

**CITY OF PORTLAND  
INTER-OFFICE CORRESPONDENCE**

(NOT FOR MAILING)  
July 12, 1974

From Liz Thorsten

To Mildred Schwab

Addressed to

Subject Bureau of Street Lighting Assessment Study

**BACKGROUND**

In 1955 the City's first Street Lighting Levy Fund went into effect to upgrade the City's lighting at an approximate yearly cost of \$1 million per year through FY'64-65 but because of insufficient funds (Lloyd Center, freeways and utilities increase in '60) this was not completed.

A second approved Street Lighting Levy in 1964 providing approximately \$1,800,000 per year through FY'74-75 went into effect to provide upgrading of lighting in annexed areas, freeways, residential areas, civic center, urban renewal and conversion to mercury vapor lamps.

**PROBLEMS**

The report sites the following needs:

1. defining long range and "critical" objectives (long range objectives not done since 1964 tax levy (pg. 2-1)). (The Bureau has implemented work scheduling, "relating project objectives to daily tasks", examining the City by maps to assess general lighting improvement needs, and assessment of lighting levels in the City's "major districts". Also, under consideration are evaluating lighting needs, adopting lighting standards -- no new projects will be started "until the current evaluation is completed" and prioritized.)

2. Administration and performance management. The "formal separation" in 1973 of the Bureau of Lighting and Utility Rates and Use provided the Lighting Bureau with no administration. Mr. Norman reorganized the Bureau, assigned responsibility areas to employees and provides full time administration (5 employees and 1 loaned from Streets and Structures). There is still a need for "contract supervision and evaluation" (currently being worked on) and upgrading of morale.

3. Lighting standards and operating procedures. There have, in the past, been virtually no standards for lighting in the City. Work has been initiated for standards and will require Council decision on policies in order to adopt. Adopted standards will be a "key" in figuring capital and operating costs for lighting.

4. Coordinated capital improvements plan. At the present time, there is no City-wide capital improvements plan (all bureaus involved). The Lighting Bureau has implemented a project worksheet for "committed and anticipated lighting projects" and expects to develop a comprehensive plan identifying lighting projects in relation to long range City developments.

JS

5. Needs assessment and resource utilization. This would be necessary to assure providing "appropriate level of service" (determine staffing level) using Bureau of Personnel and possibly Management Services.

6. Isolate and solve problems unique to the Bureau, (i.e., "controlled inventory" of stock and inventory lights owned by the City).

Approximately \$1 million will be available from the current levy for '75-76 and the report states that "energy costs alone now consume 100% of the present annual levy". Without long range planned capital improvements, adopted lighting standards and not knowing what energy costs in the future will be, the cost projection shown on pg. 4-2 in the total amount of \$32,292,764 for ten years is derived from "initial projections".

## FUNDING PROPOSALS FOR THE BUREAU OF LIGHTING

### Alternative 1 - General Fund-Revenue Sharing

This proposal would require \$1 million in addition to the \$1 million remaining in

the present levy for FY75-76 and FY 76-77 from Revenue Sharing funds, and would give

the Bureau time to analyze future long term needs. The City plans to use Revenue Sharing

over a 7 year period (instead of 5 by building a contingency) and presently is \$2 million

below estimated expenditures with capital interest returns of 25% (does not say on how

much money). The dollar figure above does not include outside grants.

Advantages are: funds currently available, no program cutbacks required, and no

electorate vote required.

Disadvantages: reduces Revenue Sharing surplus interest earnings, short term

solution, ends same time of "other predicted financial problems"

### Alternative 2 - General Fund

The General Fund would take over Street Lighting costs either on short or long-term

basis; and a decision by January, 1976 whether a new levy be introduced in 1976 or

the General Fund would continue funding would have to be made.

Advantages: Would provide continuous revenue source and "flexible" capital source

and no required electorate vote.

Disadvantages: Requires new General Fund monies or program cutbacks and does not

allow for street lighting funds

### Alternative 3 - New Street Lighting Levy

This would require the Council to approve a ballot measure by August 16th to be placed

on the ballot for November, 1974 election.

Advantages: Provides for additional street lighting funds with no City program cutbacks

and would allow funds for "street lighting functions".

Disadvantages: Not enough time for analysis and cost projection, public relations and

promotion, would limit level of revenue and requires electorate vote.

JUNE, 1974



DONALD R. NORMAN, DIRECTOR  
BUREAU OF STREET LIGHTING

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PREPARED FOR  
CONNIE McCREADY - COMMISSIONER  
DEPARTMENT OF PUBLIC WORKS

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BUREAU OF STREET LIGHTING  
ASSESSMENT STUDY

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THE CITY OF  
PORTLAND



OREGON

BUREAU OF LIGHTING

400 S.W. SIXTH AVENUE  
PORTLAND, OR., 97204

503/248-4403

June 20, 1974

Commissioner Connie McCready  
Department of Public Works  
311 City Hall  
Portland, Oregon 97204

Dear Commissioner McCready:

Submitted herewith are copies of the assessment study of the Bureau of Lighting. Due to the urgent need to provide to you pertinent fiscal information as soon as possible, I have expedited this report as detailedly stated within.

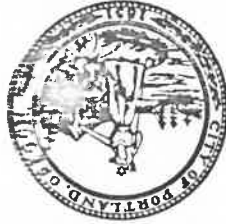
If any further information concerning portions of this report are needed, or if you wish me to meet either formally or informally with other members of the Council, I am at your disposal.

Respectfully submitted,

*Donald R. Norman*  
Donald R. Norman, Director  
Bureau of Street Lighting

DRN:dlt

JUNE, 1974



DONALD R. NORMAN, DIRECTOR  
BUREAU OF STREET LIGHTING

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PREPARED FOR  
CONNIE MCCREADY - COMMISSIONER  
DEPARTMENT OF PUBLIC WORKS

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BUREAU OF STREET LIGHTING

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ASSESSMENT STUDY

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INTRODUCTION

SECTION ONE



Section I

Introduction

1.1 Reason For This Study

Several problems were reported to the Executive Budget Review Committee in March, 1974 relating to the Bureau of Lighting. During the Budget Review sessions, the need for more detailed information pertinent to the Bureau's problems and the Bureau's requested 1974-75 Budget packages was articulated. As an active member of the Public Works Commissioner's staff, I was requested to audit the Bureau for approximately one week to:

- Review and evaluate the current structure and status of the Bureau.
- Isolate the problems of the Bureau and determine their magnitude.
- Recommend solutions.

1.2 Preliminary Findings

At the conclusion of the week long audit, a report was presented to the Commissioner detailing the problems of the Bureau and their magnitude. On the basis of the information gathered, it was recommended that an interim period of at least six (6) months, or preferably to December 31, 1974, be established to:

- Solve the immediate problems of the Bureau and provide for continuous administration.

The first section of this report is designed to give the reader an over-view of the events leading up to the need for this report. The remainder of this section provides a brief history of the Bureau

1.4 Report Organization

considered a part of my responsibility. Supervision of the alternative agreed to by the Council should be the Council will be provided after a decision is reached. A detailed design of the fiscal alternative agreed to by report. A detailed design of the fiscal alternative agreed to by endation has been omitted due to the expedited nature of this Detailed information relative to the implementation of each recomm- Only a brief summary is included at this time.

bearing on my study of operational alternatives is in progress. future fiscal and operational alternatives. Research directly Bureau in order to provide a series of recommendations relative to been directed toward arriving at an accurate assessment of the new Street Lighting Levy. My review and evaluation to date has Council decisions and election filing deadlines for proposing a COMPLETE STUDY AND ORGANIZATION DEVELOPMENT PERIOD due to pertinent THIS REPORT IS BEING PRESENTED PRIOR TO THE CUMINATION OF A

1.3 Report Content

- Examine and evaluate future fiscal and operational alterna- tives.
- Prepare a recommendation and alternatives for the Commissioner- In-Charge and members of the Council relative to the future funding and operation of the Bureau.

operation.

Until this first levy, street lighting had been minimal and was done by individual lighting districts paid for directly by the taxpayer, merchant, or the general fund. In 1955, all street lighting, including viaducts, subways, underpasses, and parks totaled approximately 14,500 units. The levy was to be used to upgrade the City's lighting and would provide approximately \$1,000,000 per year until the end of fiscal year 1964-65.

constant until 1955 when the first Street Lighting Levy Fund began

Hall, as well as street lighting. This arrangement remained the Bureau of Parks, Police, Radio Communications, Health and City included heating, refrigeration, and other electrical projects for responsibility for all electrical projects. His responsibilities Carl Lundell was appointed to this post and charged with the re- functions originally handled by the Utilities Engineer. In 1926, The Bureau of Lighting essentially evolved from one of several

1.5 Historical Background

alternatives.

Alternatives, provides a pro and con discussion of various funding objectives of the Bureau, the changes that have been introduced and of the Bureau. Section III, Assessment, examines the goals and interim period (to date) and relates these findings to the problems Section II, Summary of Findings, capsulizes the findings of this to provide a better perspective.

A Street Lighting Coordinator, Sid Leo, and additional staff were hired in 1955 to supervise the lighting section of the Utility Engineer. The original levy proposed the upgrading of residential and ornamental lighting as well as 300 miles of improved arterials and heavy traffic streets. In 1963, it was reported that this task had not been accomplished due to insufficient funds. Special lighting projects such as Lloyd Center (and several freeways) and the 1960 utilities increase were cited as contributing factors. In 1964, a second Street Lighting Levy was approved by the voters to continue street light upgradings. The levy was increased to approximately \$1,800,000 per year until the end of fiscal year 74-75. Proposed funds were to be directed toward increasing the standard of lighting in annexed areas, freeways, several residential areas, civic center, and urban renewal. A major conversion from incandescent lights to mercury vapor luminaires was also planned. On January 1, 1967, Ordinance no. 123756 formally established the Bureau of Lighting, Utility Rates and Use. Sam Maerz, recently retired, was appointed Director. In 1973, the Bureau was separated into two major functions. The Bureau of Lighting was transferred to the Department of Public Works from Public Utilities while the Utility Rates (Energy Advisor) function remained with the Department of Public Utilities.

Upon Mr. Maerz's retirement in December, 1973, Bill Monahan, Assistant City Engineer, was assigned the responsibility for the Bureau until more permanent actions could be taken.

This year, following budget review, the Council passed an ordinance creating the temporary position of Lighting Director with the change being to evaluate fiscal and operational problems and to recommend solutions to the Council.

SUMMARY OF FINDINGS

SECTION TWO



The general goal, "to provide street lighting to the public of the City of Portland", has been long established in the Bureau. This long term goal, however, has not been interpreted into well structured and meaningful objectives since the evaluation prepared prior to the passage of the 1964 Tax Levy. The need for measurable objectives is of high magnitude and is the key to a more efficient operation. (It should be noted at this point that any such objectives

2.2 Goals and Objectives

Since my appointment in Mid-April, I have been examining each of these areas to isolate and define the core problems. In this section, I discuss my findings and provide an explanation of the problems. The next section addresses the magnitude and solutions that have been implemented or are planned.

- Goals and objectives
- Organization and administration
- Standards and procedures
- Capital improvements planning
- Needs assessment and resource utilization

Upon entering the Bureau, my preliminary studies indicated several problems. Though some appeared unique, a majority of the problems could be related to the following general areas:

2.1 Introduction

Summary of Findings

Section II

$V_2$  = the increase in the scope of utility rate analysis and the proportionate increase in the magnitude and number of problems generated.

$V_1$  = the increase in the number of street lights and the proportionate increase in the magnitude and number of problems generated.

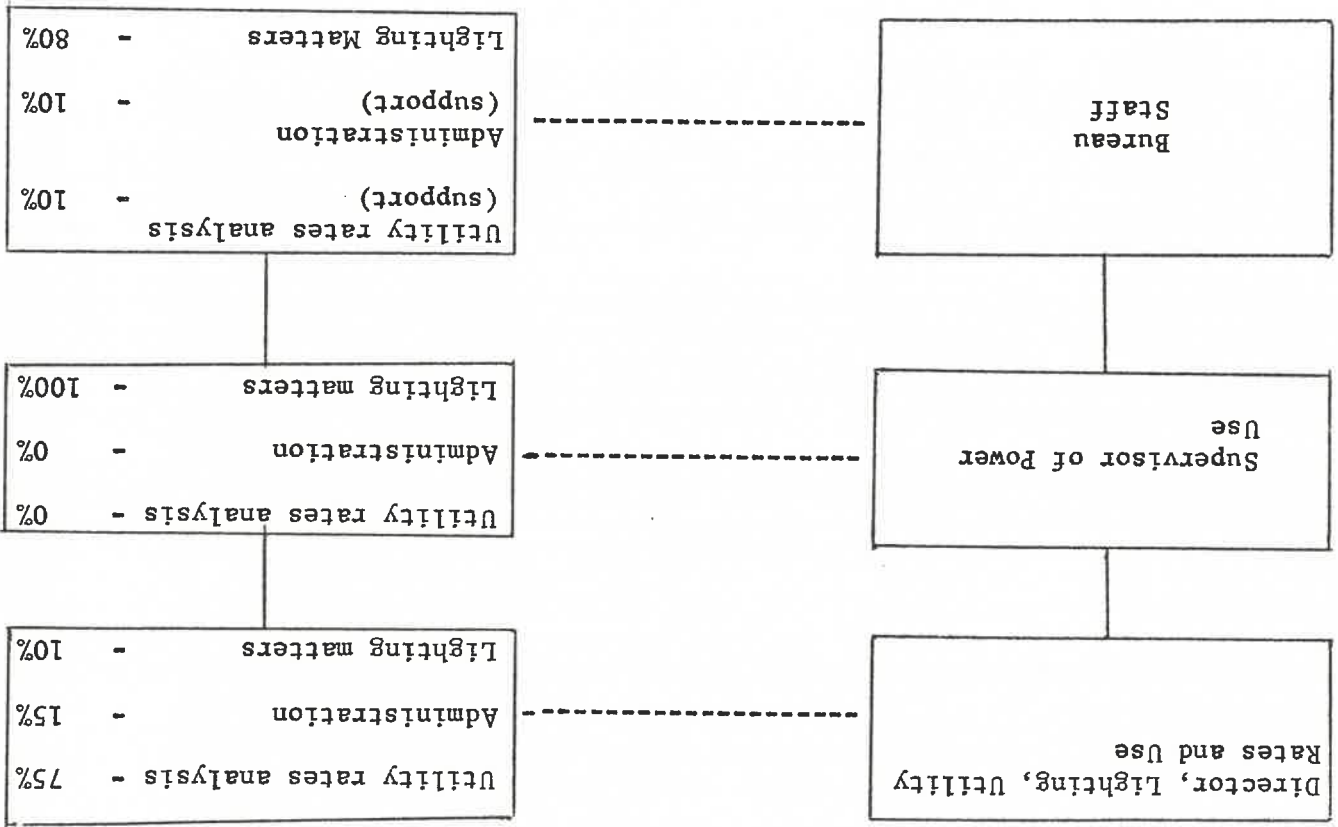
of variability included:  
 "Street Lighting" grew increasingly less efficient. Factors organizational arrangement of "Utility Rates and Use" and possibly somewhat efficient at it's beginning, the combined labeled as the "little sister" of Utility Rates and Use. Though Similar to the days of the Utilities Engineer, Street Lighting was initiated in 1955 continued until the latter months of 1973. The "combined function" of organization and administration that was

2.3 Organization and Administration

problem: the need to define both long range and "critical" objectives.  
 the general goal as opposed to actual objectives. Critical objectives (those objectives which provide "Milestone" or "key" accomplishments and are fundamental to achieving any longer range objective) were established for the first few years of the current levy, but were later discontinued.  
 are not independent, but dependent variably on the priorities of the City. The Street Lighting role in obtaining such priorities must be coordinated.) It is apparent that the staff has continually evaluated their performance and accomplishments in comparison to



Optimally, while the two functions of Lighting and Utility Rates and Use were combined, the organizational structure should have been organized to serve both functions in balance. Very simply (referring back to variables), as  $V_1$  increased,  $V_2$   $V_3$   $V_4$  should have re-distributed proportionately. As  $V_2$  increased,  $V_1$   $V_3$   $V_4$  should re-distribute commensurately to continue at original balance. This re-distribution did not take place as the variables changed and efficiency was increasingly lost. If organizational data was available, a model showing the actual rates of change in efficiency could be prepared



Based on records of the previous Director, the organizational structure that has existed since at least 1968 can be interpreted as follows:

$V_3$  = the lack of an established efficiency factor.  
 $V_4$  = the fixed level of staff expertise.

The Bureau has been handicapped by the lack of a citywide capital improvements plan. There are areas of the City requiring improvements that may serve as a basis for a street lighting improvements plan,

2.5 Capital Improvements Planning

Problem: the need for lighting standards and operating procedures.

Procedures have been informal and in most cases have not been interpretive of established standards or policy. Stability in procedures has consistently drifted and has been an important factor in the decline in performance efficiency.

Most actions have been based on individual preference. Lumination needs and arrangement lack thorough analysis prior to placement and are varied throughout the City. Concentration of lighting is also varied throughout the City.

2.4 Standards and Procedures

Problem: the need for administration and performance management in the Bureau.

Performance has continued in the Bureau without the proper administrative review — (i.e. budget and fiscal, contract, etc.)

however, left the Bureau of Lighting with no administration.

long before the formal division in 1973. This formal separation,

of Lighting, Utility Rates and Use, a "working" separation existed

Due to the increased demands on both sections of the former Bureau

and inferences statistically supported.

projections made at this time are impacted by this fact. These are

No inventory of lights owned by the City has been made. All cost

not in stock, thus causing project delay.

for parts and fixtures, as well as finding that a necessary item is

inventory, we are frequently faced with excess staff time searching

benefit to efficiency and save the City money. Without controlled

study or action. The need for consolidated storage could be of

There are several problems that are unique to the Bureau requiring

2.7 Unique Problems

available management tools and scheduling has been avoided.

inventory planning, and coordination with other agencies. Use of

devoted to the administrative duties of planning, fiscal control,

supervision have been covered well, while very little time has been

opposed to the needs of the Bureau. Field assignments and construction

Bureau's employees adapted roles to suit their particular skills as

efficiently have not been evaluated. During the last few years, the

and manpower needs to carry out the function of street lighting

Reflective of the problems cited in section 2.3, the actual resource

2.6 Needs Assessment and Resource Utilization

problem: the need for a coordinated capital improvements plan.

avoiding work duplication and excessive costs.

consistent with the activities of other City agencies is key to

ONCE THEY ARE PROPERLY EVALUATED. The need to have a work plan

but a few of many examples.

problem: the need to isolate and solve problems unique to the

bureau.

The next section will assess these problems.

ASSESSMENT

SECTION THREE

Section III

Assessment

3.1 Introduction

This section entails a discussion of the problem areas identified in the previous section. The assessments are not meant to be criticisms or commitments, but rather objective discussions of these problems with some attention to magnitude and reference to the range of solutions available. In some cases solutions are already being implemented. In other cases, more detailed analysis and actions by other City agencies will be required before solutions to those problems can be proposed and implemented.

3.2 Goals and Objectives

As stated earlier, the goal of the Bureau of Lighting is "to provide street lighting to the public of the City of Portland". To actually perform such a service efficiently and effectively, this broad goal must be defined in more discrete and realizable terms -- objectives. There is a need to define both long-range and "critical" objectives in the Bureau.

Though possibly seeming simple, the definins of meaningful long-range and "critical" objectives is a complex task. This task has been avoided in the past. Reasons include:

- The Bureau's lack of fiscal security and knowledge of fiscal

plans for the future.

- No pressure from the City's administration to prepare meaningful objectives prior to implementing lighting sections.
- The Bureau's adaptation to a "responsive" rather than "planning" oriented role.

Due to continued uncertainties surrounding the Bureau, a portion of the Bureau's staff has increasingly become convinced that long-range objectives could not be defined for the Bureau and that it was, therefore, exempt from such a process.

Though the uncertainties previously stated continue to exist, I am working closely with the staff to realize the need for long-range planning and both long-range and "critical" objectives. Work scheduling and the relating of project objectives to daily tasks has been implemented.

Currently, we are examining each quarter section of the City (from maps only) to obtain a general impression of where lighting improvements are necessary. Using only internal standards, we are gathering information regarding lighting levels in major districts of the City (i.e. Montavilla, Sellwood, Grant, etc.). This initial process will not provide a professional assessment of lighting needs, but will identify areas that require further evaluation.

At the conclusion of this process, a period of empirical analysis and field survey must be initiated. I am presently discussing with



evaluation (standards, traffic flow, etc.) by September 15, 1974.

. To define comprehensive evaluative criteria for field

August 1, 1974.

lights and identify areas requiring field evaluation by

. To complete a preliminary survey of Portland's street

- Critical Objectives

Project Worksheet prior to December, 1975.

. To complete all projects identified on the Street Lighting

of Portland's street lights.

. To complete a coordinated needs assessment of the City

- Long-Range Objective

with:

long-range and "critical" objectives. For example, I could begin

Using this approach, it will be much simpler to define meaningful

evaluation is completed and results have been evaluated for priority.

It is my intention not to begin new projects until the current

Urban Renewal lighting, and new annexations and random requests.

project commitments, State Highway Division projects, LEAA

of the 1975-76 fiscal years will be spent completing current

Referring to an updated Project Worksheet, the 1974-75 and a portion

national standards are being reviewed for potential adoption.

lighting standards for the Bureau, a series of professional and

beneficial to us all. Concurrently, since there are no adopted

such an evaluation and what type of actual information might be

PGE, the Traffic Engineer, and other related agencies the value of



The lack of full time administration for the lighting function has been a severe constraint on the quality and quantity of work produced

3.3 Organization and Administration

year.

arriving at the amount and terms of the tax levy passed during that similar process and served as useful decision-making information for The long-range objectives established in 1964 were the result of a basis for an efficient operation and should not be compromised.

The establishing of measurable and meaningful objectives is the

responsibilities of the Bureau.

evaluation should be designed to satisfy current commitments and simply means that the actions that take place prior to the completed long-range objectives are identified all actions should cease. It

improvements planning, etc. This does not mean, however, that until

further assessing lighting needs, resource utilization, capital

Once completed, the established objectives will serve as a basis for

of detail, long-range and critical objectives can be established.

Using this approach in all lighting matters and at varying levels

N. Going Street Project, etc.

• To complete design, construction, and evaluation of the

Foster/Woodstock Project.

• To complete design, construction, and evaluation of the

1, 1975.

• To field survey "X" quarter sections by January

reap additional cost savings as a benefit of this more thorough evaluation.

contractor's performance and production. The City will gradually working on a series of guidelines that will aid in evaluating a evaluation has gone undeveloped and must be upgraded. We are currently areas that require further development. Contract supervision and Though several improvements have been initiated, there are several

schedule has aided in alleviating this problem. important jobs, undone. The preparation and use of a project individually exciting. This left many of the smaller, but equally items would remain undone because they were not considered to be priority evaluation are now instituted. In the past, several Basic administrative tools, such as scheduling, performance evaluation,

arrived at. surface without undue delay and solutions can more readily be has proved to be successful. Problems are now brought to the This action, coupled with the current full time administration, and assigned non-duplicated responsibility areas to each employee. general effectiveness of the Bureau's staff, I reorganized the Bureau After evaluating the basic structure, strengths, weaknesses, and the unclear definition of duties and because of internal competition. surveyed and evaluated by two staff members concurrently due to situation. Contracted projects and new requests were being that a high degree of duplication was taking place due to this Bureau's staff. In originally assessing the situation, I discovered toward productivity, but rather toward the personalities of the by the Bureau. The organizational structure has not been geared

As indicated in section II, this Bureau, as well as other City agencies involved in carrying out capital improvements, are handicapped by the lack of a City wide comprehensive plan that would serve as a basis for long-range planning. As an internal beginning, a project worksheet was prepared for all committed and anticipated lighting projects. This worksheet identifies the priority of the project, current status, scheduled completion dates and a phase breakdown where

3.5 Capital Improvements Planning

program. determining future capital and operating costs of the lighting are adopted. The standards that are adopted will be a key in upgrading (if any) of present City lighting to whatever standards standards. Determination will have to be made concerning the Policy decisions by the Council will be required to adopt these

program I have implemented at the Bureau. uses in Portland. The adoption of standards is part of the work modifications will be necessary to adapt for the diverse lighting Society. We are examining these and it is apparent that significant National Standards Institute and by the Illuminating Engineering difficult problem. Standards have been proposed by the American The determination of street lighting standards for the City is a

3.4 Standards and Procedures

In addition, morale is not high which contributes negatively to production.

As indicated in sections 2.6 and 3.3, a needs assessment is necessary in order to insure that the appropriate level of service can be provided. Currently, the Bureau has a total of five employees with additional clerical support from a Streets and Structures employee on temporary loan. As planning, contract supervision, etc., are effectively integrated into the Bureau's functions, a different level of staffing may be required to perform on an adequate level. A needs assessment should be conducted. The possibility of securing the services of Management Service's Management Audit and Review staff is being investigated. The Bureau of Personnel will also be coordinated with.

3.6 Needs Assessment and Resource Utilization

possible, estimated cost, funding source, and other relative information. This worksheet is currently serving as a capital improvements plan and spans approximately 2 years. Assuming further guidance from the Office of Planning and Development, a comprehensive plan including all of the worksheet items plus a relationship of individual lighting projects to the City's long-range developments will be prepared.

FISCAL ALTERNATIVES

SECTION FOUR

Section IV concentrates on a single immediate problem facing the Bureau: the expiration of the 1964 Street Lighting Levy. Presented here is a discussion of various alternatives ranging from referring a new levy to the voters to transferring the street lighting function to the General Fund.

The information contained in this section is the result of extensive and rapid research due to the urgency of the problem. Information was provided by Mr. Terry Shrunck (Chairman, Revenue Advisory Committee), Mr. William Roth (President, Citizen Advisory Committee on Street Lighting), Mr. Dick Howard (County Service Districts, Radio and Communications), and representatives of Portland General Electric Company and major contractors who frequently deal with the Bureau.

4.1 Introduction

FISCAL ALTERNATIVES

SECTION IV



The current levy, which provides \$1,800,000 per year for street

lighting expires on June 30, 1975. It was originally anticipated

that a sufficient contingency would build up allowing funding

through 1976. However, because of increasing energy costs, the

contingency has been reduced to the point that only \$1,000,000

(app.) will be available for FY 75-76. Energy costs alone now

consume 100% of the present annual levy. Future funding, whatever

the source, will be required to cover operations and maintenance,

administration, and capital improvements.

Without a professional needs survey, without adopted lighting

standards, without a long range capital improvements program, and

with the uncertainty in future energy costs, it is impossible to

accurately calculate the exact amount of funds that will be

required over a long period of time. This will become important

when considering the alternatives I have proposed.

Assisted by the Energy Advisor, my initial projections indicate the

following needs over the next 10 years:

Energy	\$22,942,065
Operations (Ovh)	1,129,821
Maintenance & Repair	698,554
Capital Improvements	13,522,324
TOTAL	<u>\$38,292,764</u>

ALTERNATIVE ONE

General Fund-Revenue Sharing

PROPOSED: This is a short term solution where Revenue Sharing funds would be made available for FY 1975-6 and FY 1976-7. \$3.1 million would be required for the two year period (in addition to the remaining contingency). This period would then be used for a thorough needs analysis so the Bureau could adequately respond to long-term future needs.

ADVANTAGES:

- A) Funds are currently available.
- B) No City program cutbacks would be required.
- C) No vote is required by the electorate.

DISADVANTAGES:

- A) Reduces the interest earnings available to the City from Revenue Sharing surplus.
- B) Short term solution.
- C) Would expire at a time of other predicted financial problems.

DISCUSSION:

Revenue Sharing funds are currently being received by the City of Portland until 1976. A contingency is being built to extend the benefits of Revenue Sharing funds until 1978. There are currently no restrictions on the use of Revenue Sharing Funds for capital expenditures, materials & services, or operating costs, though educational expenses are restricted.



Original Revenue Sharing estimates for the City of Portland were reported at \$47,615,000 for a five year period commencing January, 1972. \$320,000 was spent in 72-73, \$9,700,000 planned 73-74 close out, and \$10,591,000 anticipated as 1974-75 expenditures. Based on a schedule prepared for distributing the original estimated \$47,615,000 over a seven year period (as opposed to five), we are currently \$2 million dollars below our estimated expenditure level with approximately 25% additional being returned from capital interest. Currently being used in all General Fund areas except general administration, street lighting could feasibly be assumed by the General Fund and supported by Revenue Sharing funds for a 2 year period. Based on the original Revenue Sharing estimates, the estimated amount required to assume street costs for a 2 year period would only IMPACT THE PLANNED CONTINGENCY BY APPROXIMATELY 11.48% and the total Revenue Sharing Grant by 6.5%. A total of approximately \$3.1 million dollars would be required to supplement the dollars that will remain in the Street Lighting Fund at the close of 74-75 for a 2 year period. This figure does not include monies from external sources such as grants, State Highway Division, PDC Urban Renewal, etc. All monies from these sources are usually earmarked for specific new developments that are not included as continuing needs. The amount of General Fund - Revenue Sharing support needed may be slightly offset during FY 75-76 by funds received from delinquent taxes and interest in the prior year, but by not more than 5%.

Though this alternative does not propose a long-term solution, the Council must come to a decision whether Special Levy or General Fund resources are needed on a long-term basis. Such a decision can be made most accurately at the culmination of a thorough needs analysis. For both the 1954 and 1964 Street Lighting ballot measures, a significant amount of promotion and public relations were exhibited. Several months of luncheons and promotional spots were sponsored by the Junior Chamber of Commerce. Such promotion began 12 to 18 months prior to the election and was considered valuable to the Levy's passage. Presently, no such actions have been initiated.

PROPOSED: This is a solution where the General Fund would assume

Street Lighting costs on an interim or long-term basis. The

General Fund would assume the street lighting continuance costs

for the remainder of Fiscal Year 1975-76 and throughout 1976-77.

A needs assessment and evaluation would indicate whether improvements

and maintenance were of a magnitude that a new levy should be

proposed in 1976 or General Fund support should be continued.

A decision would be required before January, 1976 regarding this

issue.

ADVANTAGES:

- A) Would provide a continuous source of revenue for a continuous function.
- B) Would provide a flexible source of capital.
- C) No vote is required by the electorate

DISADVANTAGES:

- A) Would require a new source of General Fund resources or City program cutbacks.
- B) Would not provide funds earmarked for street lighting.

DISCUSSION:

The General Fund currently receives money from several tax and licences sources as well as other Local, State, and Federal government service charges and fees. The capital resources and

requirements for this fund are usually balanced each year. There is currently little room to assume new continuing costs the magnitude of street lighting. Funds for General Fund contingencies total \$1.5 million dollars per year (app.) with 50% of those funds earmarked to cover reimbursable expenditures. Either additional resources or program cutbacks to match street lighting requirements would be necessary.

Unlike the current tax levy, funding from the General Fund would provide a flexible rather than fixed level of capital. Currently, the Street Lighting Levy Fund provides a fixed yearly amount established in 1964. The current cost escalations make this limit increasingly unrealistic. General Fund revenues would be evaluated yearly and would be more closely matched to the actual street lighting needs during any particular fiscal year. Similarly, there is a disadvantage in the loss of funds specifically earmarked for street lighting as provided by the current special levy.

In October, 1963 Sid Leo culminated a study of more than 6 months pertinent to renewing the 1954 tax levy. This report

amount.

there remains a risk in proposing a ballot measure for a fixed  
Without adequate assessment of needs and cost projections,

DISCUSSION:

- D) Requires a vote of the electorate.
- C) Would not provide a flexible level of revenue.
- promotion pertinent to the levy.
- B) Does not provide adequate time for public relations and  
analysis and detailed cost projections.
- A) Does not provide adequate time to prepare a thorough needs

DISADVANTAGES:

- C) Funds would be earmarked for street lighting functions.
- B) No City program cutbacks would be required.
- A) Would continue provisions for additional funds for street lighting.

ADVANTAGES:

Proposed: This is a solution where a new Street Lighting Levy  
for a period of two years or longer be referred to the electorate  
in the November, 1974 election. A ballot measure would be approved  
by the Council no later than August 16th and filed with the Auditor.

Propose a New Street Lighting Levy

ALTERNATIVE THREE

4.2.3

An analysis of organizational alternatives is in progress, but has been delayed due to the need to immediately provide information on the Bureau's financial situation. When completed, this section will deal with the organization and administration of the bureau and the problems defined in Sections II and III of this report.

4.3 Organizational Alternatives

was based heavily on the fact that the original goals had not been achieved and that the inflexible appropriations had become increasingly unrealistic. This study also showed that the City's lighting needs had changed. The original analysis showed that the existing 14,500 lights (January 1, 1955) were not adequate and that approximately 12,000 additional lights were needed for freeways, commercial, residential districts, etc. In 1964, the total number of lights needed for improvements had increased from the original 12,000 to 21,500. This was due to additional annexations, new freeways, conversion from incandescent to mercury vapor lights, increased ornamental conversion, and other factors. Without this needs analysis, a new levy would not have been able to meet the actual lighting needs of the City.