project is underway and all of the MDCs are scheduled to be replaced by the third quarter of FY 2018-19.

**CBO Discussion and Recommendation**

Recommended as requested.

This request is to reestablish previously-approved funding for the replacement of Mobile Data Computers (MDC) in police vehicles at a cost of \$2.7 million. MDCs, which are installed in most police vehicles and are an essential tool in policing, provide officers with mobile access to dispatched calls for service data, access to law enforcement databases, and report writing and communication tools. The MDCs currently in police vehicles are at the end of their useful life.

Council authorized the use of \$1.1 million in funds from the BTS Public Safety Technology reserves for this project as part of FY 2018-19 budget development. Other project resources included \$1.4 million in available life-cycle replacement reserves with BTS and \$0.251 million in resources from the Police Special Reserve Fund.

The MDC replacement project was to be fully funded, via cash transfers from BTS and the Police Special Revenue fund to the General Fund, as part of FY 2018-19 budget development. However, the Police Bureau determined that funds would be needed during FY 2017-18, and as a result the project was removed from the FY 2018-19 budget development process and budgeted as part of the FY 2017-18 Spring BMP. Ultimately, the bureau did not establish a contract for this work during FY 2017-18, and the available resources fell to balance. This Fall BMP action re-establishes the cash transfers from BTS and Police Special Reserve Fund into the General Fund, and allocates these cash transfers as \$2.7 million in General Fund one-time resources in the Police Bureau. The MDC replacement project is expected to be complete by the 3rd quarter of FY 2018-19.

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

**Bureau:** Portland Police Bureau

**Type:** Encumbrance Carryover Request

**Request:** PL\_002 - GF Encumbrance Carryover

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 2,855,521                            | (168,892)                          | 2,686,629                        |
| Capital Outlay                  | 38,583                               | 0                                  | 38,583                           |
| <b>TOTAL EXPENDITURES</b>       | <b>2,894,104</b>                     | <b>(168,892)</b>                   | <b>2,725,212</b>                 |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 2,894,104                            | (168,892)                          | 2,725,212                        |
| <b>TOTAL REVENUES</b>           | <b>2,894,104</b>                     | <b>(168,892)</b>                   | <b>2,725,212</b>                 |

**Bureau Description:**

The bureau requests a General Fund encumbrance carryover total of \$2.9 million for purchases that were initiated but receipts not completed within FY 2018-19.

**CBO Discussion and Recommendation**

Partially recommended.

The Police Bureau is requesting encumbrance carryover of \$2.9 million. CBO typically recommends encumbrance carryovers for one-time costs where goods or services were ordered but not be received by the end of fiscal year and when there is sufficient General Fund underspending to cover the costs in the next fiscal year. However, CBO does not typically recommend encumbrance carryover requests for purchases that are annual in nature, or for purchase orders that remain open but for which the bureau does not intend to have goods or services delivered.

In analyzing the Police Bureau's request for encumbrance carryover, it became clear that the \$2.9 million request included a subset of purchase orders that were 1) established prior to FY 2017-18, and 2) did not report any goods receipts or invoice activity during FY 2017-18. After confirming with the Police bureau that encumbrance carryover is not warranted for several of these requests, CBO recommends reducing the encumbrance carryover amount by \$168,892. The remainder of the request, \$2.73 million, is recommended for carryover.

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

**Bureau:** Portland Police Bureau

**Type:** Technical Adjustment

**Request:** PL\_003 - PPCOA Program Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 9,567   | 0   | 9,567                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>9,567</b>                                  | <b>0</b>                                    | <b>9,567</b>                              |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 9,567   | 0   | 9,567                                     |
| <b>TOTAL REVENUES</b>           | <b>9,567</b>                                  | <b>0</b>                                    | <b>9,567</b>                              |

**Bureau Description:**

The 2015-2018 Collective Bargaining Agreement with the Portland Police Commanding Officers Association includes a requirement that the City fund member professional development with appropriation of \$30,000 per year, and funds from this account not expended in a budget year shall be added to the next budget year's appropriation. The bureau requests carryover appropriation of the unexpended total of \$9,567 from its June 30, 2018 ending balance for this purpose.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Police Bureau

**Type:** Program Carryover Request

**Request:** PL\_004 - Beginning Balance Reconciliation

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 755,109                                       | 0   | 755,109                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>755,109</b>                                | <b>0</b>                                    | <b>755,109</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 758,109                                       | 0   | 758,109                                   |
| Miscellaneous                   | (3,000)                                       | 0   | (3,000)                                   |
| <b>TOTAL REVENUES</b>           | <b>755,109</b>                                | <b>0</b>                                    | <b>755,109</b>                            |

**Bureau Description:**

The budgeted beginning balances of the various sub-funds of the Police Special Revenue Fund require true-ups to match the actual ending balances for FY 2017-18. Within Fund 222000 the adjustment is an increase of \$192,883. The adjustment to the beginning balances of sub-funds 222001 through 222006 total an increase of \$565,226. Updates to budgeted interest on investment and donation revenue net to a reduction of \$3,000.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Police Bureau

**Type:** Technical Adjustment

**Request:** PL\_005 - PPB Fall Tech Adjust

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 282,962                                       | 0   | 282,962                                   |
| External Materials and Services | (340,634)                                     | 0   | (340,634)                                 |
| Internal Materials and Services | 6,106   | 0   | 6,106                                     |
| Capital Outlay                  | 51,566  | 0   | 51,566                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This bureau has also included a set of technical adjustments to true-up appropriations across major object categories within the Recreational Cannabis Fund to eliminate those that were inadvertently left as negative appropriations in the Adopted Budget.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Portland Police Bureau

**Type:** New Request

**Request:** PL\_006 - Non-discretionary Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 1,666,638                                     | <b>(1,666,638)</b>                          | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>1,666,638</b>                              | <b>(1,666,638)</b>                          | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 1,666,638                                     | <b>(1,666,638)</b>                          | 0   |
| <b>TOTAL REVENUES</b>           | <b>1,666,638</b>                              | <b>(1,666,638)</b>                          | <b>0</b>                                  |

**Bureau Description:**

The total of bureau-generated General Fund program revenue for FY 2017-18 was \$13,349,556, exceeding the associated program expense by 14.3%, an excess of \$1,666,638. This carryover request to retain excess bureau-generated revenue is made in accordance with Binding City Policy - Financial Management FIN-2.06 - Revenue.

**CBO Discussion and Recommendation**

Not recommended as requested.

'Non-discretionary General Fund revenue' is generated when bureaus or programs collect revenue in the General Fund, defined as licenses and permits, fines, fees, intergovernmental, and specific program revenues (miscellaneous sales). In the case that individual programs earn revenues greater than program expenses, bureaus can request carryover of the excess revenue. City financial policy (FIN-2.06) and the Budget Monitoring Process Manual (BMP) both provide guidance around this type of request, including the following parameters:

- Revenues collected in excess of program expenditures can be requested for carryover, but any request should be accompanied by an analysis of fully-loaded programmatic expenditures, identifying the specific budget structures that had revenues greater than expenses.
- Excess program revenue is to be used to support the same program or function that generated the revenue, and bureaus should provide detailed form entry to allocate the carried over revenues for these specific program purposes.

The Police Bureau has several programs and functions that generate non-discretionary revenue, including charges for reimbursable overtime, fees and fines generated by the Alarms Unit, and revenue from the Photo Radar program. The bureau is requesting \$1.67 million in non-discretionary revenue carryover, but this request does not meet the parameters outlined in financial policy and the BMP manual. The specific reasons this request does not meet the parameters for this type of request are as follows:

- The bureau developed the \$1.67 million figure by calculating the amount of non-discretionary revenue generated that is in excess of budgeted revenue, not revenue generated in excess of program expenditures. Program revenue that is in excess of budget is not a relevant data point when calculating excess program revenues, especially in the Police Bureau where revenue-generating programs/functions are heavily supported with General Fund Discretionary resources.
- It has not been determined whether any Police programs had excess revenues, as the bureau did not provide information showing that the revenue generated by certain programs/functions was greater than the fully loaded program costs. For some programs, like Alarms and Photo Radar, the total costs to run the program have not been calculated and fully loaded program expenditures are unknown. For other functions where total program/function costs are better defined, such as reimbursable overtime, the function may not achieve cost recovery when fully loaded costs are considered (i.e. police vehicle depreciation).
- The bureau requested the carryover of this revenue for general purposes, to be applied as needed by the Police Bureau. Even if the bureau had calculated revenue in excess of expenditures rather than revenue in excess of budgeted revenue, there is no intent to re-appropriate these funds specifically for the programs/functions that generated them.

The program revenue generated by the Police Bureau is either restricted for a specific use (i.e. paying the costs associated with reimbursed overtime), or is not restricted and can be expended for general police needs at bureau managers' discretion (i.e. Alarm and Photo Radar revenues). When calculating bureau underspending each fiscal year, General Fund Discretionary resources are the 'last' resource that are spent against. In reality, the Police Bureau's higher-than-budgeted program revenues in the Alarms and Photo Radar programs have already been spent against, and provided the bureau with additional budgetary flexibility in managing the bureau's total General Fund Discretionary spending.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** Technical Adjustment

**Request:** PN\_001 - Grants Technical Adjustments

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 76,013                               | 0                                  | 76,013                           |
| External Materials and Services | 274,438                              | 0                                  | 274,438                          |
| Internal Materials and Services | 85,720                               | 0                                  | 85,720                           |
| <b>TOTAL EXPENDITURES</b>       | <b>436,171</b>                       | <b>0</b>                           | <b>436,171</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Intergovernmental Revenues      | 436,171                              | 0                                  | 436,171                          |
| <b>TOTAL REVENUES</b>           | <b>436,171</b>                       | <b>0</b>                           | <b>436,171</b>                   |

**Bureau Description:**

Technical adjustments to true-up grant expenses for all grants including PN-60, PN-61, PN-62, PN-68, PN-70, PN-71, PN-72, PN-73, PN-74, PN-76, PN-77, PN-78, SD08 and SD14

**CBO Discussion and Recommendation**

Recommend as requested. Most of these are multi-year grant carryovers. Adjustments are being made to SD08 as there is less cash on hand than BPS believed available. The bureau is offsetting this with an increase in SD14. PN-76, PN-77, and PN-78 are new grants and funds have not been appropriated yet.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** New Request

**Request:** PN\_002 - Inter-Agency Agreements

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 357,194                              | 0                                  | 357,194                          |
| External Materials and Services | 0                                    | 0                                  | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>357,194</b>                       | <b>0</b>                           | <b>357,194</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 357,194                              | 0                                  | 357,194                          |
| <b>TOTAL REVENUES</b>           | <b>357,194</b>                       | <b>0</b>                           | <b>357,194</b>                   |
| <b>FTE</b>                      |                                      |                                    |                                  |
| Limited Term Positions          | 1.00                                 | 0.75                               | 1.75                             |
| Part-Time Positions             | 0.75                                 | -0.75                              | 0.00                             |
| <b>TOTAL FTE</b>                | <b>1.75</b>                          | <b>0.00</b>                        | <b>1.75</b>                      |

**Bureau Description:**

IAA with PBOT for Streetcar System Extension: \$77,000 IAA from PBOT to BPS for Streetcar System Extension, which BPS helps the project team on land use policy, employment and housing impacts, equity analysis and community involvement.

IAA with OMF and BES for Floodplain Management Update funded the following new positions:

- 0.75 FTE GIS Technician II funded by OMF special appropriations for \$26,491 and by BES for \$50,000. GIS analyses to determine the impact of existing and proposed regulations on natural floodplain function and storage and floodplain habitat; creates new maps as needed and correct existing GIS layers.
- 1 FTE City Planner II-Environmental funded by OMF special appropriations for \$143,067. City Planner II conducts review to identify river-dependent and river-related development along the Willamette River, and analyses Portland regulations and development to support the work of FMUP.

City's Title 13 Specified Animals Code: Special Appropriation of \$60,636 from OMF to BPS for Title 13 Specified Animals code, which involves a customer helpline, issuing permits and enforcement activities.

**CBO Discussion and Recommendation**

Recommend as requested.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** Encumbrance Carryover Request

**Request:** PN\_003 - Encumbrance Carryover\_GF

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 0                                    | 0                                  | 0                                |
| External Materials and Services | 10,942                               | (10,942)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>10,942</b>                        | <b>(10,942)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| General Fund Discretionary      | 10,942                               | (10,942)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>10,942</b>                        | <b>(10,942)</b>                    | <b>0</b>                         |

**Bureau Description:**

Request encumbrance carryover from the General Fund to pay for contracts committed in 2017-18, \$10,942.

**CBO Discussion and Recommendation**

Not recommended. Based on the information provided to CBO, the open purchase order with Flowing Solutions LLC, for which the bureau has requested to carryover \$10,942 in General Fund resources, appears to be part of the bureau's FY 2018-19 work plan and, therefore, should be funded by current year resources. This request is for consultant services related to the development of new Central City Fundamental Design Guidelines. The update of these guidelines is an approximately 18-month project that is about to begin. This project is an implementation of the new Central City 2035 plan approved by City Council in FY 2017-18.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** Encumbrance Carryover Request

**Request:** PN\_004 - Encumbrance Carryover\_SWMF

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 364,000                              | 0                                  | 364,000                          |
| <b>TOTAL EXPENDITURES</b>       | <b>364,000</b>                       | <b>0</b>                           | <b>364,000</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Budgeted Beginning Fund Balance | 364,000                              | 0                                  | 364,000                          |
| Interagency Revenue             | 0                                    | 0                                  | 0                                |
| <b>TOTAL REVENUES</b>           | <b>364,000</b>                       | <b>0</b>                           | <b>364,000</b>                   |

**Bureau Description:**

- Request encumbrance carryover from the Solid Waste Management Fund to pay for contracts committed in 2017-18, total \$364,000.
- Daisy Cloud Contract No. 31001189, DPO No. 22235630, \$11,500
  - Community Energy Project Contract No. 31001191, DPO No. 22229774, \$15,000
  - Public Trash Cans Expansion, Spring BuMP program carryover approved by City Council, \$337,500

**CBO Discussion and Recommendation**

Recommend as requested.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** Program Carryover Request

**Request:** PN\_005 - Misc. Revenue

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 0   | 0   | 0   |
| External Materials and Services | 21,500  | 0   | 21,500                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>21,500</b>                                 | <b>0</b>                                    | <b>21,500</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 21,500  | 0   | 21,500                                    |
| Interagency Revenue             | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>21,500</b>                                 | <b>0</b>                                    | <b>21,500</b>                             |

**Bureau Description:**

Request misc. revenue carryover from the Solid Waste Management Fund to continue work.

- Fix-It Fair sponsorship received from Energy Trust of Oregon in FY 2017-18 to be expensed in 2018-19, \$1,500.
- Recycling Rebates received from garbage haulers from past years to be expensed by bureaus, \$20,000.

**CBO Discussion and Recommendation**

Recommend as requested. The \$20,000 in recycling rebate revenues requested for carryover are from prior years to be used for current year. This is a request BPS submits every year in the Fall Supplemental Budget until the funds are expensed.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** Technical Adjustment

**Request:** PN\_006 - reallocate budget to appropriate programs

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | (65,000)                                      | 0   | (65,000)                                  |
| External Materials and Services | 64,915  | 0   | 64,915                                    |
| Internal Materials and Services | (999,915)                                     | 0   | (999,915)                                 |
| Fund Transfers - Expense        | 1,000,000                                     | 0   | 1,000,000                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

Request technical adjustments to reallocate budget to appropriate programs and GL expenses.

- Reallocate budget to a newly created functional area “public trash cans”, \$1,115,000.
- Reallocate funding for the HUCIRP program from IAA to Cash Transfer between Facilities and BPS, \$1,000,000.
- Transfer salary savings from delays in hiring a Graphic Designer II position and use to hire contractors instead, \$65,000.
- Reallocate Occupational Health and Flu shot budget from Risk to BHR, \$574.
- Increase DCTU professional development by \$85.

**CBO Discussion and Recommendation**

Recommend as requested.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** New Request

**Request:** PN\_007 - \$188,000 One-Time Request for DOZA Project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| Personnel Services              | 70,000                               | (70,000)                           | 0                                |
| External Materials and Services | 118,000                              | (118,000)                          | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>188,000</b>                       | <b>(188,000)</b>                   | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 188,000                              | (188,000)                          | 0                                |
| <b>TOTAL REVENUES</b>           | <b>188,000</b>                       | <b>(188,000)</b>                   | <b>0</b>                         |

**Bureau Description:**

Total \$188,000 one-time request to complete DOZA project

- \$118,000 is to develop schematic designs to test staff's proposals which occurs in FY18-19 and being performed under an already signed contract with DECA Architects. Funding from GF is needed because the original source of funding - an IA w/ BDS - is no longer available due to permit fee shortfalls.

- \$70,000 is needed to continue a currently filled Planning Assistant position we have working on DOZA. Funding from GF is needed because the original source of funding - an IA w/ BDS - is no longer available due to permit fee shortfalls.

**CBO Discussion and Recommendation**

Not recommended. The DOZA project is funded by an interagency agreement between BDS and BPS using Land Use Services (LUS) revenue. This request is a result of the downturn in LUS revenue reserves due to permit fee shortfall, affecting the interagency agreement between BPS and BDS to fund code development projects. As a result of this shortfall, BDS was not be able to carry over underspent funds from FY 2017-18 that BPS requested and may not be able to continue funding at the level in the agreement reached in response to a FY17-18 budget note from Council identifying the need for a long-term funding strategy for code development projects. CBO does not recommend this request because in FY 2018-19, BPS received \$1.3 million in LUS revenue from BDS. In previous years, BPS underspent LUS revenues on code development, and due to the nature of multi-year code development projects, the bureau is likely to underspend in FY 2018-19 as well. Further, the volatility of workload in the development sector, as shown by the changes in LUS reserves, suggests that the City must identify desired service levels under these constraints and determine a stable long-term funding strategy for necessary code development work before providing General Fund resources.

Alternatively, given the Council-demonstrated priority of this work, Council may consider the option to fully fund this request on a one-time basis and direct BPS and BDS to come up with an ongoing funding and service level solution in preparation for the FY 2019-20 budget.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** New Request

**Request:** PN\_008 - \$35,000 for Residential Infill Project

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 35,000                               | (35,000)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>35,000</b>                        | <b>(35,000)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 35,000                               | (35,000)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>35,000</b>                        | <b>(35,000)</b>                    | <b>0</b>                         |

**Bureau Description:**

Total \$35,000 One-time Request for Residential Infill Project

- The Residential Infill Project was delayed during its PSC phase and will be completed in FY18-19. The scale of changes coming out of the PSC process require additional technical analyses and notices to be able to forward the proposal to City Council in January 2019.
- \$25,000 is needed for economic and transportation analyses to be performed by consultants and PBOT. \$10,000 is needed for additional public notices to those who testified and new properties that are affected by the amendments. Funding from GF is needed because the original source of funding - an IA w/ BDS - is no longer available due to permit fee shortfalls.

**CBO Discussion and Recommendation**

Not recommended. See PN\_007 for reasoning regarding the interagency agreement with BDS. Similarly, given the Council-demonstrated priority of this work, Council may consider the option to fully fund this request on a one-time basis and direct BPS and BDS to come up with an ongoing funding and service level solution in preparation for the FY 2019-20 budget.

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

**Bureau:** Bureau of Planning & Sustainability

**Type:** New Request

**Request:** PN\_009 - \$50,000 for SW Corridor and SW Equitable

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 50,000  | (50,000)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>50,000</b>                                 | <b>(50,000)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 50,000  | (50,000)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>50,000</b>                                 | <b>(50,000)</b>                             | <b>0</b>                                  |

**Bureau Description:**

\$50,000 one-time funding request is to support the creation of a formal SW Corridor "Collaborative" organization to carry on the work of the SW Equitable Development Strategy. The Collaborative will be organized with nonprofits in the SW corridor, including housing providers, philanthropy, and some rental/tenant services groups.

In other regions such as Denver, Chicago, and the Bay Area, public/private collaboratives like proposed here have proven to be a best practice in creating broad buy-in to major transit and affordable housing investments.

The funds would build a foundation for this collaborative by organizing community interests and supporting the work of community-based organizations currently working together and with the City of Portland on anti-displacement strategies. Metro has already committed an additional \$50,000 as part of a larger grant to BPS. The funds would be competitively awarded in a grant to a non-governmental organization working in the SW Corridor. We anticipate another round of funding in in FY 19-20, after which the Collaborative would be in a position to seek private funding.

**CBO Discussion and Recommendation**

Not recommended. According to CBO guidelines, the creation of this collaborative is not an urgent or unforeseen request. Sustainability of the proposed collaborative requires subsequent resource requests.

From the information provided to CBO, a more specific project logic model, including metrics for success, and a strategy for ongoing funding, should be identified. In addition, thought should be given to the ideal phasing of the Equitable Housing Strategy in conjunction with the potential expansion of light rail. To the extent this is a bureau priority in the current fiscal year, CBO recommends that the bureau reprioritize within existing resources. The bureau should include this request as part of FY 2019-20 budget development, so it may be considered alongside other City requests for new General Fund resources.

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

**Bureau:** Commissioner of Public Safety

**Type:** Encumbrance Carryover Request

**Request:** PS\_001 - CPS-Encumbrance Carryovers

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 35,000  | 0   | 35,000                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>35,000</b>                                 | <b>0</b>                                    | <b>35,000</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 35,000  | 0   | 35,000                                    |
| <b>TOTAL REVENUES</b>           | <b>35,000</b>                                 | <b>0</b>                                    | <b>35,000</b>                             |

**Bureau Description:**

The Commissioner of Public Safety is requesting a total of \$35,000 in encumbrance carryovers. This amount includes \$20,000 for a facilitation contract with Good Company (PO#22238513) and \$15,000 for a graphic design contract with Jen Wick (PO#22238512).

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Commissioner of Public Safety

**Type:** Technical Adjustment

**Request:** PS\_002 - CPS-Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request moves the interagency for Occupational Health out of the Risk Fund and into the Health Fund.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Commissioner of Public Utilities

**Type:** Technical Adjustment

**Request:** PU\_001 - CPU - Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

The City's Flu Shot Program moves from Risk Management to the Bureau of Human Resources. This request moves \$47 from Risk Management IA to BHR.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Commissioner of Public Works

**Type:** Technical Adjustment

**Request:** PW\_001 - CPW - Technical Adjustment

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | <b>(24,000)</b>                               | 0   | <b>(24,000)</b>                           |
| External Materials and Services | 24,000  | 0   | 24,000                                    |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

This request moves \$24,000 into External Materials and Services from Personnel Services to better align budget with projected spending. This request also moves \$47 for the Flu Shot Program from Risk Management to the Bureau of Human Resources.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_001 -

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | <b>(169,558)</b>                              | 0   | <b>(169,558)</b>                          |
| Internal Materials and Services | 169,558                                       | 0   | 169,558                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

In FY 2018-19, the City Council approved a one-time, one-year (FY2018-19) Special Appropriation of \$257,600 for the Program to develop regulatory updates to Portland's floodplains, ensuring that the City maintains compliance with the Endangered Species Act (ESA) while advancing local goals and objectives.

This adjustment is to allocate budget for an IA between BPS and Special Appropriations to partially fund a .50 GIS Technician II and a .75 City Planner II. See below for position deliverables.

**GIS Technician II**

- GIS analyses to determine the impact of existing and proposed regulations on natural floodplain function and storage and floodplain habitat.
- Creation of new maps as needed; and corrections to existing GIS layers, as necessary to support the work of the FMUP. Critical updates include creating a non-regulatory map identifying the extent of the 1996 flood, impervious area mapping, and maps resulting from work with the CPII-Environmental, including maps related to river dependent and river related uses.

**City Planner II**

- Research and background
- Conduct review to identify river-dependent and river-related development along the Willamette River.
- Analysis of Portland regulations and development as necessary to support the work of the FMUP
- Initial discussion draft or proposed regulatory concepts

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_002 - Special Appropriations Columbia River Levee

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 798,297                              | 0                                  | 798,297                          |
| <b>TOTAL EXPENDITURES</b>       | <b>798,297</b>                       | <b>0</b>                           | <b>798,297</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 798,297                              | 0                                  | 798,297                          |
| <b>TOTAL REVENUES</b>           | <b>798,297</b>                       | <b>0</b>                           | <b>798,297</b>                   |

**Bureau Description:**

This request is for program carryover to support the City's share of Oregon Infrastructure Finance Authority loan related to the Columbia River Levee project and to provide program support for the analysis and development of governance for long-term operations and management.

**CBO Discussion and Recommendation**

Recommended as requested. The City is part of a multi-jurisdictional intergovernmental agreement, the Levee Ready Columbia Partnership that is funding several studies, public engagement, and ultimately the reconstruction of the Columbia River Levee. Over the past several years, the City has set aside one-time resources to pay for the City's portion of the costs. In FY 2017-18, unexpended funds were carried over from FY 2016-17. The \$798,297 identified in the Fall BMP are the remaining funds that Council has authorized to be spent on this project. Should all of the funds not be needed in FY 2018-19, the remainder will be carried over to FY 2019-20. Details on the next stage of the project, including financial obligations, are currently being finalized.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_003 - SA Specified Animals TA

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | (60,636)                             | 0                                  | (60,636)                         |
| Internal Materials and Services | 60,636                               | 0                                  | 60,636                           |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>0</b>                           | <b>0</b>                         |

**Bureau Description:**

Multnomah County has been administering the City's Title 13- Specified Animals code since the 1960s. This work involves a customer helpline, issuing permits, and enforcement activities. Since ~2014 there has been roughly \$60k in ongoing Special Appropriations funding to help Multnomah County offset some of the costs associated with doing this work. As of ~March 2018, the County decided to no longer provide that service because the amount (\$60k) does not cover what they believe to be their costs. There is currently no IGA in place for Multnomah County to receive the Title 13 Special Appropriations funding for FY 18/19.

Since the County discontinued administrating Title 13 (March 2018), BPS has absorbed some of these functions by establishing a customer service helpline with limited enforcement activities (e.g., potential violation letters). BPS would like to establish an Interagency Agreement with the City's Grants Office to access the Special Appropriations funding for Title 13 to cover some of the costs associated with these administrative and enforcement activities.

In addition, BPS is about to launch a project to update the Title 13 code to streamline and clarify roles and responsibilities for administration and enforcement going forward. BPS anticipates this work to be completed by the end of this fiscal year (FY 18/19).

The Fall BMP adjustment is transferring funds from External Materials & Services to Internal Materials & Services to offset some of the costs associated with the code update work.

In the future, the ongoing Special Appropriations associated with Title 13 enforcement may return back to the County (FY19/20 and beyond) if BPS is able to reduce the administrative costs through the Code update and Multnomah County is willing to take that role on again.

**CBO Discussion and Recommendation**

Recommended as requested. Multnomah County has been administering the City's Title 13 – Specified Animals code since the 1960s. Since 2014, the City has allocated roughly \$60,000 in ongoing Special Appropriations funding to help the County offset some of the costs associated with issuing permits, enforcing the Code, and staffing a helpline. As of March 2018, the County decided it would no longer provide those services because the amount does not cover what they believe to be their costs. Given that there is no intergovernmental agreement in place to receive these funds and perform the associated activities for FY 2018-19 the Bureau of Planning Services (BPS) has absorbed some of these functions – establishing a customer helpline and limited enforcement activities.

This technical adjustment provides funding for an interagency agreement between Special Appropriations and BPS to cover the costs associated with the administrative and enforcement activities, moving \$60,636 from Special Appropriations external materials and services to internal materials and services, a net zero change. BPS plans to launch a project to update the Title 13 code which will streamline and clarify the roles and responsibilities for administration and enforcement of Title 13, anticipating that the work will be completed by the end of FY 2018-19.

It is unclear whether the ongoing Special Appropriation associated with Title 13 will return to the County, but it is likely if BPS can reduce the administrative costs to administer the code through its update.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_004 - SA Professional Development Bureau IA COPPEA

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 36,041  | 0   | 36,041                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>36,041</b>                                 | <b>0</b>                                    | <b>36,041</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 36,041  | 0   | 36,041                                    |
| <b>TOTAL REVENUES</b>           | <b>36,041</b>                                 | <b>0</b>                                    | <b>36,041</b>                             |

**Bureau Description:**

Adjustment to recognize IA with bureaus to cover non-general fund portion of the COPPEA Professional Development per contract.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_005 - SA Professional Development Bureau IA DCTU

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 18,244  | 0   | 18,244                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>18,244</b>                                 | <b>0</b>                                    | <b>18,244</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| Interagency Revenue             | 18,244  | 0   | 18,244                                    |
| <b>TOTAL REVENUES</b>           | <b>18,244</b>                                 | <b>0</b>                                    | <b>18,244</b>                             |

**Bureau Description:**

Adjustment to recognize IA with bureaus to cover non-general fund portion of the DCTU Professional Development per contract.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_006 - SA OYVP TriMet Transfer

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (103,463)                                     | 103,463                                     | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>(103,463)</b>                              | <b>103,463</b>                              | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| Intergovernmental Revenues      | (103,463)                                     | 103,463                                     | 0   |
| <b>TOTAL REVENUES</b>           | <b>(103,463)</b>                              | <b>103,463</b>                              | <b>0</b>                                  |

**Bureau Description:**

In past years TriMet has reimbursed the City of Portland for expense related to OYVP Street Level Outreach Workers. This program is transferring to TriMet. The adjustment is reducing revenue and expense related to this program.

**CBO Discussion and Recommendation**

Transfer will not take place. After further negotiations, the program will not be transferred to TriMet.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_007 - SA Portland Gay Men's Chorus

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 10,000  | 0   | 10,000                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>10,000</b>                                 | <b>0</b>                                    | <b>10,000</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 10,000  | 0   | 10,000                                    |
| <b>TOTAL REVENUES</b>           | <b>10,000</b>                                 | <b>0</b>                                    | <b>10,000</b>                             |

**Bureau Description:**

\$10,000 was allocated during the Spring BMP process for the Gay Men's Chorus. This request was submitted after the bureau submittal of the Spring BMP to CBO. Due to the timing of the Spring BMP Council Hearing this did not leave enough time in the fiscal year for the Grants Management Division to enter into an agreement with the organization and encumber the funds before the end of Fiscal Year 2017-18. The agreement was finalized in Fiscal Year 2018-19 and this request is to carry over 2017-18 funds to cover the agreement with the Gay Men's Chorus.

**CBO Discussion and Recommendation**

Recommended as requested. This decision was approved by Council in FY 2017-18.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_008 - SA Creative Laureate

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 5,000   | 0   | 5,000                                     |
| <b>TOTAL EXPENDITURES</b>       | <b>5,000</b>                                  | <b>0</b>                                    | <b>5,000</b>                              |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 5,000   | 0   | 5,000                                     |
| <b>TOTAL REVENUES</b>           | <b>5,000</b>                                  | <b>0</b>                                    | <b>5,000</b>                              |

**Bureau Description:**

\$5,000 was allocated during the Spring BMP process for the Creative Laureate. This request was submitted after the bureau submittal of the Spring BMP to CBO. Due to the timing of the Spring BMP Council Hearing this did not leave enough time in the fiscal year for the Grants Management Division to enter into an agreement with the organization and encumber the funds before the end of Fiscal Year 2017-18. The agreement was finalized in Fiscal Year 2018-19 and this request is to carry over 2017-18 funds to cover the agreement with Creative Laureate.

**CBO Discussion and Recommendation**

Recommended as requested. This decision was approved by Council in FY 2017-18.

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

**Bureau:** Special Appropriations

**Type:** Program Carryover Request

**Request:** SA\_009 - SA Marijuana Fund-Prosper Allocation

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 150,000                                       | 0   | 150,000                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>150,000</b>                                | <b>0</b>                                    | <b>150,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Miscellaneous Fund Allocations  | 150,000                                       | 0   | 150,000                                   |
| <b>TOTAL REVENUES</b>           | <b>150,000</b>                                | <b>0</b>                                    | <b>150,000</b>                            |

**Bureau Description:**

\$500,000 was allocated to Special Appropriations in Fiscal Year 2017-18. \$350,000 was set aside for a competitive grant process and \$150,000 was set aside for an IGA with Prosper Portland to provide a Workforce Development Program. This program was not finalized by the end of Fiscal Year 2017-18. Agreements are being finalized in Fiscal Year 2018-19. This is a request for program carryover to cover the IGA between Special Appropriations and Prosper Portland.

**CBO Discussion and Recommendation**

Recommended as requested. This decision was approved by Council in FY 2017-18.

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

**Bureau:** Special Appropriations

**Type:** Technical Adjustment

**Request:** SA\_010 - SA COPPEA and DCTU Program Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 10,715  | 0   | 10,715                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>10,715</b>                                 | <b>0</b>                                    | <b>10,715</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 10,715  | 0   | 10,715                                    |
| <b>TOTAL REVENUES</b>           | <b>10,715</b>                                 | <b>0</b>                                    | <b>10,715</b>                             |

**Bureau Description:**

Per union contracts program carryover is allowed for prior year unspent funds for COPPEA and DCTU Professional Development. This request is to carryover the below Fiscal Year 2017-18 unspent funds.

COPPEA - \$3,959

DCTU - \$6,765

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Encumbrance Carryover Request

**Request:** SA\_011 - SA Encumbrance Carryover Lents

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 63,986  | 0   | 63,986                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>63,986</b>                                 | <b>0</b>                                    | <b>63,986</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 63,986  | 0   | 63,986                                    |
| <b>TOTAL REVENUES</b>           | <b>63,986</b>                                 | <b>0</b>                                    | <b>63,986</b>                             |

**Bureau Description:**

The Lents Collaborative Oregon Solutions project is concluding in Sept. 2018, and will be moving forward into an implementation phase as a City-led project that, for the time being, will be facilitated by the Mayor's Office. Key accomplishments of the Oregon Solutions process include:

1. The City joined other stakeholders to sign a Declaration of Cooperation to move forward on implementing key strategies that were identified through the two-year research-based, collaborative governance process. Our project is headed to Council this afternoon to report on our progress and have Council direct City bureaus to sign the Declaration of Cooperation and move forward into implementation.
2. Developed updated flood models for the Johnson Creek floodplain in the Lents and Powellhurst-Gilbert neighborhoods. The updated flood models showed the opportunity to improve the accuracy of the 100-year floodplain, and were used to inform the commitment to remap FEMA's 100-year floodplain in the coming years.
3. Provided direct assistance to 86 homeowners (total) through the Flood Insurance Savings Program, which helped the average participant save \$650 each year on their flood insurance. These savings have helped stabilize low-income homeowners and provided them with valuable resources to save for a rainy day or reinvest in their community.

This encumbrance carryover request is to complete existing contracts with PSU and Clean Energy Works related to the Lents Project.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Encumbrance Carryover Request

**Request:** SA\_012 - SA Competitive Grant Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 915,621                                       | 0   | 915,621                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>915,621</b>                                | <b>0</b>                                    | <b>915,621</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 915,621                                       | 0   | 915,621                                   |
| <b>TOTAL REVENUES</b>           | <b>915,621</b>                                | <b>0</b>                                    | <b>915,621</b>                            |

**Bureau Description:**

Council approved \$1,350,000 in funding for a competitive grant process in Fiscal Year 2017-18. \$650,000 in the Adopted Budget and \$350,000 in the Fall BMP and an additional \$350,000 for the Portland United Against Hate competitive process. The grant application process does not begin until after the budget is adopted. From the application being released to finalizing agreements with grantees takes approximately 6 months. This request is for carryover for the competitive agreements that were awarded in Fiscal Year 2017-18 and carried forward into Fiscal Year 2018-19. The comprehensive list of grantees is included on the encumbrance carryover sheet submitted with the Fall BMP.

Agreements with the below organizations carried forward into Fiscal Year 2018-19

- Center For African Immigrants
- Coalition of Communities of Color
- Champions Barbering Institute
- Ayco
- Metropolitan Family Service Inc
- Irco
- Ayco
- Airway Science For Kids Inc
- Fresh Out Community Based Reentry
- Lewis & Clark College
- Center For Intercultural Organizing
- Latino Network
- Bradley Angle
- Black United Fund of Oregon
- Lutheran Community Srevices NW
- Fair Housing Council of Oregon
- Boys & Girls Club
- Opal
- Micro Enterprise Services of Oregon
- Portland Opportunities Ind Cntr Inc
- Coalition of Communities of Color
- Portland Opportunities Ind Cntr Inc
- Allen Temple Cme Church
- Portland State University
- Reap Inc
- New Avenues For Youth
- Familas En Accion
- Home Forward
- Northwest Disability Support
- Central City Concern Inc
- LGBTG Community Center Fund
- El Programa Hispano Catolico
- Planned Parenthood

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** Encumbrance Carryover Request

**Request:** SA\_013 - SA COCL PCCEP Encumbrance Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 80,627  | 0   | 80,627                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>80,627</b>                                 | <b>0</b>                                    | <b>80,627</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 80,627  | 0   | 80,627                                    |
| <b>TOTAL REVENUES</b>           | <b>80,627</b>                                 | <b>0</b>                                    | <b>80,627</b>                             |

**Bureau Description:**

This is an encumbrance carryover for PCCEP. The carryover will cover existing contracts that carried forward into Fiscal Year 2018-19.

Davis Hibbits  
Brad Taylor  
Training 4 Transformation  
Dennis Rosenbaum

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_014 - SA Portland United Against Hate Continuation

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 203,584                                       | (203,584)                                   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>203,584</b>                                | <b>(203,584)</b>                            | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 203,584                                       | (203,584)                                   | 0   |
| <b>TOTAL REVENUES</b>           | <b>203,584</b>                                | <b>(203,584)</b>                            | <b>0</b>                                  |

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_014 - SA Portland United Against Hate Continuation

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

A funding request for \$203,584 for continuation grants for PUAH community-based organizations is being requested through Special Appropriations. A request for gap funding for the staffing component of Portland United Against Hate (PUAH) will be submitted through Civic Life's BMP submittal.

Funds for PUAH program staff was awarded to Civic Life (then-Office of Neighborhood Involvement) in FY 17-18. An additional \$350,000 was awarded through Special Appropriations to fund community-based organizations to create and utilize a Hate Incident Tracking Tool to demonstrate proof of concept that people who have been targeted by hate violence are more likely to report hate incidents and seek support if there is a trusted community interface (e.g., rather than reporting to the police or other government entity.) PUAH partners were to use this tool—an online reporting platform—to collect and aggregate hate incident data for increased public awareness and to inform policy leaders and decision-making.

Due to the time required for staff recruitment, grant application and execution process, staffing was not in place until November 2017 and funds were awarded to community partners in February 2018. Subsequently, it was not possible to submit an informed request for funding in the FY 18-19 budgeting process (as proposed budgets were submitted January 2018) and the grants are scheduled to end before the proof of concept is finalized.

After addressing cyber security issues related to the digital platform, the Hate Incident Tracking Tool was released for community testing in August 2018. The tool is a digital platform of three functionally-related parts:

- A secure database for tracking hate activity (launched by, reported to and supported by PUAH-funded community partners) and storing information about available community-based resources.
- A private online dashboard allowing approximately 58-organizational PUAH members (including 13 funded partners) to manage reports and resources stored on the database.
- A mobile-ready public website for individuals to report hate incidents and find available resources by location, communities served and service type (for example, safe space, mental health, legal aid.)

The August release date provides funded partners and the public less than three months to test the system and collect and input data before the current November 1, 2018 grant end date for all grantees acting as points of contact for the system. Final reports will be delivered in October 2018 (for community grants) and December 2018 (for the digital platform). These final reports will inform the submission of any funding request for FY 19-20, as appropriate.

Without additional support for the grant program, the initial investments in networked community capacity and digital reporting tools will not be realized. Additional support through Special Appropriations is requested as follows:

- \$19,838 to Coalition of Communities of Color to continue to beta test and provide technical support for the community implementation of the Hate Incident Tracking Tool. These funds are for activities from October 1, 2018 to June 30, 2019. This builds upon the FY 17-18 investment of \$35,000 (project period of July 1, 2017 – December 31, 2018) to the Coalition of Communities of Color to develop a customized digital platform for this purpose and to conduct community engagement and analysis on the data. This would support staffing at 0.2 FTE (\$8,250), technical services and database maintenance (\$9,000) and administrative costs (\$2,588).
- \$183,746 for continuing support for 12 organizations to beta test, implement, and support the Hate Incident Tracking Tool from December 1, 2018 through June 30, 2019. This builds upon the initial investment of \$315,000 in FY 17-18 grant funds from July 1, 2017 to Nov 1, 2018 to build and network the capacity of community-specific organizations to deliver resources and responses (including community and media mobilization, provision of supportive and protective services for targeted individuals, trainings for resiliency and intervention, and coordination between community and City bureau responses) to incidences of hate activity. The following amounts reflect seven months of support pro-rated from original grant amounts:

- oAfrican Youth Community Organization: \$17,500
- oAs the Spirit Moves Us: \$9,966
- oAsian Pacific American Network of Oregon: \$19,250
- oFair Housing Council of Oregon: \$20,113
- oImmigrant Refugee Community Organization, Africa House: \$10,208
- oLatino Network: \$17,753
- oLewis & Clark Graduate School of Education and Counseling: \$20,416
- oLutheran Community Services Northwest: \$20,416
- oOPAL Environmental Justice Oregon: \$10,208
- oPortland Opportunity Industrialization Center, Rosemary Anderson High School: \$10,208

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_014 - SA Portland United Against Hate Continuation

|  | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|--|---|---|---|
|--|---|---|---|

oPortland Opportunities Industrialization Center + Rosemary Anderson High School: \$10,200  
 oCenter: \$10,200

oUnite Oregon: \$17,500

**CBO Discussion and Recommendation**

Not recommended. It is not clear to CBO to what extent the Fall Supplemental Budget request a) fills a funding gap between projected and actual expenses to implement the pilot, and b) expands the original pilot. The requested funds would increase the pilot funding by 50%, bringing the total project cost to \$686,701. To the extent that one-time resources are required for an unforeseen project need to complete the pilot as originally authorized by Council, CBO recommends considering allocating funding from the Special Appropriations Competitive Grant Pool for this purpose.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_015 - SA COCL PCCEP

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 73,101  | (73,101)                                    | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>73,101</b>                                 | <b>(73,101)</b>                             | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 73,101  | (73,101)                                    | 0   |
| <b>TOTAL REVENUES</b>           | <b>73,101</b>                                 | <b>(73,101)</b>                             | <b>0</b>                                  |

**Bureau Description:**

The Fall BMP add-on request is a result of the PCCEP facilitator's recommendations on best practices for the newly formed PCCEP, and because of changes made to the PCCEP plan. This add-on request includes funds for:

- Increase in transportation funds to support PCCEP members to conduct regular monthly outreach.
- Professional development for PCCEP members to attend local conferences and speaking events related to the work of the PCCEP.
- Stipends for PCCEP members.
- Additional funds for translation services during subcommittee meetings, which are now required per the PCCEP plan.
- Increase in the food budget to support utilizing local, small business vendors and accommodate for projected increase in meeting attendance.
- Community-building activities, such as community gatherings, which are designed to be more celebratory and social than monthly meetings, and the creation of two filming boxes (akin to a selfie booth) that will be used out in the community so Portland residents can provide feedback to the PCCEP.

These additional funds provide a thoughtful approach to supporting the PCCEP in doing meaningful work that helps to build solid relationships with the diverse communities of Portland.

**CBO Discussion and Recommendation**

Not recommended. The total FY 2018-19 PCCEP budget is \$990,160. This includes \$192,218 in one-time resources to cover the projected increased costs for the program in the current fiscal year. This early in the fiscal year, CBO recommends that the program prioritize within existing resources to implement the requested changes. To the extent these costs are expected to be ongoing, CBO recommends that the program work with the Commissioner-in-Charge to prioritize expenses and develop a more comprehensive proposal for FY 2019-20 Budget Development.

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

**Bureau:** Special Appropriations

**Type:** Program Carryover Request

**Request:** SA\_016 - SA Public Election Fund Program Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 242,441                                       | 0   | 242,441                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>242,441</b>                                | <b>0</b>                                    | <b>242,441</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 242,441                                       | 0   | 242,441                                   |
| <b>TOTAL REVENUES</b>           | <b>242,441</b>                                | <b>0</b>                                    | <b>242,441</b>                            |

**Bureau Description:**

The Public Election Fund Program was transferred from ONI to Special Appropriations during the FY 2017-18 Spring BMP process. The fund ended the year with unspent funds in the amount of \$242,441. This is a program carryover request to carry the unspent balance over to FY 2018-19.

**CBO Discussion and Recommendation**

Recommended as requested. In 2016, City Council adopted the Open and Accountable Elections Policy (Ordinance 188152) creating the Public Election Fund and amending Code Chapter 2.16 - Election Reform - to be more inclusive through a small donor program. On March 21, 2018 City Council passed Ordinance 188872, moving the Public Election Fund to the Special Appropriations budget. The FY 2018-19 allocation for Public Election Fund is \$1,237,200.

In FY 2017-18 the budgeted revenue for this Fund was \$250,000. Actual spending of these resources was only \$7,558.66 due to timing of staff onboarding, etc. This request would carryforward \$242,441 in unspent revenue from the FY 2017-18 allocation, increase the current year appropriation to \$1,479,641.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_017 - Accelerate ADU Development

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 2,100,000                                     | (2,100,000)                                 | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>2,100,000</b>                              | <b>(2,100,000)</b>                          | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 2,100,000                                     | (2,100,000)                                 | 0   |
| <b>TOTAL REVENUES</b>           | <b>2,100,000</b>                              | <b>(2,100,000)</b>                          | <b>0</b>                                  |

**Bureau Description:**

Infill Implementation: Accelerate ADU Development

Over the next three years, triple the production of ADUs to 1,500 per year by solving for market failures in lending processes and increasing efficiencies of development processes.

Demonstrate how ADUs can help achieve some of Portland's goals for affordability, sustainability, equity, resilience and economic opportunity on an ongoing basis without continuing reliance on City General Fund or other one-time funding sources.

Develop lending product that solves problems with loan to value and debt to income calculations, as well as associated appraisal and insurance issues, as they relate to ADU development.

Develop new permitting approach and market supports for ADU development to drive down soft costs of ADU development by at least 20%.

Leverage City investment in developing ADU strategies by at least 2:1.

**CBO Discussion and Recommendation**

Not recommended. This iteration of the proposal was submitted as a placeholder package while additional details are being worked out. Based on the information available to CBO, this request does not appear to be urgent or unforeseen; as such, CBO does not recommend the request at this time.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_018 - Amplify NW

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 0                                    | 44,737                             | 44,737                           |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                             | <b>44,737</b>                      | <b>44,737</b>                    |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 0                                    | 44,737                             | 44,737                           |
| <b>TOTAL REVENUES</b>           | <b>0</b>                             | <b>44,737</b>                      | <b>44,737</b>                    |

**Bureau Description:**

Amplify Northwest was awarded \$44,737 during the competitive grant process under Special Appropriations in FY 17/18 which will provide funding related to open accountable elections. The output measures for the organization are:

- In collaboration with community-based, culturally-specific organizations, develop culturally appropriate training curriculum and collateral for: 1) potential candidates and campaign staff/volunteers, and 2) community-based, culturally-specific organizations about sharing the program with the communities, they serve. Trainings would cover a bit on compliance, though we believe the City's role is to explain how to comply with the rules. Mainly these trainings are in-depth and community-focused training on the importance of the program and how to use this program to engage new and different voices. Some of this work can start before January, but much will start in concert with the City after the program staff are hired and implementation/oversight committee is in place.
- Conduct community outreach through trainings and distribution of collateral. We are proposing six trainings: Three focused on community-based organization staff so they can continue to use the curriculum and collateral with the communities they serve and three focused on potential candidates and campaign staff.
- Consolidate all materials, learning and evaluation digitally and transition the project to a permanent partner(s), such as a CBOs, other candidate training programs and/or the City.

Due to the timing of the award and some organizational changes at Amplify Northwest the Grants Management Division was delayed in finalizing the agreement in FY 17/18 which delayed encumbering FY 17/18 funds. The Grants Management Division became aware of the delay to late in the budgeting process to request carryover to FY 18/19 in the Spring BMP. The award for funding was finalized in FY 18/19. At the end of FY 17/18 the plan was to request Program Carryover during the FY 18/19 Fall BMP process. The Grants Management Division was informed it is not possible to request Program Carryover, so this request is a request for FY 18/19 funds to cover the award to Amplify Northwest

**CBO Discussion and Recommendation**

Recommended as requested. This decision was approved by Council in FY 2017-18.

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

**Bureau:** Special Appropriations

**Type:** New Request

**Request:** SA\_019 - Fully Fund Anderson Lawsuit

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 0   | 300,000                                     | 300,000                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>300,000</b>                              | <b>300,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 0   | 300,000                                     | 300,000                                   |
| <b>TOTAL REVENUES</b>           | <b>0</b>                                      | <b>300,000</b>                              | <b>300,000</b>                            |

**Bureau Description:**

**CBO Discussion and Recommendation**

CBO recommends allocating \$300,000 in one-time General Fund discretionary resources to fully fund the remaining Anderson settlement.

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_001 - GTR Reallocations

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 1,407,983                                     | 0   | 1,407,983                                 |
| External Materials and Services | 7,796,169                                     | 0   | 7,796,169                                 |
| Internal Materials and Services | 631,433                                       | (200,000)                                   | 431,433                                   |
| Capital Outlay                  | 7,331,520                                     | 0   | 7,331,520                                 |
| Contingency                     | (4,168,298)                                   | 200,000                                     | (3,968,298)                               |
| <b>TOTAL EXPENDITURES</b>       | <b>12,998,807</b>                             | <b>0</b>                                    | <b>12,998,807</b>                         |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 12,936,307                                    | 0   | 12,936,307                                |
| Interagency Revenue             | 62,500  | 0   | 62,500                                    |
| General Fund Discretionary      | 0   | 0   | 0   |
| Miscellaneous Fund Allocations  | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>12,998,807</b>                             | <b>0</b>                                    | <b>12,998,807</b>                         |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 4.83  | 0.00  | 4.83                                      |
| <b>TOTAL FTE</b>                | <b>4.83</b>                                   | <b>0.00</b>                                 | <b>4.83</b>                               |

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_001 - GTR Reallocations

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

This package includes several reallocations of General Transportation Revenues.

•Funding for five new positions

oCivil Engineer within Asset Management Group - Asset Management at PBOT is responsible for the coordination and decision-making around the bureau's \$12.2B portfolio of assets. This function is currently provided by only one person. The addition of a Civil Engineer position to support the bureau's asset management function would bring PBOT's organization structures around asset management into closer alignment with the City's other asset-owning bureaus: PWB, BES, and PPR. This position is requested in order to respond to current and requested functions of the Asset Management Group, including: development of citywide asset inventories and condition assessments responding to goals identified by the OCAO and the bureau's strategic plan; coordinating the jurisdictional transfers of assets from the State and County; annual asset data collection and reporting including QA/QC; development of benefit-cost analyses (BCA), which will be a requirement of future budget requests, including capital set-aside requests, in future; and creation of our Transportation Asset Management Plans (13 Plans, one for each asset class in the bureau). This position provides technical support to system and project planning and recommendations for asset condition in line with asset management principles and the Strategic Asset Management Plan. This position would sit in the Asset Management Group under the Office of the Director and report to the Asset Manager.

oSenior Management Analyst within Asset Management Group - The Bureaus of Transportation and Environmental Services jointly deliver over \$150M of capital projects each year. The numerous benefits of delivering this work in coordination have been underscored by Bureau and City leadership, including by Mayor Wheeler in his remarks at the PBOT-BES Leadership Team Charter Signing in 2017 and by the CAO in his memo of priorities (2017). Both bureaus collaboratively agreed in the need for a new position, a Joint Bureau Infrastructure Liaison, to perform the following functions: convene leadership in each bureau for general and specific work planning around projects; facilitate project development and planning meetings; represent the interests of both bureaus in advocating for coordinated and collaborative opportunities; and negotiate compromises in project development, scheduling, and financial arrangements. Introduction of this new position will support the work of both bureaus in proactively addressing and solving complex problems around infrastructure development and maintenance citywide. The position would sit within the Bureau of Transportation in the Office of the Director and report to the Assistant Directors of PBOT and BES. Funding for this position would be split 50/50 with BES (\$62,500 for each Bureau).

oTransportation Planning Division Manager - As a result of the growth of oversight and program responsibilities in Transportation Planning, coupled with the high-level of regional and local engagement that is required of the PPP Group Manager, PBOT is requesting to (re)create the function of Transportation Planning Division Manager within the Policy Planning and Projects Group. This position addition will ensure improved oversight of Transportation Planning and allow the Group Manager to provide stronger leadership to all three Divisions in his group (Transportation Planning, Capital Delivery and Active Transportation and Safety).

oBusiness Systems Analyst - PBOT is requesting to add a Business Systems Analyst (BSA) to the PBOT Technology Services Division to support the Bureau with the review of its existing 70+ IT project backlog for the purpose of determining need, priority, and project goals and success criteria. This BSA will also support the creation of PBOT's technology intake process, the review of new technology requests, and the determination of methods for addressing Bureau technology needs. Finally, this BSA will provide the Bureau with the additional capacity it needs to effectively identify and define business need, as well as both technical and functional requirements for all technology investments.

oSr. Admin Specialist – To work on project closeout, contract management and council document management drafting services.

**ADA Ramp Program**

Portland's sidewalk system is made up of sidewalks, corners and curbs. As part of its maintenance of the sidewalk system, the Maintenance Sidewalks program upgrades sidewalks and corners in accordance with the Americans with Disability Act (ADA). The City's recent settlement with the Civil Rights Education and Enforcement Center (CREEC) will require the Sidewalks program to significantly increase the number of ADA corners and ramps it installs and to evaluate all ramps after they have been constructed. To successfully accomplish the increased workload, an Engineering Technician II position is being added to design, layout and evaluate new ramps and a Sr. Program Manager is added to plan, organize and manage sidewalk projects. These two positions will ensure that PBOT successfully increases productivity (nearly doubling last year's ramp production) to meet the requirements of the CREEC settlement.

•IA Adjustments – Several IA requests from other city Bureaus have been requested. They are:

o\$2,844 - Last FY, the COEP/1% pilot program spent only a portion of the resources budgeted by PBOT. Since the under-billing was a function of project timing delays, OMF is requesting PBOT agree to carry over resources forward into FY19 via an added interagency in the Fall BMP.

o\$3,517 - Under the new DCTU contract terms, up to \$25,000 unexpended professional development can be carried over to next year. Transportation's pro-rata portion is \$3,517 increase in DCTU Professional Development Fund in FY 2018-19.

o\$7,682 – Under the new PTE-17 contract terms, up to \$40,000 unexpended professional development can be carried over to next year. Transportation's pro-rata portion is \$7,682 increase in PTE-17 Professional Development Fund in FY 2018-19.

o\$5,000 - This request is needed because vendor costs have increased associated with DMWESB (i.e., compliance) tracking that Procurement performs on behalf of the infrastructure bureaus.

o130,310 - Procurement Division Design and Construction services IA.

o\$83,900 – PBOT is requesting adding a Applications Analyst III from BTS applications team to work on increased project workloads and

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_001 - GTR Reallocations

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

backlogs within the group.  
**Bureau Description:**

- Funding for 13th Floor Congress Center  
oPBOT staff have outgrown the space they currently occupy within the Congress Center. To accommodate the current and future staffing needs PBOT has entered into a lease agreement for the 13th floor within the Congress Center, funding for which is already in the budget. This bump adjustment is to pay for both furniture on the new floor and BTS services for prepping the new space.
- Reconfiguring Maintenance Operations Space and Lockers \$880,000  
oWith the recent influx of new staff within the Maintenance Operations group the space at the Maintenance building is needing to be reconfigured to optimize the limited space available to enhance productivity. These funds will help improve the space and lockers for the staff located at the Maintenance facility.
- Sidewalk Labs \$150,000  
oSidewalk Labs is seeking metropolitan regions to pilot test Replica, a data tool developed by Sidewalk Labs, a subsidiary of Alphabet, Google's parent company, that provides a high-fidelity, synthetic representation on how people travel during a typical week. The Bureau of Transportation, along with Metro and TriMet, are interested in participating in a 12-month pilot test of Replica built for the Portland Region. Under the pilot test, we will work with Sidewalk Labs to develop acceptance criteria detailing the desired accuracy of Replica data with respect to traffic counts, passenger counts, model outputs, and other data used by public agencies within the Portland region. As designed, Replica is capable of providing PBOT with rich data pertaining to transportation supply (the configuration of the roadway network, transit service, bicycle routes, and footpaths), transportation demand (representations of all personal travel that takes place in the region), land use (estimates of how land is used, for example, estimates of spatially-specific employment and school enrollment estimates as well as spatially and temporally-specific estimates of other activities, e.g., shop, eat, recreate), and demographics (including income, race, and household size). This data is not currently available to PBOT at the volume, depth, or frequency that the Replica tool is able to provide; and, access to this data, once validated, has the potential to greatly enhance our ability to understand how people are moving through our transportation system as well as if and how investments in this system ultimately impact mobility and motivate transportation choices.
- Compact Sweeper Vehicle Purchase \$200,000  
oA compact sweeper is needed for cleaning protected bike lanes which due to the smaller size of these lanes current sweepers in PBOT's inventory are not able to access.

**CARRYOVERS:**

- Adaptive Biketown \$13,464  
oThis carryover provides funding for the remaining costs of the initial Adaptive BIKETOWN 2-year pilot program, including operations, maintenance, and program management.
- Meter Revenue Allocation Policy \$150,000  
oThis carryover provides funding for consultant services for the review and update of PBOT's Meter Revenue Allocation Policy.
- TDM incentive Supplies \$50,000  
oThis carryover provides funding for Transportation Demand Management (TDM) incentives to encourage walking, biking, transit, and other modes of travel.
- Carryover for Salt Storage Building \$50,000
- Carryover for Tool Room Management \$70,000
- Carryover of \$91,981 for Community Grant Projects
- Carryover of \$290,100 for Maximo upgrade
- Carryover of \$21,172 for Toole Consultant for Protected Bikeway
- Carryover of (-\$51,000) for E-Builder project true-up
- Due to delays in schedules, a carryover is requested to complete scoping, design, construction and match for the below GTR Operating projects:
  - o9TR000002546 - Harbor Wall - Underwater Inspection \$28,000
  - o9TR000002570 - Cornell Road Tunnel Investigation, NW \$28,000
  - o9TR000001724 - Pavement Testing for FOS projects \$200,000
  - oTRED000006 Con Operating - Survey GPS \$50,000
  - oTRED000006 SUR Operating - Survey GPS \$33,700
  - oTRED000003 - ROW Management Software \$250,000
  - oT00641 - Streetcar Camera \$500,000
  - o9TR000002526 - Congestion Pricing \$235,523
  - oTDS - Railroad Coordination \$35,000
  - o9TR000002638 - East Portland Arterial Streets Strategy \$400,000

- Due to delays in schedules, a carryover is requested to complete scoping, design, construction and match for the below GF Operating projects:

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_001 - GTR Reallocations

|  | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|--|---|---|---|
|--|---|---|---|

**Bureau Description:** 09TR000002289 - Mobile Tech – Post-Earthquake - Innovation Grant \$20,000  
09TR000002450 – Regional Smart Cities \$200,874

•Due to delays in schedules, a carryover is requested to complete scoping, design, construction and match for the below GTR Capital projects:

- oT00741 – Partnering for HB2017 \$1,150,000
- oT00817 – Rosa Pkwy: Willamette – MLK Blvd, N/NE \$503,456
- oT00058 – Signal Reconstruction \$456,617
- oT00148 – NW Naito Crossing \$21,000
- oT00383 – East Portland Access to Transit \$32,179
- oT00385 – Neighborhood Transp Safety & Livability St \$210,838
- oT00414 – Central City Multi-Modal Safety \$12,004
- oT00453 – St Johns Truck Strategy, Ph II, N \$456,493
- oT00454 – SW Portland in Motion \$6,904
- oT00455 – East Portland Access to Employment \$81,931
- oT00463 – Hwy Safety Improvement Prgm (HSIP) \$310,709
- oT00574 – SE 122nd Ave: Johnson Cr Br (-\$127,724)
- oT00574 (from T00208) – SE 122nd Ave: Johnson Cr Br \$90,423
- oT00591 – Naito: Harrison - Jefferson, SW (-\$205,444)
- oT00613 – MLK: Tillamook – Ainsworth, NE \$69,226
- oT00618 – Hawthorne Safety Improvements, SE \$41,480
- oT00664 – Transit Priority Program \$97,234
- oT00672 – Regional Signal System – CONOPS & Implementation \$20,000

•Due to delays in schedules, a carryover is requested to complete scoping, design, construction and match for the below GTR (BETC Funded) restricted projects within Streetcar:

- oT00640 – Streetcar Lloyd District Turnback \$256,778
- oT00641 – Streetcar Security Cameras \$456,315
- oT00642 – Streetcar Vehicle Acquisition \$453,174

•Due to delays in schedules, a carryover is requested to complete scoping, design, construction and match for the below GF Capital projects:

- oT00064 – Harbor DR & River Pkwy, SW \$211,850
- oT00185 – Moody Pkwy \$58,684
- oT00456 – Halsey/Weidler: 103rd - 113th, NE \$66,440
- oT00457 – Downtown I-405 Ped Safety Imp, SW \$43,021
- oT00460 – Connect Cully, NE \$41,456
- oT00500 – Burnside St: 16th-Cesar \$340,474
- oT00501 – 122nd: Siskiyou – Skidmore \$1,453,718
- oT00504 – 122nd Safety Improvement \$1,064,984
- oT00505 – SW Corridor \$8,738
- oT00507 – Glisan St at 90th Ave \$47,618
- oT00508 – Taylor Ferry Rockslide \$35,541
- oT00538 – Burnside St: 8th-24th, W \$332,156
- oT00540 – Out of the Mud \$894,543
- oT00568 – Glisan Pedestrian Crossing, NE \$10,947
- oT00608 – Sunderland Rd Bridge \$7,327
- oT00619 – Front Ave: 9th-19th LID, NW \$3,574
- oT00629 – Division St: 82nd-174th, SE \$500,000
- oT00659 – Grand: Burnside – Davis \$156,959
- oT00660 – Naito: Jefferson to Davis, SW \$166,357
- oT00663 – Halsey: 114th - 162th, NE \$307,961
- oT00688 – Signal Reconstruction \$100,000
- oT00688 – Signal Reconstruction \$1,958,971
- oT00692 – Guard Rail Replacement \$222,174
- oT00696 – Greeley Multi-Use Path: I-5 Ramp-Going, N \$393,922

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_001 - GTR Reallocations

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

CBO recognizes that the bureau is building its capacity to deploy new and forthcoming resources to meet the public's expectations and has significant legal obligations under the Civil Rights Education and Enforcement Center (CREEC) settlement. Notwithstanding these responsibilities, CBO has some concerns that the bureau is requesting 14 FTE three months into the fiscal year after receiving position authority for 72 new positions in the FY 2018-19 Adopted Budget. The bureau also has over 50 vacancies for regular FTE that it can reclass to address its immediate needs.

Two Asset Management Group positions: The bureau is requesting a Civil Engineer to support PBOT's Asset Management Group and a Senior Management Analyst to help deliver PBOT and BES joint projects.

The Civil Engineer position is part of a broader effort to develop asset management practice at the bureau. Currently, the bureau has one Principal Management Analyst leading this work and two FTE that support the Capital Controls part of the Asset Management Group. The Asset Management Group has an important role in providing some of the operational and informational support needed to meet the bureau's immediate and long-term service demands. Given the importance of this work, CBO supports this position with the expectation that as the bureau requests more staff to support the ASM Group, the bureau identifies how asset management aligns with its strategic priorities.

The bureau is also requesting a Senior Management Analyst to serve as a Joint Bureau Infrastructure Liaison for PBOT and BES. This position will support the work of both bureaus to address and solve problems around infrastructure development and maintenance citywide. Funding for this position would be split 50/50 with BES (\$62,500 from each Bureau). CBO is supportive of the bureau's developing partnership and recommends this position.

One Business Services

support position. The bureau is requesting one Business Systems Analyst (BSA) to support PBOT's Technology Services Division. The BSA would help to address the bureau's IT project backlog and support the development of a technology intake process. This position is part of the bureau's efforts to incrementally increase the number of BSA positions to support the bureau. The bureau has demonstrated that the workload exists for this position. CBO supports this position.

Two Maintenance Division positions. PBOT is requesting two positions to support the Maintenance Division—an Engineering Technician II and a Senior Program Manager.

The bureau is requesting an Engineering Technician II in the Maintenance Division to support ADA ramp compliance for the CREEC settlement. The bureau received a similar position in the FY 2018-19 Adopted Budget (the Public Works Inspector) to inspect curb ramps for ADA compliance once they are constructed.

Since the FY 2018-19 Adopted Budget, the bureau has identified the need for an Engineering Technician II to support crews who run into design issues while they are in the field. Currently, crews working on curb ramps evaluate the grade and slope of corners and ramps to ensure compliance with ADA. If the grade and slope are off, the crews must halt the project so that an Engineer can make the correction. By adding an Engineering Technician II to respond to crews in the field, the bureau anticipates that projects that require minor design corrections will not experience delays. This will better position the bureau to meet its target of 1500 curb ramps per year under the CREEC Settlement. CBO recommends this request.

The Senior Program Manager position is requested in response to a recommendation from the Cultural Audit of the Bureau's Maintenance Division. The purpose of the audit was to determine if bullying, hazing or other types of disrespectful behavior were widespread at the Maintenance Division after an investigation was completed in 2017. The audit recommended that the bureau reinstate key mid-management positions that were eliminated due to budget cuts during the last economic downturn. Some mid-level management positions are slowly being added back to the Maintenance Division, and the bureau believes this request for the Senior Program Manager would support this broader effort. However, it is unclear if this specific position request would fulfill the audit's recommendations.

The audit was released in November 2017 prior to FY 2018-19 Budget Request; however, the bureau did not include position requests to fulfill this audit's recommendations as part of its request for several other positions to support the Maintenance Division (the Maintenance Division was authorized 27 new positions in the current year budget). CBO recommends the bureau identify all necessary key management positions that should be reinstated as part of this audit for Maintenance, expected performance outcomes from the addition of these positions, and a plan to pay for the positions on an ongoing basis during the annual budget process. In the meantime, CBO recognizes the importance of the audit's recommendations and recommends this request.

Transportation Planning Group Manager. PBOT is also requesting one Transportation Planning Division Manager. This position would direct the three planning sections: Policy & Regional Planning, Area & Project Planning, and Complete Streets within the Planning, Policy, & Projects Group.

In late 2013 the bureau hired a Division Manager, but in 2014 reorganized – creating the Planning, Policy & Projects Group (PPP Group). At that time, the Division Manager was reclassified to a Group Manager and the bureau chose not to fill the Division Manager position. The Group Manager has performed both roles since 2014, overseeing the transportation planning teams and fulfilling the Group Management functions for all three Divisions within the Group. Given the increased workload on project managers and the bureau's efforts to expand its operational capacity, CBO recommends this request.

Sr. Administrative Specialist.

The bureau is requesting one Senior Administrative Specialist to assist with project closeout, contract management, and drafting council documents related to capital projects. The bureau points to increased work volume as the bureau ramps up its capital projects and the need to free up and support project managers time to achieve timely project delivery. Given the increased workload on project managers and the bureau's efforts to expand its operational capacity, this appears to be a more urgent request which CBO recommends.

*Space Adjustments: New Space at Congress Center & Maintenance Space Adjustments. In July 2018, the bureau presented an Ordinance 10/23/18 12:44*

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_001 - GTR Reallocations

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**  
 Space Adjustments. New Space at Congress Center & Maintenance Space Adjustments. In July 2018, the bureau presented an Ordinance for the authorization of new leased space to accommodate increased staffing. The five-year lease was approved by City Council on July 25th; however, the bureau did not include the additional costs for new furniture at that time. As such, PBOT is requesting a \$535,000 GTR adjustment for new furniture and \$198,180 adjustment to cover the costs to prepare the new site by the Bureau of Technology Services (BTS). CBO recommends this request, as the additional staff need proper work space and the bureau is utilizing internal resources to cover this cost.

Sidewalk Labs. The bureau is requesting to reallocate \$150,000 in GTR to pilot a data tool (Replica) that will help the bureau to better understand how people travel during a typical week. Under the 12-month pilot test, the bureau will work with the tool's creator, Sidewalk Labs, to develop criteria to collect data on regional transportation supply, demand, land use and demographics. Once validated, the bureau will be better positioned to understand how system investments impact mobility and transportation choices.

Trimet, Metro, and PBOT are each contributing one-third of the total project cost, a total of \$150,000 for the City. If the pilot is successful, the bureau will put forward a request for ongoing funding. CBO recommends this request.

Purchase of Compact Street Sweeper. The bureau is requesting \$200,000 of reallocated GTR funding to purchase a compact sweeper to clean a subset of protected bike lanes. Currently, PBOT has five miles of protected bike lanes in its inventory. The bureau states that two of the five miles of protected bike lane miles are not being swept because they are too small to be accessed with the sweepers in the bureau's fleet. Given the cost of compact street sweeper relative to the bureau's more acute maintenance needs, CBO recommends the bureau wait until there are more miles of protected bike lanes in bureau's inventory before making the investment. Whenever possible, CBO encourages the bureau to consider the accessibility of bike lanes for maintenance, including street sweeping, during the design phase.

Reconfiguring Maintenance Operations Space and Lockers. The bureau is requesting to reallocate \$880,000 in GTR funding to optimize the space at PBOT's maintenance facility. With the recent growth in the number of Maintenance Operations Group staff, the current configuration of the maintenance facility does not provide sufficient space for employees. The bureau would use this funding to reconfigure cubicle formation, purchase additional lockers, replace carpet that is beyond its useful life, and purchase new office furniture that optimizes the space. CBO recommends this request, as the additional staff need proper work space and the bureau is utilizing internal resources to cover this cost.

PBOT is requesting several

carryover requests to provide funding for the remaining costs of several programs and capital projects due to schedule delays to complete scoping, design and construction. These carryover requests include GTR capital projects, GF Capital Projects, and GF and GTR Operating Projects. CBO recommends these requests.

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_002 - Derelict RV

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 704,900                                       | 0   | 704,900                                   |
| External Materials and Services | 1,016,600                                     | 0   | 1,016,600                                 |
| Contingency                     | (1,541,500)                                   | 0   | (1,541,500)                               |
| <b>TOTAL EXPENDITURES</b>       | <b>180,000</b>                                | <b>0</b>                                    | <b>180,000</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Licenses & Permits              | 180,000                                       | 0   | 180,000                                   |
| <b>TOTAL REVENUES</b>           | <b>180,000</b>                                | <b>0</b>                                    | <b>180,000</b>                            |

**Bureau Description:**

PBOT's request for General Fund support for the Derelict RV Program was not approved in the FY18-19 Adopted Budget. However, PBOT was directed (by a budget note) to continue this program. Accordingly, this Fall Bump request appropriates \$1,721,500 funding for the Derelict RV program;

- Recognizes \$180,000 revenue from Derelict RV tow fee
- Re-allocates \$671,900 budget from the Parking Enforcement and Parking Operations programs to fund staff costs of seven positions assigned to the Derelict RV program.
- Allocates \$869,600 excess one-time beginning balance to fund services related removing and disposing of Derelict RVs.

In FY19-20, PBOT will again bring forward a request for additional funds, or will need to make an offsetting reduction to PBOT services, to absorb the program within current budget.

**CBO Discussion and Recommendation**

The Derelict RV Program identifies, removes, and dismantles broken down recreational vehicles on City streets to maintain the public right-of-way. As part of the FY 2018-19 Adopted Budget, City Council directed PBOT to continue the program using existing bureau resources and to return to Council with a report on program challenges and successes prior to FY 2019-20 budget development. This Fall BMP technical adjustment fulfills the initial requirement of the budget note.

This request formally reassigns six positions from Parking Enforcement and Parking Operations to create the ongoing permanent Derelict RV Program, allocating \$1.5 million of GTR, and \$180,000 in tow fee revenue to support operations on a one-time basis. However, the bureau plans to request General Fund resources to support this program in the FY 2019-20 budget process. If General Fund resources are not available, the bureau will make reductions to other services to ensure the bureau is able to fund this priority area identified by City Council. CBO recommends this adjustment and encourages PBOT to establish and report on the Derelict RV program's performance and outcomes. CBO notes that the bureau could backfill these FTE using the re-addition the forgone revenue to cover the costs. Further, PBOT should identify how to fund this program on an ongoing basis to determine if a Program Enhancement is warranted for FY 2019-20.

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

**Bureau:** Portland Bureau of Transportation

**Type:** New Request

**Request:** TR\_003 - General Fund Requests

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 555,000                                       | (555,000)                                   | 0   |
| External Materials and Services | 950,000                                       | (950,000)                                   | 0   |
| Internal Materials and Services | 260,000                                       | (260,000)                                   | 0   |
| Capital Outlay                  | 1,750,000                                     | (1,750,000)                                 | 0   |
| Contingency                     | (1,000,000)                                   | 1,000,000                                   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>2,515,000</b>                              | <b>(2,515,000)</b>                          | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| Fund Transfers - Revenue        | 2,515,000                                     | (2,515,000)                                 | 0   |
| <b>TOTAL REVENUES</b>           | <b>2,515,000</b>                              | <b>(2,515,000)</b>                          | <b>0</b>                                  |

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

**Bureau:** Portland Bureau of Transportation

**Type:** New Request

**Request:** TR\_003 - General Fund Requests

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

This package includes one-time requests for general fund support for seven different projects totaling \$2,515,000 and includes \$1,000,000 in GTR project funding.

- Adaptive Biketown \$50,000 – The Adaptive BIKETOWN Program 2-year pilot program is ending. This would cover a new contract with Albertina Kerr for ongoing operation and maintenance of the Adaptive BIKETOWN program (including procuring new bikes each year) and PBOT staff time for program management and coordination of other adaptive cycling items.
- Green Loop \$150,000 – This work will complement BPS' implementation plan for the Green Loop and develop the transportation element of the Green Loop in the Lloyd District and Rose Quarter areas. PBOT will work with BPS and stakeholders to determine a preferred alignment, taking into consideration adjacent land uses, present and future transportation demand in the area and major infrastructure investments like the Sullivan's Gulch Crossing Bridge and the I-5 Rose Quarter Improvement Project (ODOT). This work will help knit together these major projects to develop a high-quality, high-profile alignment with a well-defined Green Loop cross section and a strategy for implementation via a combination of capital projects and requirements for new development.
- Retrofit City Heavy Truck Fleet with Safety Side Guards \$260,000 – The Vision Zero Safety Action Plan (action D7) states that City of Portland new truck purchases will be equipped with side guards (mud flaps that prevent bicyclists from slipping under the vehicle) to meet national safety standards. All City and contracting trucks should be outfitted with side guards by December 31, 2021. A total of \$260,000 would provide \$2,200 per truck to bring the City's heavy truck fleet up to standard, guarding against bicycle and pedestrian fatalities.
- South Portland Addressing \$305,000 – With the Portland City Council adopting ordinances 188995 and 188996 it has mandated that the street renaming in South Portland be completed by 5/1/2020. While this is a very worthwhile project and will have significant benefits for multiple bureaus it has caused PBOT to have an unfunded mandate. This package requests General Fund support to fund this important one-time work of updating and eliminating leading zero addresses in Southwest Portland east of SW Naito Parkway thereby improving wayfinding, 9-1-1 dispatching and emergency response.
- Water Transit Feasibility Study \$150,000 – This study will reexamine the assumptions and results of the 2006 Willamette River Ferry Feasibility Study. Since the 2006 Study, the City has updated some of its river-related policies, including in the Central City, that encourage the City to seek out opportunities to activate the river and pursue water-based transportation where it supports other adopted policies. Portland's population has also increased by 100,000 people in a region growing just as quickly; this increased demand for travel has led to a spike in congestion and the need for innovative congestion-free travel alternatives. This study will analyze and determine potential demand and feasibility for water transportation compared to other travel options using a variety of methods, including travel times, vehicle person capacity, and potential routes.
- Transportation Resilience and Recovery Plan \$600,000 - Multi-bureau efforts to date have identified a resilient transportation network as a cornerstone in the City's ability to prepare for future catastrophes such as a major earthquake and flooding. A resilient transportation network is critical for all aspects of emergency response, from deploying first responders right after an event to the tasks of bringing city life back to normal and rebuilding city assets. The Bureau of Transportation is seeking funding in order to produce a Transportation Resilience and Recovery Plan that would outline steps to prevent, mitigate, and recover from natural disasters. Efforts will lead to a resiliency prioritization plan for PBOT with a critical resilient transportation network to guide investments. Research will include determining which bridges with seismic vulnerabilities present the highest risk to the city based on factors such as: bridge type, geologic conditions, route importance, seismic vulnerability, and consequence of failure. The last seismic work for bridges was conducted in the 1990s. Work will incorporate the latest geological information, including landslide risks and liquefaction areas provided in 2018 by the Oregon Department of Geology and Mineral Industries (DOGAMI).
- Best Naito \$1,000,000 GF request and \$1,000,000 of GTR funding - The Best Naito project would leverage other City investments in transportation facilities to the north and south on Naito, providing a permanent, year-round two-way cycletrack and sidewalk along the west side of Waterfront Park from SW Salmon to NW Couch. PBOT has piloted this concept in the summer months for four seasons and data from that effort shows the facility supports the festivals that utilize the Waterfront, that it receives double the ridership of the Waterfront, and that people are 3.4 times more likely to ride on Naito with the protected bikeway present. Waterfront Park is a signature Portland resource and this project would enhance the park experience while providing signature biking facilities and accessible walking facilities along it.

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

**Bureau:** Portland Bureau of Transportation

**Type:** New Request

**Request:** TR\_003 - General Fund Requests

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**CBO Discussion and Recommendation**

PBOT is seeking \$2.515 million of new General Fund one-time resources for seven distinct projects. Although the bureau currently has \$778,724 of ending fund balance in GTR available in the current fiscal year that could fund one or more of these requests, the bureau indicated these projects are not a high enough internal priority to commit GTR funds, thus the remaining GTR balance is allocated to other projects in this Fall BMP.

CBO's analysis and recommendations for each of the seven requests is provided below:

**Adaptive BIKETOWN, \$50,000.** The bureau requests \$50,000 of General Fund resources for the upcoming 2019 riding season. Created as a pilot program in 2017, Adaptive BIKETOWN is designed specifically for individuals with mobility needs. The program partners with Nike and Kerr Bikes to provide accessible bikes, mobility device storage, and assistance to riders with mobility needs. Nike serves as a program sponsor and provides \$10,000 in annual funding. The \$50,000 request would fund a one-year contract with Kerr Bikes for operations and maintenance (\$30,000), as well as \$7,000 for the bureau's external materials and services and for PBOT staff (\$13,000). Over the past several years, PBOT has devoted a significant amount of its resources to encourage people to drive less and use active transportation more. Adaptive BIKETOWN was launched in response to requests from the public for this equitable service. The bureau has made significant strides in addressing historical inequities by addressing racial equity considerations for projects, programs, and operations, yet there is limited discussion of equitable services for individuals with disabilities, including mobility. Given this, CBO recommends the bureau consider prioritizing Adaptive BIKETOWN for people with mobility needs in relation to other new activities funded with GTR resources. As this request is not unforeseen and may be prioritized within the bureau's budget, CBO does not recommend General Fund dollars for this request.

**Safety Side Guards for City Heavy Truck Fleet.** PBOT is requesting \$260,000 of one-time General Fund resources to retrofit 118 City heavy trucks with safety side guards (\$2,200 per truck) for PBOT, the Water Bureau, BES, and the Parks Bureau. PBOT has identified this as a Vision Zero Project; however, it did not fund the guards with the \$1.75 million of Recreational Cannabis Tax Fund resources it received for Vision Zero projects in the current year. As this request is not unforeseen and may be prioritized within the bureau's budget, CBO does not recommend this request. CBO recommends the bureau continue to maximize its new revenue streams to achieve its goals but cautions against setting goals that greatly exceed the resources available to achieve them.

**South Portland Addressing Project.** The bureau is requesting \$305,000 in one-time General Fund resources to fund the South Portland address project to rename several Portland city blocks located between SW Naito Parkway and the Willamette River. Currently, the area has numerical addresses that begin with zero. This creates confusion for address databases, wayfinding, and first responders.

In June 2018, PBOT proposed an Ordinance to rename this area "South" and remove the leading zero from the address. City Council passed Ordinance 188995 approving the bureau's proposal, with a target completion date of May 1, 2020. The bureau came back to Council in September 2018 with another Ordinance (189151) related to South Portland street sign fabrication and indicated there was no financial impact to the project. While this project incurs benefits citywide, the replacement of street signs falls within the responsibility of the bureau and would be an appropriate use of GTR. CBO does not recommend funding this request with General Fund contingency dollars. The bureau may be able to reprioritize or utilize underspending later in the fiscal year to address this project.

**Water Transit Feasibility Study.** PBOT is requesting \$150,000 in one-time General Fund resources to reexamine water-based transportation in the City of Portland. In 2006, BPS conducted a Willamette River Ferry Feasibility Study. The study concluded that it was not feasible at that time; however, PBOT would like to reassess the demand and interest in this mode of transportation. As this request is not urgent and unforeseen, CBO does not recommend General Fund contingency dollars for this request.

**Transportation Resilience & Recovery Plan.** PBOT is requesting \$600,000 of one-time General Fund resources to create a Transportation Resiliency & Recovery Plan. The bureau previously submitted a \$500,000 General Fund request as part of its FY 2018-19 requested budget; however, City Council chose not to fund this request. The project remains the same; however, the bureau has added \$100,000 to include a seismic study of PBOT owned bridges. A seismic study has not been conducted since the 1990s, and the bureau plans to incorporate the latest geological information, including landslide risks and liquefaction areas provided in 2018 by the Oregon Department of Geology and Mineral Industries (DOGAMI) into the study. As discussed in CBO's prior analysis, CBO agrees that incorporating resiliency planning into PBOT's project decision-making and prioritization is critical. Given the importance of this work, CBO recommends the bureau consider prioritizing this project in relation to other new projects. As this request is not unforeseen and may be prioritized within the bureau's budget, CBO does not recommend General Fund dollars for this request.

**Best Naito.** The Best Naito project would construct a permanent, two-way cycle track along the east side of SW Naito Parkway, between the roadway and the Waterfront Park. PBOT has piloted this concept in the summer months for four seasons and it is part of PBOT's Central City in Motion low-stress bike network initiative. PBOT highlights that riders are 3.4 times more likely to ride on Naito with the summer season protected bikeways present; however, there has been no assessment of ridership for year-round use. The project is \$4.0 million overall. The bureau would fund \$3.0 million with a combination of TSDS and GTR. The bureau is requesting \$1.0 million in General Fund resources for the rest. As this request is not urgent and unforeseen, CBO does not recommend General Fund contingency dollars for this.

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

**Bureau:** Portland Bureau of Transportation

**Type:** New Request

**Request:** TR\_003 - General Fund Requests

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| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_006 - Technical Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 178,220                                       | 0   | 178,220                                   |
| External Materials and Services | 301,752                                       | 0   | 301,752                                   |
| Internal Materials and Services | 77,000  | 0   | 77,000                                    |
| Capital Outlay                  | 4,239,944                                     | 0   | 4,239,944                                 |
| Fund Transfers - Expense        | 1,248   | 0   | 1,248                                     |
| Contingency                     | 1,115,606                                     | 0   | 1,115,606                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>5,913,770</b>                              | <b>0</b>                                    | <b>5,913,770</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 0   | 0   | 0   |
| Intergovernmental Revenues      | 4,239,944                                     | 0   | 4,239,944                                 |
| Interagency Revenue             | 178,220                                       | 0   | 178,220                                   |
| Bond and Note                   | 1,395,606                                     | 0   | 1,395,606                                 |
| General Fund Discretionary      | 100,000                                       | 0   | 100,000                                   |
| Miscellaneous Fund Allocations  | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>5,913,770</b>                              | <b>0</b>                                    | <b>5,913,770</b>                          |
| <b>FTE</b>                      |   |   |   |
| Full-Time Positions             | 4.00  | 0.00  | 4.00                                      |
| Limited Term Positions          | -0.50   | 0.00  | -0.50                                     |
| <b>TOTAL FTE</b>                | <b>3.50</b>                                   | <b>0.00</b>                                 | <b>3.50</b>                               |

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_006 - Technical Adjustments

| Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|--------------------------------------|------------------------------------|----------------------------------|
|--------------------------------------|------------------------------------|----------------------------------|

**Bureau Description:**

This package includes several technical adjustments which include:

- Add seven positions within the Engineering Services Group – do to increase in CIP projects/workload, Engineering Services Group is requesting seven additional positions to complete projects on time and schedule. These positions will be working on multiple CIP projects with multiple funding sources including: FOS, HB2017, fed and state grants, SDC, IA, GF.

- oTwo Survey Aide II
- oCAD Tech I
- oCAD Tech II
- oEngineer
- oSr. Engineer
- oSurveyor I

- Tech Adjustments:

- oTDM Wallet – Moving \$250,000 from surcharge parking revenue contingency to operating supplies to purchase supplies for the Transportation Demand Management group. These will be used to purchase incentives such as bikeshare and transit passes.
- o10th & Yamhill – Increase appropriation of \$4,239,944 to recognize grant funding with PDC for the 10th & Yamhill parking garage project.
- oNW Streetcar Extension – Technical adjustment to move operating budget of \$370,000 to project for NW streetcar extension.
- oMall Maintenance – Increasing appropriation of \$130,000 to sub fund for project work on the mall maintenance.
- oCash transfer of \$1,248 to Sewer Operating Fund for Green cash

- IA Adjustments

- o\$100,000 in IA revenue to bill Parks for the match portion of the federal grant on the Marine Drive Path project.
- oPlanning Bureau is requesting \$78,220 in PBOT staff time to work on projects.

- Convert Transportation Planning Coordinator from LT to FT

oThis request is to change an existing Transportation Planning Coordinator from a limited term to permanent position. The position is already fully funded for the FY 2017-18. Majority of the work this position will be handling is work on the ADA ramps.

- Marijuana Project Adjustment for Columbia/Lombard Mobility Corridor Plan

oTech adjustment shifting \$60,000 between project T00735 to the Transportation Planning Group to pay for work on the Columbia/Lombard mobility corridor plan.

- Bond Proceeds

oRecognizing \$1,395,609 net proceeds from the most recent bond sale. \$1,338,603 of this bond sale is for SDC payments, \$57,006 is for sidewalk work.

**CBO Discussion and Recommendation**

CBO recognizes that the bureau is building its capacity to deploy new and forthcoming resources to meet the public's expectations and has significant legal obligations under the Civil Rights Education and Enforcement Center (CREEC) settlement. Notwithstanding these responsibilities, CBO has some concerns that the bureau is requesting 14 FTE three months into the fiscal year after receiving position authority for 72 new positions in the FY 2018-19 Adopted Budget. The bureau also has over 50 vacancies for regular FTE that it can reclass to address its immediate needs.

Seven Engineering Group positions. The bureau is requesting seven additional positions to its Engineering Services Group to ensure the timely completion of Fixing Our Streets and other capital projects. The request for seven FTE is in addition to the 23 FTE the Engineering Services Group received in the FY 2018-19 Adopted Budget. Ramping up project delivery in response to new revenues is notoriously difficult and PBOT is no exception to this challenge. Given the increased workload, CBO recommends these positions.

Conversion of Limited Term Transportation Planning Coordinator to Full-Time. PBOT is requesting to convert a limited term Transportation Coordinator to full time to address workload capacity needs for all ADA projects within the bureau, including projects related to the CREEC settlement. Given the increased requirements for ADA projects and the demonstrated need for this position, CBO recommends this request.

Interagency Adjustments: CBO recommends all the adjustments, including the \$130,000 adjustment for an IA with the Procurement Division which will support a substantial reorganization that aims to reduce the time-to-execution for construction contracts.

recommends as requested. Technical Adjustments: CBO

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

**Bureau:** Portland Bureau of Transportation

**Type:** Capital Set-Aside Request

**Request:** TR\_007 - GF One-Time Request Major Maint & Infrastructure

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 2,700,000                                     | (2,450,000)                                 | 250,000                                   |
| External Materials and Services | 2,550,000                                     | (2,550,000)                                 | 0   |
| Capital Outlay                  | 38,300,000                                    | (34,800,000)                                | 3,500,000                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>43,550,000</b>                             | <b>(39,800,000)</b>                         | <b>3,750,000</b>                          |
| <b>REVENUES</b>                 |   |   |   |
| Fund Transfers - Revenue        | 43,550,000                                    | (39,800,000)                                | 3,750,000                                 |
| <b>TOTAL REVENUES</b>           | <b>43,550,000</b>                             | <b>(39,800,000)</b>                         | <b>3,750,000</b>                          |

**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 2018-19 Fall BMP Project Ranking Process will be built off the process used during FY 2018-19 budget development. Project ranking will begin with the existing ranked list created as a result of the FY 2018-19 budget development process, then incorporate any new information from bureaus utilizing the project scoring tool.

PBOT is requesting \$43,550,000 in general fund support for various major maintenance and infrastructure replacement projects:

**New Requests-**

Citywide Lamp Replacement Program \$2,250,000  
BR #127 Western Cornell Tunnel \$2,500,000

From Existing Ranked List in FY2018-19 budget development process, revised dollars-

Road Improvements around OHSU \$8,500,000  
Traffic Signal System Local Controller Replacement in SE \$1,000,000  
Street Lighting Safety & Efficiency \$700,000  
Pavement Reconstruction - NW 23rd Avenue: Lovejoy to Vaughn \$9,300,000  
Pavement Rehabilitation - NE Cornfoot: NE 47th to 750' W of Alderwood \$10,800,000  
Traffic Signal Reconstruction Program \$1,500,000  
LED Street Light: Underground Circuitry Upgrades \$2,000,000  
Traffic Signal Upgrades Supporting Economic Development \$3,000,000  
Street Lighting Service Upgrades: Update to Code \$2,000,000

**CBO Discussion and Recommendation**

The two top scoring projects, Citywide Lamp Replacement Program (ranked 1 out of 21) for \$2.25 million and Traffic Signal Reconstruction (ranked 2 out of 21 projects) for \$1.5 million. CBO notes that the cost per signal has more than doubled due to ADA accessibility requirements associated with the projects. Due to the high project ranking, CBO recommends both requests.

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

**Bureau:** Portland Bureau of Transportation

**Type:** Technical Adjustment

**Request:** TR\_008 - Marijuana Tax Fund Request

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 313,705                                       | 0   | 313,705                                   |
| External Materials and Services | 412,031                                       | 0   | 412,031                                   |
| Internal Materials and Services | 0   | 0   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>725,736</b>                                | <b>0</b>                                    | <b>725,736</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| Miscellaneous Fund Allocations  | 725,736                                       | 0   | 725,736                                   |
| <b>TOTAL REVENUES</b>           | <b>725,736</b>                                | <b>0</b>                                    | <b>725,736</b>                            |

**Bureau Description:**

In FY 2017-18, \$725,736 operating (non-CIP) expenses were appropriated in fund 227030 – Recreational Marijuana Tax (PBOT) but inadvertently posted in fund 200000 - Transportation Operating Fund. This package will assign the expenses to the correct fund. The Recreational Marijuana Tax Fund provides funding for Vision Zero education, safety design, speed campaigns, and 20-mph traffic signs, as directed by Council.

**CBO Discussion and Recommendation**

CBO recommends as requested.

**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

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 132,455                                       | 0   | 132,455                                   |
| Contingency                     | (132,455)                                     | 0   | (132,455)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**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**

Recommended as requested. \$93,000 was originally appropriated in the FY 2016-17 Adopted Budget for the solar panel installations at the Groundwater Pump Station. The Water Bureau already carried over the \$88,000 in this request from FY 2016-17 to FY 2017-18 and is requesting to carry over the funds once again. PWB states that the amount was unspent last year due to the roof replacement that must be completed prior to the installation of the solar panels. The roof replacement was not considered part of the City's solar installation initiative but is a new major project initiated in July 2018. The timing is being coordinated with the City's solar array installation. The project is estimated to take 15 months from initiation to completion.

In regard to the Mt. Tabor Preservation project, completed work from project inception through June 2018 include: repair of the South Wall; sidewalk repair around the basin perimeter; partial restoration of the fountain; cleaning of the hypochlorite building; patching stairs and sidewalks; and cleaning, patching, and repair of the exterior of the gatehouses. PWB also received \$1,115,000 of General Fund resources for the project in FY 2018-19.

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

**Bureau:** Portland Water Bureau

**Type:** New Request

**Request:** WA\_002 - Cash Transfers

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

**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**

Recommended as requested. This request follows Council's FY 2015-16 Spring BMP appropriation of \$35,000 for the bureau's operations and maintenance of park-like amenities at Dodge Park and Water Hydroparks. The FY 2017-18 Adopted Budget made this an ongoing versus a one-time allocation from the General Fund. The \$35,000 of ongoing funding from the General Fund ensures that maintenance of park-like amenities at Dodge Park and Hydroparks, for which use of ratepayer funds are prohibited, gets done each year, while the transfer of \$26,827 back means that some of the costs are recuperated by the General Fund.

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

**Bureau:** Portland Water Bureau

**Type:** New Request

**Request:** WA\_003 - Interagency Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (13,585)                                      | 0   | (13,585)                                  |
| Internal Materials and Services | 164,848                                       | 0   | 164,848                                   |
| Contingency                     | (151,263)                                     | 0   | (151,263)                                 |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**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**

Recommended as requested with adjustments during the Spring BMP as noted below.

The largest Interagency Agreement adjustment in this request is the \$151,263 increase with Purchasing, and this is also the only adjustment that involves a draw on contingency. This draw of \$151,263 is used to fund the bureau's portion of the costs associated with OMF-Procurement forming a dedicated team to serve infrastructure bureaus. These bureaus have been significantly increasing their capital output, while Procurement staffing has not commensurately increased due to formerly being solely funded by the General Fund. As the Water Bureau is among the small subset of infrastructure bureaus that rely on Design & Construction contracting services, it may be appropriate for these bureaus to fund this service via direct payment rather than through the General Fund Overhead model.

The Water Bureau states that the amount was provided to it by Procurement Services and is the Water Bureau's allocated share of the reorganization of that division. OMF notes that the adjustments with the participating bureaus include Service Level Agreements with agreed upon metrics for improvement in turnaround times in the procurement process. Considering that the purpose of the reorganization is to reduce the time-to-execution for construction contracts and provide service levels that improve capital construction project throughput, Procurement has stated that there should approximately be an 18% decrease in the number of days needed to complete a construction RFP off of a base of 300 days.

See the write-up to OMF's request MF\_053 for an analysis of the reorganization. In summary, CBO recommends that the Water Bureau's net full-year portion of the costs be \$263,048, not substantially different than the amount proposed by Procurement in its partial year Fall BMP request if it was adjusted for the entire year. To the degree that the recommendations are accepted, the bureau should make adjustments to partial year IA charges in the FY 2018-19 Spring BMP. CBO recommends that the Design & Construction group be established with 6.0 existing FTE, rather than the 7.0 FTE as proposed, with IA-payers, like the Water Bureau, funding the addition of 6.0 FTE rather than 5.0 FTE. This change would right-size the request to preserve base levels of service in General Fund-funded portions of Procurement and obviate the need for the requested Goods and Services Procurement Specialist. In addition, CBO recommends that IA-payers directly fund 75% of the requested Compliance Services Supervisor, as the driving factor for this request is the growth in workload associated with construction contracts.

While the Water Bureau is drawing on contingency to fund the IA this year, the costs will be ongoing and will have to be funded by revenues from ratepayers. And while the bureau is drawing on contingency to fund the IA, CBO notes that the bureau has significantly underspent its operating budget in the last several years and can probably absorb the additional costs without the draw from contingency. Another important consideration is that the bureau will be temporarily double-charged for the work because there are currently no plans to re-run the General Fund Overhead model mid-fiscal year. However, the removal of a body of work and associated costs from the General Fund Overhead model will conceptually result in savings to both the General Fund and overhead-payers once the model is updated.

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

**Bureau:** Portland Water Bureau

**Type:** New Request

**Request:** WA\_004 - Additional Revenues

|                           | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Contingency               | 2,250   | 0   | 2,250                                     |
| <b>TOTAL EXPENDITURES</b> | <b>2,250</b>                                  | <b>0</b>                                    | <b>2,250</b>                              |
| <b>REVENUES</b>           |   |   |   |
| Interagency Revenue       | 2,250   | 0   | 2,250                                     |
| <b>TOTAL REVENUES</b>     | <b>2,250</b>                                  | <b>0</b>                                    | <b>2,250</b>                              |

**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**

Recommended as requested.

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

**Bureau:** Portland Water Bureau

**Type:** Mid-Year Reductions

**Request:** WA\_005 - CIP Adjustments

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| 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                                |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**Bureau Description:**

Adjustments described in CIP Updates.

**CBO Discussion and Recommendation**

Recommended as requested. The largest adjustments to capital project budgets in this request are: \$33 million decrease for the Willamette Crossing Pipe project, \$8 million decrease for Washington Park Reservoir, \$3.3 million decrease for Conduits/Transmission, and \$1 million decrease for the Jantzen Beach Mains project.

In regard to the Willamette River Crossing Pipe project (original budget - \$56 million), contract negotiations between the bureau and the Design and Build team are continuing and significant construction is delayed until FY 2019-20. With the estimated cost of the only bidder willing to provide one being significantly over the bureau's original estimated cost, there is a case to be made for delaying this project until a downturn in the economy which may also provide some relief to ratepayers during a period of time when the bureau is working on several costly capital projects at the same time, including Washington Park Reservoir, the Bull Run Filtration project, and the Corrosion control project. The current estimated cost of the project is \$88 million.

Concerning the adjustment for Washington Park Reservoir, the bureau states that cash flow for Reservoir 3 has been replanned to align with a more detailed construction sequence. New estimates for various components of the project for the entire eight-year construction period has increased the project total, with four-years being the original timetable. The overall project budget is expected to increase by \$15 million from \$190 million to \$205 million.

The budget for Conduit Repair and Replacement is being reduced because although final condition assessment reports have yet to be completed, the overall condition of conduits appears better than expected and will not require rehabilitation work as expected.

As for the Jantzen Beach Mains project, the scope has changed to include two new design tasks due to difficulties procuring easements, which also adjusted the schedule with the design phase delayed. Although this request decreases the project's budget for the current year total project costs have increased by \$92,000 to almost \$1.4 million, with land acquisition costs accounting for most of the increase.

Eleven projects have increases in the current year's budget, but these are all under \$1 million each. The total project costs of several of these projects are increasing as well, but several projects displaying increases in the Fall BMP are also new. In addition, the total cost of one project with a Fall BMP increase is actually reduced.

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

**Bureau:** Portland Water Bureau

**Type:** New Request

**Request:** WA\_006 - Beginning Fund Balance

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

**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**

Recommended as requested. The balance in the bureau's operating fund is driven by higher than planned revenues from water sales and other charges for services in FY 2017-18 as well as prior year operational underspending in personal services, materials and services, and capital outlay. In total, the bureau's operating fund's beginning fund balance will increase by approximately \$9.8 million. These funds may be used to cash finance greater portions of capital projects, lessen the expected rate of increase in future budgets, or for other needs. CBO notes that this is the fourth year in which the bureau has underspent its operating budget and revenues exceeded targets by considerable amounts.

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

**Bureau:** Portland Water Bureau

**Type:** Technical Adjustment

**Request:** WA\_007 - HydroElectric Power Division

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | (11)  | 0   | (11)                                      |
| Internal Materials and Services | 11  | 0   | 11  |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>                                      | <b>0</b>                                    | <b>0</b>                                  |

**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**

Recommended as requested.

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

**Bureau:** Prosper Portland

**Type:** Technical Adjustment

**Request:** ZD\_001 - FY 2016-17 Contract True Up

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 177,000                              | 0                                  | 177,000                          |
| <b>TOTAL EXPENDITURES</b>       | <b>177,000</b>                       | <b>0</b>                           | <b>177,000</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 177,000                              | 0                                  | 177,000                          |
| <b>TOTAL REVENUES</b>           | <b>177,000</b>                       | <b>0</b>                           | <b>177,000</b>                   |

**Bureau Description:**

This is a \$177,000 request to true up contract costs from FY 2016-17.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Prosper Portland

**Type:** New Request

**Request:** ZD\_002 - Hill Block & FAR Study Carryover

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 75,000  | 0   | 75,000                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>75,000</b>                                 | <b>0</b>                                    | <b>75,000</b>                             |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 75,000  | 0   | 75,000                                    |
| <b>TOTAL REVENUES</b>           | <b>75,000</b>                                 | <b>0</b>                                    | <b>75,000</b>                             |

**Bureau Description:**

Prosper Portland requests \$75,000 for program funds from their FY 2017-18 budget that were not expended by the end of the FY 2017-18. These funds will support encumbrances and commitments that will be expended in early FY 2018-19.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Prosper Portland

**Type:** Program Carryover Request

**Request:** ZD\_003 - FY 2017-18 Carryover Cannabis Grant Funds

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 150,000                              | 0                                  | 150,000                          |
| <b>TOTAL EXPENDITURES</b>       | <b>150,000</b>                       | <b>0</b>                           | <b>150,000</b>                   |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| Miscellaneous Fund Allocations  | 150,000                              | 0                                  | 150,000                          |
| <b>TOTAL REVENUES</b>           | <b>150,000</b>                       | <b>0</b>                           | <b>150,000</b>                   |

**Bureau Description:**

Prosper Portland is requesting to add its FY 2017-18 Cannabis Tax revenue allocation to the agencies FY 2018-19 budget. The funds will allow Prosper Portland to administer grants in accordance with Council direction. This action will incorporate the funds as part of the FY 2018-19 Intergovernmental Agreement between the City of Portland and Prosper Portland. Cannabis funds align with the mission of the Inclusive Business resource Network program. Specifically, the grants will go toward providing technical assistance for small cannabis businesses owned by women and people of color. This may include assistance for taxes, accounting, business planning, etc.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Prosper Portland

**Type:** Technical Adjustment

**Request:** ZD\_004 - Neighborhood Prosperity Initiative Revenue Share

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 7,439                                | 0                                  | 7,439                            |
| <b>TOTAL EXPENDITURES</b>       | <b>7,439</b>                         | <b>0</b>                           | <b>7,439</b>                     |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 7,439                                | 0                                  | 7,439                            |
| <b>TOTAL REVENUES</b>           | <b>7,439</b>                         | <b>0</b>                           | <b>7,439</b>                     |

**Bureau Description:**

This request is to recover \$7,439 of NPI revenue share from FY 2017-18 that was not invoiced.

**CBO Discussion and Recommendation**

Recommended as requested.

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

**Bureau:** Prosper Portland

**Type:** New Request

**Request:** ZD\_005 - Cannabis Staffing & Overhead Costs

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 26,500                               | (26,500)                           | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>26,500</b>                        | <b>(26,500)</b>                    | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 26,500                               | (26,500)                           | 0                                |
| <b>TOTAL REVENUES</b>           | <b>26,500</b>                        | <b>(26,500)</b>                    | <b>0</b>                         |

**Bureau Description:**

Prosper Portland requests \$26,500 in new general fund discretionary resources for staffing and overhead support is based on the amount of time staff is projected to spend on developing and administering the Cannabis Tax grant funds.

**CBO Discussion and Recommendation**

Not recommended. Prosper Portland's request for additional funding to support the cannabis staffing and overhead costs is neither unforeseen, nor urgent. Prosper Portland already has staff that do similar work. Should they need extra support, that funding should be incorporated into the overall program cost and come out of the resources already provided for the grantmaking.

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

**Bureau:** Prosper Portland

**Type:** New Request

**Request:** ZD\_006 - Division Bus Rapid Transit

|                                 | <b>Fall BMP<br/>Requested<br/>Adjustments</b> | <b>Fall BMP<br/>CBO/Council<br/>Changes</b> | <b>Fall BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| External Materials and Services | 185,000                                       | (185,000)                                   | 0   |
| <b>TOTAL EXPENDITURES</b>       | <b>185,000</b>                                | <b>(185,000)</b>                            | <b>0</b>                                  |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | 185,000                                       | (185,000)                                   | 0   |
| <b>TOTAL REVENUES</b>           | <b>185,000</b>                                | <b>(185,000)</b>                            | <b>0</b>                                  |

**Bureau Description:**

Prosper Portland is requesting \$185,000 in General Fund discretionary resources to implement the economic and community development initiatives articulated in the Division Transit and Development Local Action Plan. The goal of which is to assist businesses and residents in preparing for a stronger economic climate and potential adverse impacts or displacement that may result due to the transit investment. Business owners, community organizations and residents have expressed concern that the investment and construction impacts will accelerate displacement, highlighting a greater need for business mitigation and community support. City funds will support community outreach, business support and development, an on-the-ground community development team, who will work collaboratively with Prosper Portland, TriMet and PBOT. The outer Division corridor is one of the most diverse areas in the city of Portland. This support will address needs of the current residents and businesses; particularly communities of color, immigrants and low-income populations, so they will benefit from the future transit improvements and development in their neighborhood.

**CBO Discussion and Recommendation**

Not recommended. Prosper Portland has requested funding for the Division Bus Rapid Transit project each of the last three years and Council has declined to fund it. Prior observations of a lack of clear outcomes, demonstrated need, and urgency still apply. Furthermore, construction is not expected to begin until at least late 2019. This decision, as it is likely a multi-year commitment, should be made as part of the FY 2019-20 budget process. Previous analysis on this issue can be found at: <https://www.portlandoregon.gov/cbo/article/567868>, <https://www.portlandoregon.gov/cbo/article/631365>, and <https://www.portlandoregon.gov/cbo/article/675830>

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

**Bureau:** Prosper Portland

**Type:** New Request

**Request:** ZD\_007 - PCC Swan Island Training Center

|                                 | Fall BMP<br>Requested<br>Adjustments | Fall BMP<br>CBO/Council<br>Changes | Fall BMP<br>Total<br>Adjustments |
|---------------------------------|--------------------------------------|------------------------------------|----------------------------------|
| <b>EXPENDITURES</b>             |                                      |                                    |                                  |
| External Materials and Services | 150,000                              | (150,000)                          | 0                                |
| <b>TOTAL EXPENDITURES</b>       | <b>150,000</b>                       | <b>(150,000)</b>                   | <b>0</b>                         |
| <b>REVENUES</b>                 |                                      |                                    |                                  |
| General Fund Discretionary      | 150,000                              | (150,000)                          | 0                                |
| <b>TOTAL REVENUES</b>           | <b>150,000</b>                       | <b>(150,000)</b>                   | <b>0</b>                         |

**Bureau Description:**

Prosper Portland is requesting \$150,000 in new general fund resources to partially fund a new employee training center on Swan Island that will be directed toward bridging the gap between unemployed Portlanders and the needs of certain manufacturing businesses or Swan Island. This request is contingent upon Prosper Portland certifying the need for additional training capacity to the Mayor's Office by 12/31/2018 through monitoring the balance of labor supply and demand of welders in the Portland market.

**CBO Discussion and Recommendation**

Not recommended. As stated in the request, it is not yet clear that there is a need for the Swan Island Training Center. Should a need be determined, Council should consider funding this request, as well as discuss the possible alternative funding mechanisms, including enterprise zone resources within Prosper Portland.