



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
Cobi Jackson

SUBJECT: GO Bond Independent Citizen Committee Quarterly Report
For the Period ending June 30, 2015

DATE: October 28, 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 June 30, 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 were met through GO Bond proceeds received from debt sales in May 2011 and March 2014. The Emergency Coordination Center and Stations 21 projects came in under budget. The Radio and Apparatus projects are progressing according to their budgets with no serious exceptions. While there are some delays in the progress of the projects, this does not negatively impact the status of the overall fund.

Proceeds from a third and final bond sale were received in June 2015. As a result of savings on projects and interest earnings, the City issued fewer bonds (\$1.873 million) than the maximum amount authorized by the voters.

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The attached report shows the financial status of projects and the overall program as of June 30, 2015.

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

The second fire boat is now complete but is not yet in service, as it is undergoing testing that will take up to two months. The three tiller aerial trucks and the quint that are under construction are nearing completion and should be delivered late summer 2015. Nine new fire pumpers were ordered and the pre-construction conference is scheduled for late summer 2015. The pre-construction conference for the two air/light/rehab units on order will occur in summer of 2015. The remaining purchases are two brush units, one foam unit, and a dive van. Additional funding derived from project savings allowed restoration of the dive van and the addition of said foam unit.

b) Emergency Radio

The project is progressing, with delayed action only at Mt. Scott. Equipment was installed at all sites with the exception of Walters Hill and Willalatin Tank. These two sites are in various stages of build, and are targeted for completion by late Fall or end of calendar year. Antenna work on all sites with the exclusion of Walters Hill and Council Crest was completed. Subscriber installs for outside agencies is continuing.

Walters Hill – Significant milestones occurred on this site. Construction permits will be issued soon and the tower should be up by the end of 2015.

Willalatin Tank/Lookout Point – The City began work on the Willalatin tank site. The delay on work for this site was primarily caused by a City imposed moratorium until early May. Lookout Point was completed.

Mt. Scott. – The Tower at Mt. Scott, owned by TriMet but utilized by a number of communication networks, is severely overloaded. An initial design to mitigate the tower proved to be unworkable, and a re-engineering of the site was done to provide an alternative design. This was completed and we are awaiting final contractor selection and negotiations through Motorola.

Arrowwood. – Although complete, it was found that the Propane Tank at this site was never properly permitted. The Fire Marshal required the re-location of the tank. The A/C unit at this site is being upgraded and needs to be relocated. Neither of these activities will delay the installation of the Radio System.

Phase three, which involves warranty and maintenance, will be extended toward the end of 2016 (originally Summer 2016).

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, and to BOEC’s restrictions on scheduling any activities that impact Operations personnel schedules between mid-April and mid-September. Work with Motorola on the timing of this proved effective. The installs of the consoles were completed with little or no disruption to the dispatch floor.

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. Walters Hill issues are nearly 100% resolved. Construction began in the 3rd quarter. Additional work on the site to achieve full microwave pathways is continuing.

4. Upcoming Milestones

a) Apparatus

Finalize the ordering of approved apparatus and continue work of evaluating type and configuration of apparatus needs, specifically for the water tender, brush vehicles, foam unit and dive van.

b) Emergency Radio

During the 3rd quarter of 2015, the deployment of mobiles and portables will continue, the contracting work for Walters Hill will begin, Willalatin Tank will be close to completion, and Mt Scott tower mitigation work should commence. We are awaiting a projected timeline for completion of that work.

Other work that will continue:







- Microwave completion of install
- Battery Systems update
- FCC Licensing (nearing completion)
- Generator installs
- Lease revisions
- In-building coverage planning – BDA replacements
- Logging recorder changes (Completed in April, we are doing some additional interface work)

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

	Prior Rating	Direction	Current Rating
Apparatus			
Emergency Radio			



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

Public Safety GO Bond Program
 Program budget and actual life-to-date expenses and revenues
 Life to date actuals through June 2015

	Original budget	Current budget	Life to date actuals through June 2015	Balance
<u>Requirements</u>				
Fire Station 21	\$7,900,000	\$11,930,122	\$10,471,585	\$1,458,537
Fire Apparatus	\$19,800,000	\$21,987,345	\$17,355,194	\$4,632,151
Emergency Coordinations Center	\$19,848,543	\$19,848,543	\$19,631,571	\$216,972
Public Safety Emergency Radio System	\$52,096,007	\$50,888,415	\$34,691,675	\$16,196,740
Program Admin costs (General Fund Overhead)	\$625,000	\$626,064	\$214,345	\$411,719
Fire project management	\$575,000	\$250,000	\$0	\$250,000
Bond issuance costs	\$560,000	\$560,000	\$471,392	\$88,608
Program contingency	\$0	\$0	\$0	\$0
TOTALS	\$101,404,550	\$106,090,489	\$82,835,763	\$23,254,726
<u>Resources</u>				
Other cash for Public Safety Emergency Radio System	\$3,156,007	\$3,156,007	\$3,156,007	\$0
Public Safety Emergency Radio System replacement monies	\$10,000,000	\$10,000,000	\$10,000,000	\$0
GO bond proceeds (2010)	\$72,400,000	\$72,400,000	\$70,526,966	\$1,873,034
GO bond proceeds (1998)	\$0	\$1,620,000	\$1,620,000	\$0
Grants	\$0	\$2,356,758	\$2,110,291	\$246,467
Property sales	\$0	\$701,755	\$701,755	\$0
Miscellaneous	\$0	\$7,426	\$19,418	(\$11,992)
Water and Facilities Services resources for ECC project	\$15,848,543	\$15,848,543	\$15,576,493	\$272,050
Interest earnings	\$0	\$0	\$568,633	(\$568,633)
Total resources	\$101,404,550	\$106,090,489	\$104,279,562	\$1,810,927