



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE

Charlie Hales, Mayor
Fred Miller, Chief Administrative Officer

**Jane Braaten, Senior Business
Operations Manager**
Business Operations
1120 S.W. Fifth Avenue, Rm. 1250
Portland, Oregon 97204-1912
(503) 823-5665
FAX (503) 823-5384
TTY (503) 823-6868

TO: Fred Miller, Chief Administrative Officer

FROM: Kirk Hall
Nicolette Johnston
Mick Seidl

SUBJECT: GO Bond Independent Citizen Committee Quarterly Report
For the Period ending March 31, 2015

DATE: July 6, 2015

With this memo, the Independent Citizen Committee (ICC) is pleased to convey its quarterly report to Fred Miller, the Chief Administrative Officer for the City of Portland. This report provides information through the quarter ending March 31, 2015.

The ICC has been holding quarterly meetings since its inception in Feb. 2011. In each meeting, City staff update the citizen members about ICC activities from the preceding fiscal quarter. Aaron Beck, OMF Business Operations Division, provides status updates for the GO Bond fund, debt sales and expenditure projections. Then staff and/or Project Oversight Committee (POC) members from each of the four GO Bond-funded projects (Fire Station 21, Fire Apparatus, Emergency Coordination Center, and PSSRP Radio project) provide updates on the progress of the respective projects. The POC for the Emergency Coordination Center made its last update during the May 2014 meeting, since the project was complete at that point. The POC for Station 21 made its last update during the February 2015 meeting, since the project was complete at that point.

The ICC members have reviewed the quarterly reports submitted by the POCs to the ICC and we concur with their findings, which are summarized below.

1. Executive Summary

a) Public Safety GO Bond Fund – Program budget and actual expenses

The fund is in sound financial condition. The program's financial needs are being met through GO Bond proceeds received from debt sales in May 2011 and March 2014. Each project is progressing according to its budget with no serious exceptions. While there are some delays in the progress of the different projects, this does not negatively impact the status of the overall fund.

The third and final debt sale is projected to close in early June 2015. As a result of savings on projects, the City will issue fewer bonds than the maximum amount authorized by the voters. Additionally, interest earnings from the prior bonds will be applied to project funding, further decreasing the amount of the final bond issue.

The chart below summarizes overall program savings, interest earnings, and the resulting amount of funds to be provided by the third and final bond sale.

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Third GO bond sale with suggested enhancements and add backs:

<u>Proceeds from sale three in June 2015</u>	
Fire Apparatus	\$6,597,216
ECC	\$0
Public Safety Emergency Radio System	\$12,779,609
Admin, Fire PM, and Bond Issuance	\$455,824
Total required to complete projects	\$19,832,649
<i>Less unused Fire Station 21 project bond sale proceeds</i>	<i>(\$171,393)</i>
<i>Less interest earnings on bond proceeds</i>	<i>(\$622,193)</i>
Net amount for bond sale 3	\$19,039,063
Combined proceeds from bond sales 1 and 2	\$51,550,044
Total bond proceeds authority to be used	\$70,589,107
2010 bond proceeds authority available	\$72,400,000
Overall program savings	
Unused 2010 bond proceeds authority	\$1,810,893
Cash and other resources	
PSSRP cash for 800 MHz radio system	\$5,393,036
GO bond proceeds (1998)	\$918,328
ECC project resources	\$216,972
Total	\$8,339,228
Overall program savings are due to	
Project savings	\$7,717,035
Interest earnings	\$622,193
Total	\$8,339,228

The savings in PSSRP cash for the 800 MHz radio system will be used to seed programs for future major maintenance projects for the system and/or end-user equipment replacement. The savings from the 1998 GO bond proceeds will be used by Fire and Rescue for facility projects that meet the requirements of the 1998 voter authorization. The ECC project savings accrued to the Water and Facilities Services funds.

b) Project Oversight Committees

Each of the four projects is overseen by a citizen POC. Each POC reviewed and approved the quarterly reports sent to the ICC.

c) Projects

The Emergency Coordination Center project was completed June 30, 2014. The Station 21 project was completed February 12, 2015. The other two projects are on schedule and within scope. Except as specifically discussed below, the projects are progressing within budget.

2. Major Accomplishments

a) Apparatus

Two Air/Light/Rehab units were ordered. The engine acquisition process began and is on schedule. The purchasing procedures are complete for the quint apparatus. The fireboat contract was extended until May 30, 2015 to allow ample time for full project completion. The tiller trucks are now ordered. Specifications for the rehab trucks are complete. Specifications for the fire engines are nearly complete.

b) Emergency Radio

The Radio Project is progressing in most areas. All engineering tasks – with the exception of MW testing - are on schedule. The schedule was adjusted to include BTS work on sites. Equipment was installed at a

number of sites, including antennae work, and is being readied for “power-up”. Most sites should be complete for “power-up” status by Spring 2015, with the exceptions of Walters Hill, Willalatin Tank, Lookout Point and Mt. Scott. Microwave upgrades and changes in equipment to several sites.

- Equipment was installed at all sites except Walters Hill, Willalatin Tank, Lookout Point and Mt. Scott.
- Walters Hill – Significant milestones occurred on this site. Land Use permits were issued, and discussions on design are almost complete.
- Lookout Point – Permits were received in March and replacement building completion is also expected within 90 days.
- Microwave upgrades and equipment changes completed at several sites.
- Tower and Antenna work, including the removal of obsolete equipment, completed where possible.
- Electrical power and air conditioning upgraded at several sites, and additional power generation is being installed at some radio sites.
- All portable and mobile radios for Police and Fire (City) were deployed and are in use.
- Subscriber work for outside agencies is in the planning stages, with Gresham and Multnomah County Sheriff being the first targets.
- Console installations have begun at BOEC (Communications Center) and is expected to be complete by the end of April. Other console work will be completed in the 2nd quarter of 2015.

3. Critical Issues and Risks

a) Apparatus

Deficiencies pertaining to the fire boat specifications were tentatively resolved. The contract for delivery of these boats was extended to through May 30, 2015. A definitive delivery date is not yet confirmed by the manufacturer. As work progresses the timeline will become clearer.

Performance and paint issues related to the fireboats were collaboratively addressed with the manufacturer and PF&R. The manufacturer has responded positively to correct any issues and concerns with the project.

Decisions pertaining to the purchase of trucks, quints, combination rehab units and fire engines were made as above. This process is on-going as it pertains to the specifications of the additional types of apparatus.

b) Emergency Radio

The timing is important to BOEC regarding installation of consoles, to BOEC’s restrictions on scheduling any activities that impact Operations personnel schedules between mid-April and mid-September. Additional impacts on the console installation are space restrictions on the Dispatch floor due to the size of computer platforms use.

There is potential for impact on the project schedule and cost if the selected solution requires tower and cabling space at tower sites that are currently loaded to or near capacity. Since the City does not own all the tower sites and towers that are used by the radio system, potentially some sites could be unavailable to the new system. This could result in proposed technical solutions needing to be re-designed and/or some tower sites lease agreements needing to be renegotiated. Current information indicates that there are 5 or more towers that are over 90% loaded.

Tower construction and site work at Walters Hill: Walters Hill was purchased by the City of Portland in 2011. It was known that the building on the site needed to be replaced and the telephone pole currently supporting the antennae at the site was inadequate for any future use. The City through a separate Project managed by BTS has submitted land use permit applications to the City of Gresham. The initial application was deemed incomplete and BTS is working to provide other requested information by Gresham Planning and Development.

4. Upcoming Milestones

a) Apparatus

Finalizing the order of approved apparatus and evaluating the type and configuration of apparatus needs, specifically for the water tender and brush vehicles.

b) Emergency Radio

During the 2nd quarter of 2015, the deployment of mobiles and portables will continue, the contracting work for Walters Hill, Lookout Point, and Willalatin Tank will begin and be close to completion by the end of the 2nd quarter, and Mt Scott tower plan will be finalized and contracted work should commence.

4. Projected Completion Dates

Apparatus – Estimated completion by Fall 2016, dependent on apparatus build times and subject to build and testing delays.

Emergency Radio – June 30, 2016

Dashboard

This table tracks and summarizes the progress of all four projects and POCs.

Key:



Green: On target, good
Yellow: Caution, objectives threatened
Red: Serious issues, corrective action needed



Up: Positive changes, outweigh negatives
Equal: No net change
Down: Negative changes, outweigh

	Prior Rating	Direction	Current Rating	Comments
Apparatus				<ul style="list-style-type: none"> Satisfactory progress continues on the construction of the two fireboats, the three tillered aerial trucks and the quint. Purchase order placed for two air/light/rehab units, the pre-construction conference will occur in summer of 2015. The ordinance to proceed with the use of the H-GACbuy contract (H-GACbuy is a national cooperative contracting consortium) for the purchase of new fire engines was approved by City Council. The specifications are in the final stage of review and approval.
Emergency Radio				<ul style="list-style-type: none"> Equipment was installed at all sites except Walters Hill, Willalatin Tank, Lookout Point and Mt. Scott. Walters Hill – Significant milestones occurred on this site. Land Use permits were issued, and discussions on design are almost complete. Lookout Point – Permits were received in March and replacement building completion is also expected within 90 days. Microwave upgrades and equipment changes completed at several sites. Tower and Antenna work, including the removal of obsolete equipment, completed where possible. Electrical power and air conditioning upgraded at several sites, and additional power generation is being installed at some radio sites. All portable and mobile radios for Police and Fire (City) were deployed and are in use. Subscriber work for outside agencies is in the planning stages, with Gresham and Multnomah County Sheriff being the first targets. Console installations have begun at BOEC (Communications Center) and is expected to be complete by the end of April. Other console work will be completed in the 2nd quarter of 2015.



City of Portland Emergency Radio System: Replacement Project Time Line

