



City of Portland

Office for Community Technology

▲ Broadband & Communications Policy

▲ Cable Regulation & Consumer Protection

▲ Utility Franchises, Licenses & Wireless

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September 9, 2019

TO: Katie Shifley, Senior Financial Analyst, City Budget Office
FROM: Elisabeth Perez, Interim Director
RE: Office for Community Technology FY 2019-20 Fall BMP Submission

Please accept the Office for Community Technology's submittal for the FY 2019-20 Fall Budget Monitoring Process.

This submission includes:

- F4 – BMP Amendment Request Report (Fall), containing an encumbrance carryover request
- Prior Year Fund Reconciliation Report
- FY 2018-19 Budget Note Update
- Prior Year Decision Package Update
- Encumbrance Carryover Detail Spreadsheet

The Office for Community Technology has finalized the budgetary and position changes to establish the bureau as a stand-alone office separate from the Revenue Division and the physical move is nearing completion through collaboration and cooperation between the Office and Facilities and the Bureau of Technology Services. The Office continues to participate in advocacy and litigation to maintain local control of the right-of-way considering changes at the Federal Communications Commission. The Office can currently absorb the cost of litigating on behalf of the City of Portland through Professional Services.

Please contact Elisabeth Perez if you have any questions or concerns.

Cc: Julie S. Omelchuck, OCT Program Manager
Jennifer Li, OCT Program Manager
Aaron Rivera, Manager I, OMF

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CB - Office for Community Technology DP Type Encumbrance Carryover

Request Name: 9325 -OCT - Encumbrance Carryover

Package Description

The Office for Community Technology requests \$83,096 in encumbrance carryover: PO 22259598 Esper House, LLC community engagement, \$21,850; PO 22259599 F Conrad Hurdle, community stakeholder input, \$17,150. Outside council from the following vendors: PO 22248810 Telecom Law Firm PC, \$2,041; PO 22248811 Best Best & Krieger, \$2,000; PO 2257108 Best Best & Krieger, \$33,353; PO 22254531 David Olson, \$3,705; PO 22257109 Ashpaugh & Sculco CPA PLC, \$2,997.

Service Impacts

Approval of this request will allow the Office for Community Technology to complete the work with funds encumbered in FY 2018-19.

Equity Impacts

N/A

CBO Analysis

	2019-20 FALL Requested Adj	2019-20 FALL CBO Adj	2019-20 FALL Recom Total
External Materials and Services	83,096	0	0

	2019-20 FALL Requested Adj	2019-20 FALL CBO Adj	2019-20 FALL Recom Total
General Fund Discretionary	83,096	0	0

Prior Year Fund Reconciliation Report

Office for Community Technology

100 - General Fund

EXPENDITURES	2018-19 Revised Budget	2018-19 Actuals	Percent of Actuals to Revised
Personnel	967,299	810,067	83.75%
External Materials and Services	1,420,249	1,133,912	79.84%
Internal Materials and Services	208,699	55,943	26.81%
TOTAL EXPENDITURES	2,596,247	1,999,923	77.03%

REVENUES	2018-19 Revised Budget	2018-19 Actuals	Percent of Actuals to Revised
Intergovernmental	914,684	401,456	43.89%
General Fund Discretionary	1,681,563	0	0%
TOTAL REVENUES	2,596,247	401,456	15.46%

Expenditure Discussion

Personnel services were underspent due to vacancies including a Director position and other program staff. Materials and services were underspent due to less than anticipated service contracts, largely in IA funded programs, as well as internal service billings that were less than anticipated.

Revenue Discussion

Intergovernmental revenues fund MHCRC administration and compliance activities, and were underspent in FY 2018-19 due to less than anticipated contract activity and vacancy savings.

FY 2018-19 Budget Note Update

Office for Community Technology

Date of Budget Note: July 1, 2018 in the FY 2018-19 Adopted Budget

Budget Note Title: Office for Community Technology

Budget Note Language: In accordance with a budget note in the FY 2017-18 Adopted Budget, an external consultant was engaged to evaluate options and make recommendations to Council on the optimal location and structure for the Office for Community Technology (OCT) within the City's organizational framework. Based on these recommendations and consultation with City staff, Council directs that the Office for Community Technology be established as a stand-alone office beginning in September 2018. Council directs the Revenue Division and OCT staff to bring forward budgetary and position changes in the FY 2018-19 Fall Budget Monitoring Process for Council consideration. Council further directs OMF-Facilities to develop options and plan for the physical relocation of OCT staff, with the relevant budgetary actions also brought forward during the FY 2018-19 Fall Budget Monitoring Process.

Summary Status: Underway

Budget Note Update: September 9th, 2019

The Office for Community Technology was established as a City Bureau September 1, 2018. Appropriation and Position changes were requested and approved by Council in the FY 2018-19 Fall Budget Monitoring Process, moving 9.0 existing FTE and creating a new Bureau Director position.

Plans are underway for the physical relocation of the Office to a dedicated space in the Columbia Square Building. Due to the Portland Building move, a moratorium was placed on all moves requiring extensive work by BTS. The Office for Community Technology did not receive an exception from OMF, however after some discussion, the technology needs for the move are minimal and do not fall under the moratorium.

The Bureau anticipates a physical move in January-March 2020. We have chosen a tentative location in the Columbia building previously occupied by the Water Bureau on the 6th floor and already has an INET connection. The Water bureau team is anticipated to move December 2020.

The Bureau is working with facilities and an outside consultant on the layout and furniture needs for the new office.

Office for Community Technology
 Decision Package Updates, Fall BuMP FY 2019-20

FY 2019-20 Fall BuMP	OCT Relocation \$432,000	
<p>This decision package realigns existing resources and requests new one-time general fund resources to support the relocation of the newly re-established OCT. Physical relocation is necessary and critical because the Integrated Tax System project will soon begin in earnest, and the Revenue Division's staffing levels are expanding substantially and will occupy the space currently filled by OCT staff. Additionally, the security clearance required by Revenue Division for employees and guests is an unnecessary and inequitable hurdle for future employees and community outreach expected to be provided by the bureau. Last, the physical move will help legitimize the bureau. Due to vacancies in the bureau (e.g., newly-created director position, OCT manager) and some materials and services underspending, OCT will be able to contribute \$175,000 of general fund and \$50,000 MHCRC revenue to this project. The balance (\$262,000) is requested from General Fund one-time resources.</p>		
<p>This request is informed by a cost estimate provided by OMF Facilities. That estimate included a 30% contingency line-item that OCT is not requesting at this time. Should relocation project costs exceed budget and OCT is unable to absorb the overage, the bureau will return to City Council to request additional resources. Additionally, the estimate signals that OCT may incur INET fiber connectivity costs of \$50,000 ongoing. Again, once actual costs are known and should OCT be unable to absorb that additional cost, the bureau will return to Council with a request for ongoing resources.</p>		
<p>Status for Fall Performance Report:</p> <p>Due to the Portland Building move, a moratorium was placed on all moves requiring extensive work by BTS. The Office for Community Technology did not receive an exception from OMF, however after some discussion, the technology needs for the move are minimal and do not fall under the moratorium.</p> <p>The Bureau anticipates a physical move in January-March 2020. We have chosen a tentative location in the Columbia building previously occupied by the Water Bureau on the 6th floor and already has an INET connection. The Water bureau team is anticipated to move December 2020.</p> <p>The Bureau is working with facilities and an outside consultant on the layout and furniture needs for the new office.</p>	<p>Status In Progress</p>	

FY 2018-19 Spring BuMP	Program Carryover: Utility & Franchise Audit - \$118,730	
<p>OCT is requesting that the unspent funding amount for this decision package be carried forward into FY 2019-20 to carry out the original intent of the decision package. Because of competing priorities due to the reorganization and reestablishment of OCT as a stand-alone bureau, dealing with federal proposed and actual preemptions affecting future and ongoing general fund revenue, and coping with high level management vacancies, OCT has not had the opportunity to hire for this position.</p>		
<p>Status for Fall Performance Report:</p> <p>Recruitment is in progress. Job posting closed 9/19/19, and staff are reviewing eligible applicants. Selection phase expected to begin approximately 9/26, with a potential job offer anticipated mid-late September.</p>	<p>Status In progress</p>	

Outstanding PO List with GR Date

Line Item No.	PO No. & Line	PO Date	Vendor No.	Vendor Name	Contract No.	Line Item Text	CO Number	CO Name	Fund No.	Bus Area	Funds Centers No.	Commit Item No.	Functional Area No.	Grant No.	Pur Grp	Buyer	Matri Grp No. & Name	FY 2019 Begin Encumbrance	FY 2019 GR/IR Transactions	Remaining Encumbrance	Accrual JE Number	Accrual Actual Invoice
6314	22259598 - 0020	43643	121456	Esper House Llc	35001732	Enc Community Engage Prj	8CBBD0000001	Broadband & Digital Inclusion	100000	CB00	CBCF000001	521100	CDCCBD00000000GC	Not Relevant	X99	TKRUEGER	91800 Consulting Services	22,850.00	0	22,850.00	2200008055	1,000.00
6315	22259599 - 0010	43643	121443	F Conrad Hurdle	31001591	Enc For Comm Stakeholder Input	8CBBD0000001	Broadband & Digital Inclusion	100000	CB00	CBCF000001	521100	CDCCBD00000000GC	Not Relevant	P99	TKRUEGER	91800 Consulting Services	17,150.00	0	17,150.00		-
4497	22249288 - 0010	43469	101816	Moss Adams Lp	30005847	25%-mhrc Fin & Federal Complian	8CBMH0000012	Mhrcr Admin & Regulation Gf	100000	CB00	CBCF000001	521000	CDCCMHOPAD0000GC	Not Relevant	G99	TKRUEGER	96100 Misc Prof Services	3,750.00	(3,353.25)	396.75	2200008055	-
6312	22259597 - 0010	43643	110956	Cbg Communications Inc	35001733	Enc Comm Tech Needs & Int	8CBMH0000012	Mhrcr Admin & Regulation Gf	100000	CB00	CBCF000001	521100	CDCCMHOPAD0000GC	Not Relevant	X99	TKRUEGER	91800 Consulting Services	90,000.00	0	90,000.00	2200008055	10,272.73
6313	22259598 - 0010	43643	121456	Esper House Llc	35001732	Enc Community Engage Prj	8CBMH0000012	Mhrcr Admin & Regulation Gf	100000	CB00	CBCF000001	521100	CDCCMHOPAD0000GC	Not Relevant	X99	TKRUEGER	91800 Consulting Services	21,150.00	0	21,150.00	2200008055	-
0	22249288 - 0020	43469	101816	Moss Adams Lp	30005847	75%-mhrc Final & Federal Complia	8CBMH0000003	Mhrcr Capital Compliance Gf	100000	CB00	CBCF000001	521000	CDCCMHOPCC0000GC	Not Relevant	G99	TKRUEGER	96100 Misc Prof Services	11,250.00	(10,059.75)	1,190.25	2200008055	-
4461	22248810 - 0010	43455	117362	Telecom Law Firm Pc	30005944	Outside Counsel- Small Cell & Das	8CBUL0000001	Utility License & Franchise Management	100000	CB00	CBCF000001	521100	CDCCL00000000GC	Not Relevant	G99	TKRUEGER	91800 Consulting Services	2,040.90	0	2,040.90		-
4462	22248811 - 0010	43455	113659	Best Best & Krieger	30005511	Outside Counsel- Ulf	8CBUL0000001	Utility License & Franchise Management	100000	CB00	CBCF000001	521100	CDCCL00000000GC	Not Relevant	G99	TKRUEGER	91800 Consulting Services	2,000.00	0	2,000.00		-
5072	22254531 - 0010	43564	116297	David Olson	30006200	Outside Council- Utility Franchise	8CBUL0000001	Utility License & Franchise Management	100000	CB00	CBCF000001	521100	CDCCL00000000GC	Not Relevant	G99	TKRUEGER	91800 Consulting Services	5,000.00	(1,295.00)	3,705.00		-
5411	22257108 - 0010	43607	113659	Best Best & Krieger	30006155	Outside Counsel Ulf On-call	8CBUL0000001	Utility License & Franchise Management	100000	CB00	CBCF000001	521100	CDCCL00000000GC	Not Relevant	G99	TKRUEGER	91800 Consulting Services	43,257.00	(8,000.00)	35,257.00		-
5413	22257109 - 0020	43607	120276	Ashpaugh & Sculco Cpa R	30006606	Oct- Row Study	8CBUL0000001	Utility License & Franchise Management	100000	CB00	CBCF000001	521100	CDCCL00000000GC	Not Relevant	G99	TKRUEGER	91800 Consulting Services	21,540.97	(18,544.00)	2,996.97		-