



May 12, 2025 Transportation and Infrastructure Committee Agenda

City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204

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Meeting Minutes

Monday, May 12, 2025 9:30 am

Session Status: Adjourned

Committee in Attendance:

- Councilor Tiffany Koyama Lane
- Councilor Angelita Morillo, Vice Chair
- Councilor Mitch Green
- Councilor Loretta Smith
- Councilor Olivia Clark, Chair

Councilor Smith arrived at 9:54 a.m

Councilor Clark presided.

Officers in attendance: Diego Barriga, Acting Council Clerk

Committee adjourned at 11:08 a.m.

Minutes Approval

1

[February 10-April 21, 2025 Transportation and Infrastructure Committee minutes](#)

Council action: Approved

The minutes were approved by unanimous consent.

Regular Agenda

2

[Require City Administrator to develop Citywide Asset Management Strategy to establish priorities and practices to address asset management maturity and financial planning gaps](#) (Resolution)

Document number: 2025-194

Introduced by: Councilor Olivia Clark

Time requested: 50 minutes

Council action: Referred to City Council

Motion to send Resolution, Document Number 2025-194 to the full Council with recommendation the resolution be adopted: Moved by Koyama Lane and seconded by Smith. (Aye (5): Koyama Lane, Morillo, Green, Smith, Clark)

3

[Discussion on Mayor's Proposed Budget related to transportation and infrastructure](#) (Presentation)

Document number: 2025-195

Introduced by: Councilor Olivia Clark

Time requested: 1 hour

Council action: Placed on File

Portland City Council, Transportation & Infrastructure Committee

May 12, 2025 - 9:30 a.m.

Speaker List

Name	Title	Document Number
Olivia Clark	Councilor, Committee Chair	
Diego Barriga	Council Clerk	
Tiffany Koyama Lane	Councilor	
Angelita Morillo	Councilor, Vice Committee Chair	
Mitch Green	Councilor	
Claire Adamsick	Council Policy Analyst	
Stephen Kafoury	(Testimony)	2025-194
Virginia Ehelebe	(Testimony)	2025-194
Walter Weyler	(Testimony)	2025-194
Jon Isaacs	(Testimony)	2025-194
Suzanne Bishop	(Testimony)	2025-194
Jonas Biery	DCA Budget and Finance	2025-194
Priya Dhanapal	DCA Public Works	2025-194-195
Tate White	Senior Strategic Projects Manager	2025-194
Loretta Smith	Councilor	
Ting Lu	Interim Director, Bureau of Environmental Services	2025-195
Quisha Light	Interim Director, Portland Water Bureau	2025-195
Jeremy Patton	Deputy Director of Finance & Administration, Portland Bureau of	2025-195
Farshad Allahdadi	Business Services Manager, Bureau of Environmental Services	2025-195

Portland City Council Committee Meeting Closed Caption File

May 12, 2025 – 9:30 a.m.

This file was produced through the closed captioning process for the televised city Council broadcast and should not be considered a verbatim transcript. The official vote counts, motions, and names of speakers are included in the official minutes.

Speaker: All right. Good morning. I'm going to call the meeting of the transportation and infrastructure committee to order. It is Monday, May the 12th at 9:30 a.m. Diego, can you call the roll, please?

Speaker: Koyama here. Morillo here.

Speaker: Green. Here. Smith. Clark, here.

Speaker: And, Claire, can you please read the statement of conduct?

Speaker: Good morning, and welcome to the meeting of the transportation and infrastructure committee to testify before this committee in person, in person or virtually. You must sign up in advance on the committee agenda at Portland council agenda slash transportation and infrastructure committee, or by calling 311. Information on engaging with the committee can be found at this link. Registration for virtual testimony closes one hour prior to the meeting. In person. Testifiers must sign up before the agenda item is heard. If public testimony will be taken on an item, individuals may testify for three minutes unless the chair states otherwise. Your microphone will be muted when your time is over, the chair preserves order. Disruptive conduct such as shouting. Refusing to conclude your testimony when your time is up, or interrupting others testimony or committee deliberations will not be allowed. If you cause a disruption, a warning will be given. Further disruption will result in ejection from the meeting. Anyone who fails to leave once ejected is

subject to arrest for trespass. Additionally, the committee may take a short recess and reconvene virtually. Your testimony should address the matter being considered. When testifying, please state your name for the record and address is not necessary. If you are a lobbyist, identify the organization you represent. Virtual testifiers should unmute themselves when the clerk calls your name. Thank you.

Speaker: Thank you Claire. Just to clarify for the audience today, we have one member who is remote Councilor Morillo, and we have one who's a little bit late, but we'll be here. And we're also dealing with a little bit of illness. So if you see anybody hop up and leave the room, you'll know why. But I'm here today to tell you that we have two main agenda items. I think you all know that I'm going to bring forward a resolution on city wide asset management and a strategy, and I then we're going to have a discussion with our transportation infrastructure bureaus on the mayor's proposed budget and areas of particular interest to all the committee members. So and this is the first time that we've actually dealt with the issue of minutes. So, Diego, I know the first item of business is to deal with minutes for the previous month. And if there are no objections, the minutes are approved, no objections. All right. Do I need a gavel? No. Diego, could you briefly tell the committee about the clerk's process for compiling minutes and how often we'll need to approve the minutes?

Speaker: Committee meeting minutes include the disposition agenda, which documents the actions committees take on each agenda item. The minutes also include the closed caption file, a speaker list, and audio files for each meeting. Minutes are presented for approval once a month for the previous month's meetings.

Speaker: Thank you Diego. So I think we've approved those without objection today. So, Diego, can you read the next item?

Speaker: Item two require city administrator to develop citywide asset management strategy to establish priorities and practices to address asset management, maturity and financial planning gaps.

Speaker: Thank you diego. So today I'm presenting a resolution to direct the city administrator to develop a strategic citywide asset management strategy and financial plan. Actually, there's three parts. Everyone knows. I'm laser focused on how we can refocus our efforts on fixing and maintaining the city's existing infrastructure. As we've learned in this committee and in recently released audit, we're in dire need of a new and collaborative approach to maintaining our city assets. We need to ensure that we can continue to provide the critical infrastructure that Portlanders rely on on a daily basis. So bringing together leadership among all of the city's service areas to develop a standardized approach to how we do this work is a fundamental first step in this plan, ensuring that our bureaus are using the same approach in a collaborative manner will lead to a better, more better strategy for prioritizing the maintenance and replacement of key infrastructure in our city. In addition, we need to plan to address how we can finance this work. So included in this resolution is direction for the chief financial officer to prepare a plan for financing this work. I'm here to help our city get back to basics and a major place. A piece of that is taking care of what we already have, what is already here. This work is not necessarily the sexiest work, but it is absolutely critical to everyone who lives in Portland, whether they work or play here in the audience today, we also have our dca, jonas beery, and dca to answer questions after we hear testimony. So I think we move to a diego. How many people have signed up to testify today?

Speaker: We have five individuals signed up.

Speaker: Great. Can we begin by calling people up to speak to the resolution today?

Speaker: Stephen caffrey, followed by virginia isleib.

Speaker: Welcome. Good to see you.

Speaker: Thank you. Good morning, madam chair. Members of the committee. It's a delight to be here. It's my first time and it's a great experience. My name is stephen caffrey. I'm a member of the concerned citizens. I'm here today to express my organization's strong support for the proposal put to you by councilor clark. We have been in studying and been focusing on the huge deferred maintenance backlog that confronts the parks and recreation bureau. Action here is urgently needed. In addition, we have been told by mr. Jordan about the severity of the status of several other bureaus, deferred maintenance issues. Any citizen who travels the roads of Portland is acutely aware of the problem with surface streets. We have learned that this problem extends to a lesser known and hidden infrastructure deficits. The city faces a crisis. We applaud councilor clark's appreciation of this crisis, and seeing her and her seeing the need for an immediate, citywide approach to begin solving the problem. If I may take a sidestep for a second, I also wished to express our delight in the unanimous vote by this council in the matter of pge's desire to cut clear cut forest park. We say this not just because we agree with the specific decision, but it shows the council can come together and act as a unified body. We think this bodes well for the future. Madam chair, our group comprises a variety of professionals, as you well know, with broad experience and expertise that might prove useful to you on this issue and on other issues that come before the council. Please call upon us if we can help. Thank you.

Speaker: Thank you.

Speaker: Virginia. Followed by walter wyler.

Speaker: Madam chairman, and members of the committee. Good morning. My name is Virginia Albee, and I, too, am testifying on behalf of the concerned citizens. The city auditor's report on asset management, released last month, made clear the proposed policy under consideration is not only needed, but long overdue. The report noted that even in a best case scenario, the growing number of failing city assets will result in delayed, disrupted or discontinued public service. The appropriate response to the deficiencies the audited audit identified is the swift development of a comprehensive action plan to address the city's massive backlog of deferred major maintenance. We respectfully offer two comments on the proposal. The first concerns the implementation timeline, and the second recommends a possible budget. Note. We were initially concerned that a timeline of no later than September 15th, 2026 would likely prevent the strategy from being factored into the FY 27 cycle of budget discussions, and thus risk further deterioration of city assets. It is now our understanding that the process can be completed in a timely manner and feed into the next budget cycle. Nonetheless, to provide formal policy and legislative direction and ensure timely implementation, we recommend that this committee and the City Council approve a budget note directing the city administrator to develop a citywide asset management strategy. The remainder of my testimony will focus on spatial based asset mapping, a technique that we encourage this committee and the City Council to consider when the asset management strategy implementation process begins to identify best practices. I know this is a not common. Approach or concept, so I have hard copies of my testimony with a map, with an example on the back that I will hand out to members later. The spatial approach to asset management aggregates data on a city's assets location, together with information concerning attributes, attributes of that asset, data on demographic and environmental conditions and assets. Vicinity

can also be incorporated. Use of such systems has become standard practice in many municipalities and even in some agencies in Portland. There are good reasons for their popularity. They enhance visualization, improve decision making, and facilitate better coordination between departments. Pairing the geographic information on assets with assessments, for example, that employ uniform methodologies to estimate the cost of restoring various assets to good condition should enhance efforts to prioritize capital projects on a citywide basis. Thank you for your time.

Speaker: Thank you both. Appreciate your testimony.

Speaker: Walter wyler, followed by john isaacs john will join us virtually.

Speaker: Welcome.

Speaker: Thank you, ladies and gentlemen, thank you for your service. And thank you for the opportunity to testify. I'm walter wyler, Portland downtown resident and member of concerned citizens. I have two recommendations. Number one, ask if and how it is possible to complete the citywide asset management strategy earlier than September 15th, 2026. Number two include funds in this year's budget to fund the creation of the citywide asset management strategy and make the first payment toward reducing the city's deferred maintenance, even if it's only \$1 million. 30s. That's my story, and I'm sticking to it. Thank you.

Speaker: Thank you.

Speaker: Tyler, I appreciate your testimony.

Speaker: John isaacs, followed by suzanne bishop.

Speaker: Good morning. Can you hear me?

Speaker: Yes, we can hear you.

Speaker: Okay. Thank you counselor. Good morning. Committee. Good morning, chair clark, vice chair morillo and members of the committee. My name is john

isaacs. I am the executive vice president of public affairs for the Portland metro chamber. Registered lobbyist. I prefer he him. And I'm a resident of district three in southeast Portland. Thank you for the opportunity to be here this morning.

Portland metro chamber is greater Portland's chamber of commerce and represents the largest, most diverse network of businesses in the region. We represent more than 2100 members from 27 counties, 13 states and virtually every industry sector. More than 80% of our members are small businesses. I'm here to express the chamber's strong support for today's resolution, requiring the city to develop a comprehensive asset management plan, something that is about four decades or more overdue. Full credit to this committee to chair clark, vice chair morillo for finally being the group of leaders who are willing to take this necessary step. It is remarkable if you stop and think about it, that the first of its kind, this council, first of its kind in city history, was elected at the very moment that the can kicking. That's happened before you has reached a point with our backlog of deferred maintenance, where it's literally not possible anymore. The deferred maintenance backlog has become so large and it. And as this resolution accurately states, the funding gap between overall infrastructure needs and dedicated resources is expected to grow exponentially unless unless addressed. That's actually a remarkable statement. We simply don't have the luxury of kicking the can any longer. And the Portland business community is grateful for your leadership, like the plan you have adopted to finally pave streets and sidewalks in east and southwest Portland. It should have never gotten to this point, but here we are, and we are grateful to have a council that's finally willing to act and solve the problem.

Three quick comments. This plan needs to come clean with just how bad the problem is. We all know the obvious signs of the backlog, the state of our streets, buildings and parks that haven't been cared for years, etc. But the public would

likely be shocked if they understood just how bad the problem is that that just scratched the surface. So if we're going to do a true reset that requires 100% transparency, so we encourage that in the plan. Second, thank you for making the first requirement of the new strategy and plan to look at best practices, dozens of other similarly sized cities that are not in this position are not in this position, or found themselves in this position previously and worked their way out of it. Let's not reinvent the wheel. We are engaged in this in government transition, in great part, as an overall acknowledgment that it's time for our city to align with best practices around the country. When we compare our economy and our annual state of the economy report, we compare ourselves to our peer markets. Let's do the same with this plan. And when we look at our peers, we don't consider those to be other Oregon cities. Portland really does not have a peer in our state. We encourage you to look at similarly sized metros. And finally, this includes. This plan must include funding sources. Currently, the only source of funding for basic infrastructure is the gas tax, which is a source that we know is declining due to consumer behavior change that we all want. And it's at a time when the public is demanding a return to basics. What better time to compare our funding structures, even if that includes sources that we don't currently use? Thank you for your time.

Speaker: Thank you, mr. Isaacs. I appreciate your testimony.

Speaker: Suzanne. Suzanne bishop, welcome.

Speaker: Thank you. Good morning. Councilors. My name is Suzanne bishop, and I'm the convener of the Portland parks alliance, a growing association of citizens advocating for a rational funding model for our parks system. We're now 58 participants who are members of 32 parks friends groups and volunteer organizations working in and for our city's parks, natural areas, community gardens and public land, parks and gardens. The Portland parks alliance thanks you and

strongly supports resolution 37 551, which directs the city administrator to develop a citywide asset management strategy. For years, the significant capital maintenance backlog in Portland parks and rec portfolio has posed an escalating threat to our once thriving park system. Existing assets continue to deteriorate and fail due to chronic capital maintenance, underfunding, and no funding has been identified for the future. Capital maintenance of new parks facilities. This reality highlights the urgent need for a city wide approach to managing and funding the public assets Portlanders have built and maintained for more than a century, and to support continued growth. Under this resolution, staff will assess the current state of asset management across bureaus, identify financial planning gaps, and recommend long term strategies. We further recommend that City Council and the city manager begin this process by redefining the core mission of each bureau, including ppe, and are doing so will help establish a practical balance between each bureau, service level goals and the associated costs. Portland residents can reasonably afford. Thank you.

Speaker: Thank you for your testimony, suzanne. Colleagues, would you like to make comments now or would you rather wait? I would like to call up dca berry and possibly dca dana paul to address some of the questions that have come up about timeline and a map based asset management strategy. Would is that okay with you or would you rather comment now.

Speaker: I'm I'm fine waiting until after you pull them up to comment.

Speaker: Okay. Councilor morillo do you have a preference?

Speaker: Sorry, my computer completely shut down and restarted in the middle of this meeting, so I just got back online and didn't hear what you were talking about.

Speaker: I was just asking if it was okay. If you withhold your comments until we hear from a couple of dca's to answer some of the witnesses questions.

Speaker: Yeah, that sounds great. Thanks.

Speaker: Thank you. Thank you for being here today. There was a question that came up about the implementation timeline. Dca berry, can you address that question?

Speaker: Yes. Thank you, chair and committee members for the record, jonas berry, the city's deputy city administrator for budget and finance and chief financial officer. I understand the question on timeline to be a couple fold. One is related to resources that might go into this year's budget or an upcoming year's budget to facilitate the work of the asset management strategy. And I think that's a question for council to consider in the context of budget, both this year and next year. I do understand that there's sort of a multi phase plan to implement kind of incrementally. And so the resources that are in this year's budget are really to kick that work off with more, more to come in subsequent year budgets or budget adjustments. Second question related to the implementation of the strategy and financing plan as identified in the resolution, there are obviously intertwined, a little difficult to come up with a financing plan until we can do the work on the asset management strategy itself. I will say from a financing perspective, we are standing ready to do that analysis. And despite the long term deadline, the 2026 deadline, we expect that work will actually begin very, very quickly. It will happen in tandem. As we're developing the plan, we'll also be developing financing strategies that we can execute that as quickly as possible.

Speaker: Thank you. Can you basically assure us that you won't take as long as the resolution allows, that you actually have it in advance of that date?

Speaker: Councilor certainly can. You know, I think the finance again, the financing plan, I think this is very much aligned with my priorities and the city's broader priorities around centralizing these discussions on an enterprise basis. So I expect

that will continue rapidly over the next few months and again, sort of lay the groundwork for that financing plan that might be specific to the asset management project. But but yeah, they're simultaneous and certainly anticipate that that work will be beginning and potentially ready to implement on a faster timeline.

Speaker: Great. Thank you so much. And dca, can you address the question of the map based asset strategy that was mentioned by one of the witnesses here today? Is that something that you that you would be contemplating?

Speaker: A this is for public works. Good morning. Councilors. Could you help me with the question?

Speaker: Yeah. One of the witnesses who testified today mentioned a map based asset management strategy. And I see that tate is coming forward, maybe to answer that question. And I think there was one other question about a budget note, which I fully intend to draft, a budget note regarding the asset management. But what do you want to address the question around a map based asset management?

Speaker: Absolutely. I want to clarify that the citywide asset management strategy would be led by city operations, where statewide, the asset management manage program manager will be sitting. So I'm going to defer that to her. But I also want to say that public works is working on a unified cip, which will which is the coordination of cip across the infrastructure bureaus, which we will work in tandem with the citywide asset management plan. With that, i'll. I'll turn it to tate white.

Speaker: Thank you. Good morning. Chair clark. Vice chair morillo and the transportation and infrastructure committee. My name is tate white. I use she they pronouns, and I'm a senior strategic project manager working in city operations. I'll be leading this citywide asset management strategy. And it's really going to be a collaborative process. We have asset management experts and managers across

the city, and the huge value in this process is us getting together and really working at defining what our strategic objectives are and figuring out what we need to achieve this. And so it's a really great opportunity. In terms of the question about geographic information systems and really map based data. We already use gis at the city pretty significantly, but because asset management maturity is really variable across bureaus and programs due to factors like funding and staffing, it's used sort of unevenly. And so that's one thing we'll be looking at through this process is we have some people using gis system, some people using enterprise asset management systems, and we're on some different systems right now, which is sometimes a need of specific asset classes. But we'll be looking at making sure we're sort of standardizing our process, our processes and using those in our outputs so they can really inform better financial planning and better, better asset management planning.

Speaker: Thank you. Tate. There was another question that came from one of the other witnesses about around best practices. Is that something that you're also going to be reviewing?

Speaker: Absolutely. I am actually deep in best practices research right now. Back in 2022, I led an asset management maturity assessment as well as an infrastructure funding assessment. And we did a lot of best practices research as research then, and I'm picking that up again. I just interviewed the lead asset manager of the city of calgary, which is a great city for us. That's really doing some interesting work in asset management right now, and we'll be continuing to look at peer cities in the united states, but also in countries like australia that are really ahead of us in terms of asset management.

Speaker: I'm really glad to hear that. Thank you. Colleagues, let's ask the witnesses to stay there just in case there are additional questions, would you I see councilor green has his hand up now.

Speaker: Thank you, chair clark. And thank you all for coming today. And thanks for the testimony from concerned citizens. I think that really adds a little urgency and validation to this work. A question for well, I would say this is really a comment. We've talked at this dais a number of times about when we get through the budget, when everyone can take a deep breath and say, okay, now we can be proactive looking of convening a work group across a couple different committees that have to do with finance and transportation and infrastructure to really be at the table, helping kind of guide this discussion on the how to pay for it question. It's it, you know, as you said, like it's sort of hard to answer that unless we know what we're paying for, but then we can't know what we're going to pay for unless we know how to pay for it. So there is a sort of chicken and egg problem, and I really look forward to that. And I think that I think you're right to sort of suggest in the resolution that we need to think about potentially new revenue sources. You can't pay for this stuff. On the pittance of revenues that we have dedicated to this. The backlog. Backlog is so large, but I don't think we can go out to voters and ask them for a big bond unless we've done a very comprehensive look at what asset management means. So I really look forward to this. A question for tate in the in the kind of ground level setting work that you've done, do you do you engage much with the iso 31,000 standard which is risk management? Does that come into play on this?

Speaker: That's a great question. Really. The iso 55,000 is the standard that's really focused on asset management. And that is very rich and in depth. And I imagine really takes that one into consideration. But i'll consider that one as well through this work for sure.

Speaker: Yeah, I think that there's a lot of complementarity there just looking at sort of criticality of failure, likelihood of failure and that nexus and guiding principle.

Speaker: Absolutely. And establishing a risk management framework at the city is something I think is a huge priority for us to help us prioritize how to use our limited resources, which will hopefully grow with new revenues, resources.

Speaker: Thank you. You know, I prepared I'm prepared to support this resolution as well as a, a budget note, kind of making sure that we can be responsive to some of the comment that we heard. Thanks.

Speaker: Thank you, councilor green. Councilor koyama lane.

Speaker: Thank you, chair clark, and thank you for bringing this forward. This is really important. Thank you all for being here. Thank you for the public testimony. I'm looking at the previous resolution that was adopted in 2021. And the final asset management management policy that it looks like in February of 2022 came before council found that online. Is that the one that you did you help with that one as well? Tate.

Speaker: The city asset managers group we have that's been meeting for 20 plus years. It's sort of a group of asset managers across the city, but they meet sort of on on volunteer time because they have very busy day jobs. They put that together. And it was before I sort of joined in a role working with them. It's a great policy. It's very aspirational, but we don't yet as a city have the structures, the governance structure, the standards, the resources. We need to really have every bureau be able to meet that policy. And so a lot of what we will be looking at through the strategy is, is really looking at that and figuring out how do we actually help every bureau meet this, what are the standards we need, what are the resources we need, what are the best practices we need to be using to be able to successfully meet that strategy or that policy?

Speaker: Okay, and it's okay if you can't quite answer this. Some of my questions are how it will be different, how it will. This one will be similar. I see a difference is difference is this one will require a report to council. I saw something about not using deferred maintenance as a way to save money. Can you? Are there any other things that you already know will be similar or different between these two different strategies and processes? For these policies.

Speaker: The strategy itself will be different in that it will really outline actions. And like I said, the resources we need to really kind of lift up all the bureaus because right now water bureau is very mature asset management wise. They're they're already probably meeting that policy in a number of ways. But it will identify, you know, what we can do as a city to support other bureaus that are less mature, to be able to, to really meet asset management best practices and be fulfilling that policy.

Speaker: I heard in, in our public testimony a call for transparency with the public along the way in this process is, how is that built into the resolution or in your own plan for this?

Speaker: We're early in sort of preliminary scoping of this process and internally due to budget timelines and everyone being really busy, we probably won't be able to convene a large internal group until early fall. But then we're going to really be working very hard before then. I can take that time to do really, really deep best practices research to help guide that conversation, because there's a huge internal conversation as part of this. That work will be very internal, but we will consider how we can what are the right times to open it up, because we do want to be really transparent with this and involve the public in this. All that internal work is in the interest of being able to have better, more transparent processes. The capital planning, capital plans and those processes are really great opportunity to involve the public much more significantly.

Speaker: Great. Thank you. I'm excited to support this. Thank you.

Speaker: Thank you. Councilor koyama lane. I would just add that my impression is that the camg, which is the city's asset management group, has been rather informal. And now with this resolution, we're formalizing that process to be a city asset management. Is it operation. And that you are going to be leading that effort? Tate.

Speaker: Yeah. I'm, I am the only one who's time will be dedicated to this. And the other city asset managers still have very busy jobs and roles, but we will be seeking sort of looking at resourcing for this and hoping that they can prioritize this in their work plans through this. Previously, they did make a recommendation for a citywide asset management office with up to sort of five dedicated staff members. And this process might help us, you know, think about that and make a recommendation for what would be a good approach to resourcing a citywide asset management office.

Speaker: Thank you, councilor smith. The next in the queue.

Speaker: Thank you. Thank you, madam chair. I think this is just like, you know, a no brainer for most of us who've been here the last 4 or 5 months, understanding that we have a huge deferred maintenance backlog and that we need to do something to make sure that we are dealing with the infrastructure and going back to what the chair said, you know, going back to basics, going back to what our book of business is, and that is infrastructure. And as you're looking at that, and I was listening to you, will you, as a part of your plan, bring in any sort of community engagement so that they can also have some input into what they see as our assets? Many folks don't know what our assets are. You know, from the rose garden all the way out to the golf course in beaverton. They don't know what our assets are, and I think it would be helpful if you included inviting the community and doing

that outreach so that we're touching bases with people. You know, they often say, when I'm in a town meeting, it's like this last Saturday that we're never asked and no one ever tells us anything. So I want to make sure that that happens as well.

Speaker: Thank you, councilor smith. We will probably need some resources to be able to do meaningful community engagement with this. So that's something we can continue to talk about.

Speaker: And I was listening to you on my way in talk about a possible budget amendment or note in regards to this particular fiscal year would be needed so that you could do the work, the intensive, you know, really comprehensive look at what's needed. And I know you can't be the only one on this, but I will have some conversations after this committee hearing to see if that's something that would be possible. And I hate to put you on the spot, and I don't like it when people ask me about math in public. But if you could wave your magic wand, what is a number that you think that would be good to? To give you assistance to meeting this September 26th deadline?

Speaker: I think that might be a broader conversation. So I'm looking at, can I say a number.

Speaker: For dca jayapal? Can you give me an idea of what that would look like in terms of a real number? And I know that this is kind of like on the back of a napkin kind of thing, but i, I really do think it's important. When I was when I listened to you, all's initial report about infrastructure, and I noticed all of the, the sidewalks that had not been done on in district one and district four. I was just floored by the amount of deferred maintenance that we had. And so it is not lost on me that in addition to sidewalks and every other thing and assets that we need to, we need to do a better job of, of taking care of our assets if we want to keep them long term. So I guess I should direct my question to you.

Speaker: Thank you, councilor smith. You know, with respect to actual resources, before I jump into that, I want to share in public works. The city of Portland has about \$80 billion in assets, and about 90% of them are in public works. In this decade alone, public works is hoping to invest about \$8.5 billion in infrastructure investments for the city of Portland. And with respect to deferred maintenance, we have billions of dollars, upwards of 12 or \$13 billion of deferred maintenance across our infrastructure bureaus. So we are heavily invested in making sure this is a success, and we look forward to partnering with dch, with city operations, dca, mercy, and statewide in making sure whatever we could do to help resources, we're happy to work on that. The actual numbers I'm looking to hear from statewide and dca jonas and happy to support with with with that.

Speaker: Thank you thank you. It it's going to be helpful. And with this current climate on the federal level I don't know that we can. I don't know that we can faithfully think that we could get any help in making sure that we have the transportation dollars needed in the planning that we would ordinarily get from our from our congressional delegation. It's just going to be tough. So I will I will let you all. I won't put you on the spot further for a number, but let's be in contact via email so we can figure out, you know, what's what's the possible. Thank you, thank you.

Speaker: Thank you, councilor smith. I'm happy to work with you on that. I think the last time that the former council dealt with is they were talking about five positions, which I don't see five positions coming forward, but but let's talk about something else after this meeting. Thank you. I don't see any other. Hands up. Any other comments? I would just say that in conclusion of this discussion that our expectations are very high because the need is very high. The deferred maintenance is very high. And to the extent that you can expedite this, we would appreciate it. And I expect that you will come back, perhaps on a quarterly basis, to

report back to this committee on the progress that you're making on the asset management plan. And certainly, given councilor green's comments, we'll be working with dca, berry and a small group on the finance side of this. So without any other comments, I would appreciate a motion to adopt this resolution.

Speaker: So moved.

Speaker: Second.

Speaker: Thank you. Can we actually have you state this.

Speaker: Madam chair, I move resolution document number 2025194 be sent to the full council with a recommendation to be adopted.

Speaker: Thank you. Councilor. All right. And we have a second. So the motion has been moved by councilor koyama lane, seconded by councilor green, I believe. Councilor councilor smith. I'm sorry. Second. Okay. Sorry. Is there any further discussion? All right. Seeing none. Diego, can you please call the roll.

Speaker: Koyama lane.

Speaker: Hi, morillo.

Speaker: I green. I smith.

Speaker: I.

Speaker: Clark, i. With five I votes. The resolution is referred to full council.

Speaker: Thank you colleagues thank you witnesses. Thank you dca dcas and tate white we appreciate your being here. Appreciate your testimony. And we will go onward now. Thank you so much. So diego, can you please read the next item?

Speaker: Item three discussion on mayor's proposed budget related to transportation and infrastructure.

Speaker: We have heard the mayor's proposed budget and begun discussing trade offs and possible amendments, including today. This is a chance for the committee to zoom in on areas of interest and concern related to our committee focus areas,

so I guess I will call the staff back up. We have staff from our transportation and public works bureaus here to present what the mayor has included in his budget for their bureaus, and then we'll have time for questions from my colleagues from the committee. Welcome back. Good morning. Thank you for being here.

Speaker: Good morning. Councilor chair. Clark, this is, for the record, the dca for public works. Is basically. I'm proud to be here on behalf of the public works service area. And I'm very excited to be sharing our important work with all of you. I'm joined today with the directors of the public works bureaus, as well as subject matter experts and leaders across the service area. In the interest of time, I'm going to let the directors introduce each themselves as they share information about the bureaus. Next slide please. These are the presenters today. And then next slide. So we'll be looking at what we're covering today. We'll have short presentations by the three bureaus and hopefully plenty of time for questions. We're going to cover the budget with respect to the mayor's proposed budget and what it means for each of these bureaus. Next slide, please. I'd like to begin with highlighting the key decision factors in the mayor's proposed budget. Public works is a critical service area that supports Portland's infrastructure, but it also carries significant risks, liabilities and regulatory requirements. So maintaining our infrastructure is essential to prevent service disruptions in public safety risks. At the same time, we must continue to meet the debt payments and comply with state and federal regulations. So despite these obligations, we remain deeply committed to keeping rates affordable for our residents while addressing these critical needs. Finding the right balance between these factors is crucial to ensuring long term stability and resilience in our services. Next slide please. The budget prioritizes revenue generating functions that help sustain our long term investments in critical infrastructure. At the same time, we are focused on enhancing livability in Portlanders through projects, through that

improve community health and safety. However, with limited resources, we recognize that trade offs are necessary and not all community priorities can be met with this within this budget cycle. Yet, our commitment remains firm to ensure equitable service delivery for our current and future generations of Portlanders. The focus on equity guides every decision we make, reinforcing a mission to build a resilient and inclusive city. And now I'd like to introduce interim director of bureau of environmental services ting liu.

Speaker: Thank you priya. Good morning, chair clark and councilors. My name is ting liu and I'm an interim director for bts. We have spoken with you before about some of our challenges. Next slide. So I won't go through all this individual points here with the time limit. But I would like to reiterate what dc donna paul said earlier, that both bees and water are heavily regulated and required to meet federal and state regulations, which drive everything we do. Next slide. This slide shows how bees is a balancing the various budget changes to balance the city administrator's budget. Bees began this budget cycle by identifying 1.5 million in critical operating needs. This included utility costs, increases, filling equipment replacement, and essential materials and supplies to maintain operation. To that, we added 700 k to increase to general fund overhead, 3.5 million for increased city service costs, 3 million increased to the cooperative work agreement with pbob for sewer and stormwater maintenance, 1.1 million rate reduction from the previous mayor's budget guidance. This has been restored. Thank you for this committee support and we are adding back 1.1 million of revenues, which is shown on the right table. And this is subject to for council's approval. To balance these additions, bees took a holistic approach. First, we identified 80 plus items totaling \$3.5 million in operating reductions. With the least service disruption. We also reduced environmental remediation set aside by 1 million deferred 20 million in capital

project over five years, saving 1.3 million in debt service, and cut 2 million from capital policy implementation funds. And finally, reduce our contingency to close the remaining gap. Now let's turn to the mayor's proposed budget changes shown on the right. The bureau saw increases totaling 6.8 million to support street sweeping, revised purse amounts and increase to the general fund overhead. The bureau proposed to balance the increase by 200 k, saving from hiring one director for both bees and water reducing central city interagency costs and future efficiency savings by a combined 1.4 million. Reduced central, further reducing the environmental remediation set aside by an additional 2 million. Reducing capital policy implementation funds by an additional 1.1 million. Finally, the remaining amount is balanced with the contingency. Before I turn it over to director light, I would like to note that some of this reduction measures, such as the environmental remediation, set aside cip reduction and utilizing high amount of contingency could introduce long term financial planning complexities that will require the bureaus to navigate and higher utility rates down the road. With that, I will turn it over to director light.

Speaker: Thank you. Good morning councilors. My name is quisha light and I'm the interim director for the Portland water bureau. To meet the city's balanced budget requirement, we had to make some hard choices, and the city administrator's budget increased city service costs and reduced rate revenue. So we eliminated 18 vacant positions. Now, while we avoided layoffs, some essential work like our long range planning and deferred maintenance as we've been discussing, some of that will be delayed. We also increased funding to parks to maintain our decorative fountains and offset this with a reduction in our facilities maintenance budget. In the mayor's budget, our 8.1% rate forecast was restored. Thank you to this committee for your support with that. But labor and pension

costs increase. We balance those with 1.9 million in annual savings from no longer covering credit and debit card convenience fees, enterprise efficiency savings proposed by the mayor, and savings from having one utility director. These changes allow us to preserve the basics safe water system maintenance and customer service. Despite the financial constraints the city is facing. Next slide. This slide shows our current forecast for combined water, sewer, and stormwater rates. As you know, rates fund nearly all our operating and capital needs. Each bureau sets rates independently, but currently the water bureau handles billing and customer service for sewer, stormwater, and water services. We base our rates on how much it costs to serve each customer. We increase rates only as much as needed to cover our current and future obligations. Both bills and water create long term financial plans, with the intention of smoothing out the customer impacts of these increases. These plans consider inflation, rising materials and labor costs, new regulations, and much more. We engage in this planning because we want our rate increases to be modest and predictable, but still sufficient to meet our financial obligations. Modest and predictable rates help us avoid the compounding effect of multiple year funding gaps, provide us the revenue needed to maintain the levels of service our community expects, decrease the risk of system failures, and helps us maintain our liquidity levels and good credit bond ratings, all of which produces substantial savings over time for Portlanders. As we begin the next financial planning cycle this fall, we will be updating this rate profile, likely upward, to incorporate economic cost pressures driven by significant inflation and tariffs, ongoing citywide cost increases, and any council actions impacting non rate revenues such as changes to our fees and charges. Next slide. So when we talk about cuts to our budget it's important to understand that very real impacts, the very real impacts they have on our ability to deliver services. Services to Portlanders in short cuts today can lead to

greater rate increases in the future while also negatively impacting our customers today. Any cut can only come from a small portion of our operating budget. Since most of our budget is non-discretionary, that means cuts must come directly from things like maintenance and customer services. This has real consequences for the public. It means more emergency repairs to the system, which costs more than standard maintenance. It means a higher likelihood of system failures, such as water main breaks, which can interrupt service and cause property damage. For our customers. It can mean reduced access to our programs, longer wait times, and a higher chance of billing issues. Most of all, it adds to our city's backlog of deferred utility infrastructure maintenance. Currently, our backlog our collective backlog is 6.8 billion, 6.7 billion for bs and 100 million for water. Next slide and i'll turn it back to dc. Donna paul.

Speaker: Thank you, director light, we've shared a lot of information with you today about environmental services and the water bureau. But there are a few key points. We want to make sure we leave you with. Infrastructure investments are non-negotiable. They ensure our compliance with federal mandates, prevent catastrophic failures, and uphold public health. And delaying maintenance increases long term costs. A \$1 million reduction now saves an average customer about \$0.50 per month, but risks higher costs later. Thank you to this committee for recognizing this and restoring the previous directive. This has been very helpful for our utility bureaus. And also thank you for recognizing our affordability work. Our affordability programs are working. We are actively supporting those most in need through income qualified discounts, crisis assistance and ramp for multifamily housing loans and sdc waivers to spur development. Every dollar has a story. Budget reduction will impact core services that Portlanders rely on every day, from safe drinking water to sewer and stormwater management. And thank you. With

that, I would like to introduce Millicent Williams, director of Portland Bureau of Transportation.

Speaker: Good morning. Thank you, Donna Paul. Good morning, Councilors. My name is Millicent Williams. I'm the director of the Portland Bureau of Transportation. And I'd like to take a moment to walk you through how we balanced our general transportation revenue forecast. First, let's discuss budget changes leading to the original \$38 million shortfall. We discussed at the start of the year. Thank you. The majority of the \$38 million forecast shortfall was due to new expenditures expected to either start in either 2026, fiscal year 2026 or beyond. These included citywide interagency costs. Creek settlement costs 50% of the expected shortfall. The impact reduction program, Portland permitting and development subsidies and increased personnel costs due to earlier union negotiations. We also updated our revenue forecast to match the state highway fund forecast, updated last fall, and updated our parking forecast to assume no growth in parking demand. The city administrator's budget updated our forecast assumptions and included new potential resources, thereby updating our reduction target to \$17.8 million. The city administrator's budget included removing forecast assumptions for higher city administrative costs in our out year's forecast, a reduction in the subsidy of PND or Portland, permitting and development, a transfer of positions into the DCA's office to support service area wide operations, and assumed approval of bond financing for the ADA curb ramp settlement creek. The mayor's proposed budget included these assumptions and added increased support for derelict RV removal, graffiti abatement, abandoned auto and pothole repair. These new investments and the remaining funding shortfall were covered through increases in parking meter fees and hours, increases in transportation network fees, and assumed revenues from the pending state transportation funding package. Next slide please. To achieve a

balanced budget for next year, we have three balancing proposals that still require further action, including increases in parking rates, transportation network, company fees and the passage of a transportation revenue package. At the state level, parking meter rates were heard by council at the may 8th hearing, but are not scheduled for a vote until may 21st. These proposed changes contribute \$6.8 million in additional revenues collected through the following actions. Increase in hourly parking meter rates by 25% in each district, generating approximately \$5.5 million per year. Increase in hourly parking meter rates, generating approximately \$350,000 per year, which includes providence park event district, lloyd district, and the restricted event district in northwest. The proposal also assumes the extension of parking meter district evening hours from 7 p.m. To ten, from 7 p.m. To 10 p.m, generating approximately \$1 million a year. The tnc fee proposal raises \$5 million by increasing the ride fee for trips starting in Portland from \$0.65 per ride to \$1.30 per ride. This proposal requires council action to amend the current fee schedule. The finance committee is scheduled to review this proposal at the may 19th committee hearing. The state highway fund proposal of \$1 million, excuse me, of \$11 million, assumes passage of a transportation bill at the state legislature that would support cities across Oregon, including Portland. These revenues come from state gas taxes, heavy vehicle use taxes, and dmv fees. The proposal requires approval from the state legislature. If any of these proposals are not realized, the bureau would need to would need further direction from council to either reduce services or find alternative revenues to balance its general transportation revenue forecast. Next slide. The mayor's proposed budget makes a number of investments in livability programing, including the reinstatement of the neighborhood street sweeping program. It's important to note that the program will take a couple of years and further investment to fully implement in year one, pbob will expand the

leaf program, hire and train new staff, acquire additional sweepers which require a one year delivery time frame. I'm sorry, and phase in the installation of parking signage citywide to notify residents of sweeping periods, thereby clearing the curb for more complete cleaning. Limited street sweeping in residential areas would be completed in the first year, with an additional investment in year two of \$2.2 million. The program can accomplish sweeping 2 to 3 times per year and higher parking enforcement officers to ensure curb to curb sweeping is possible. Without additional investment, we could only accomplish sweeping 1.5 times per year. By year three, all new fleet vehicles will be purchased and those program funds can be can be reallocated to provide additional sweeping and parking enforcement staff. Sweeping would increase to four times per year, and overall program costs would be reduced by \$700,000. Next slide please. The road to financial sustainability for the bureau will require further action. Support for the mayor's revenue proposals is critical to maintain services for this next fiscal year. However, \$11 million of our current balancing proposal is outside of the city's control. We are hopeful that the state legislature will pass a transportation funding bill, but if they don't, we will either need to implement \$11 million in reduction in reductions shortly after that decision is made, or identify new future revenue proposals, continuing to rely on funding sources that are based on people driving and parking is not sustainable in the long run. As discussed on the previous slide regarding street sweeping, we will also need to identify new resources to continue to support the implementation of livability programs made in the proposed budget. And finally, prior years have shown that new expenditures will show up in future years. That will throw pbots forecast out of balance, which will lead to yet another reduction option exercise. And with these uncertainties in mind, pbots would like to continue the conversation

with the mayor and council on how to put the bureau on a more sustainable funding path. And with that, I turn it back to dca.

Speaker: Thank you, director williams. The proposed revenue increases for pbot on the parking revenues and the tnc fees will be coming to full council for consideration on may 21st. The we when we started the budget process, it began with a \$38 million shortfall for pbot and with the help of mayor council and are hopefully our state legislators, this deficit will be eliminated without the need for reductions. And we truly appreciate your support. Pbot's forecast is balanced, but our level of services are still not meeting community expectations. Additional resources are needed to address the bureau's maintenance backlog and fund necessary safety and livability related improvements in programing. This budget focuses on maintaining existing services while also investing new resources towards improving reliability livability for all Portlanders. Next slide please. In closing, I would like to leave you with four critical takeaways. Public works is the foundation of Portland's future. We are responsible for roads, water and sewer, sewer and storm systems, and very soon, parks. And this complex critical infrastructure must be maintained to ensure our city's health, safety, livability and economic vitality and climate resilience. The cost of doing nothing is rising. Years of underinvestment in Portland's infrastructure has created a backlog of urgent needs, and that backlog is growing by \$1 billion annually. So thank you for chair clark's resolution on the asset management and this committee's focus on improving infrastructure investment as well. Every delay components, risks, legal liability and the cost of future generations. So we must invest in maintaining and modernizing our roads, sidewalks, bridges, parks and water and wastewater and stormwater systems as well. The budget this is a budget of trade offs. Limited resources mean we must prioritize core services and protect the assets Portlanders

depend on. Every day we work to present a budget that addresses budget constraints, identify new revenue, and manages rising infrastructure costs and balances affordability with rate adjustments. We are still faced with increasing costs for construction materials and labor, non-negotiable costs associated with debt servicing and regulatory requirements, and a backlog of necessary maintenance and repairs, and increased costs for city services in general. Fund overhead. To meet these challenges, we've made the tough choices and focused our spending on programs and services that positively impact the community, and we've committed to gaining efficiencies through the integration of shared services. We identified new sources of revenue, including parking rates, tnc fees, and state highway funds, and we've carefully and thoughtfully planned for necessary increases to rates and fees while balancing affordability to our customers. We are building a sustainable path forward. Strategic investments today will reduce future rates shocks, improve equity and protect our most vulnerable communities. We thank you for your leadership and partnership in making these investments in our community. Thank you.

Speaker: Thank you. Dca donna paul, and thanks all of you for being here today. I know it's beginning to be a little repetitive, but I think it was important for us to see a comparison between the mayor's budget and the earlier city administrator's budget. I know I have questions for all three bureaus, but I'm going to begin with who's got their hand up, which is councilor green?

Speaker: Thank you, madam chair. Thanks again for this presentation. I just have a couple questions for pbot. How much of the general fund discretionary either ongoing or one time is supporting pbot right now in this budget, do you know.

Speaker: I do, but I'm going to ask that jeremy patton, our chief financial officer.

Speaker: Good morning. Council Jeremy Patton with PBOT finance. We received just over about \$1 million of ongoing general fund to support PBOT.

Speaker: Okay.

Speaker: It used to be a lot higher with the creek settlement, with the debt financing with creek. That takes about \$10 million out.

Speaker: Okay. And that's helpful. And so for the tax, what are the restrictions on those revenues.

Speaker: Currently the code just says that the TNC revenues need to be paying for transportation related purposes and also for regulation of the TNC companies. Okay.

Speaker: So the funding would not if we were able to successfully move through the budget process and have the TNC fees raised, the funding would not go to general fund. It would go to general transportation revenues.

Speaker: Well, there's no shortage of need in the GTR.

Speaker: But there is no shortage.

Speaker: That is helpful. Thank you. That's it for me.

Speaker: Councilor Koyama Lane.

Speaker: Thank you, Chair Clark, as many of you are aware, vision zero and recommitting our mission to eliminating traffic deaths is really important to me. At our April 21st transportation and infrastructure meeting, we talked about how getting less cannabis tax allocations would require reduction in some of our projects, some of those that are directly related to vision zero. Now that the mayor's budget is out, can you be specific about what those projects will be or positions? What can we expect to look different in terms of vision zero support?

Speaker: The reduction would be in personnel. It would not be projects. It's about \$400,000 reduction and it would be dedicated to resourcing that program. So while

not project specific, there are personnel who help to implement those projects which would just thereby require a delay in getting those projects delivered.

Speaker: How many how many fte is that?

Speaker: Is it three?

Speaker: There are currently no fte related right now to the cannabis reductions. Yeah.

Speaker: Sorry.

Speaker: There there are currently no fte attributed to the cannabis tax.

Speaker: Okay. So there is a reduction in personnel.

Speaker: There is a reduction in the services that are available to deliver. I know that that's a little confusing, jeremy.

Speaker: I kind of call out just the reductions that are actually being made within cannabis tax. We're looking at vision clearance for the priority locations and pedestrian intervals at intersections that are adjacent to schools. There's a reduction in improvements along the high crash corridor. So this is work around turn calming rumble strips, raise pavement markings. And then there's outreach materials and engagement with community based organizations on safety. So there's no staffing necessary reductions. But some of those staffing that would be working on those programs might need to be reallocated to other projects in order to keep. So we won't have a staffing reduction, but we will have a reduction in services related to the programs.

Speaker: Okay. So some of the projects will be affected because there won't be personnel to work on them. That's right. Okay. Can you send.

Speaker: Me. That list? There's not a reduction in the number of projects. It's just the delay in our ability to deliver on them.

Speaker: Okay, can I get that list that you just shared?

Speaker: Absolutely.

Speaker: I would just say that getting the information at that granular level would be really helpful. And some of my questions will pertain to that. But it's hard to know exactly what's what the impact is of some of these cuts without that granular level of information. Counselor smith.

Speaker: Thank you. Thank you, madam chair. I want to go to the budget and dca. I want to figure out some of the messaging that the mayor put in and the mayor's message portion of his proposed budget. The transportation summary is provided on page 11. And I'd like to I'd like for you to expand on the introductory sentence to the summary. The bureau of transportation has a long term revenue sustainability issue due to legacy tax structures. This budget seeks resources to address potential reductions through a mix of revenue sources. And I was just curious. I know this was in the mayor's budget. What does he mean when he says legacy tax structures? What are they and what does that look like?

Speaker: Thank you. That's a good question. I think he's referring to the declining gas tax revenues, and he's looking for sustainable ways in which we can support transportation in the long term and relooking at how we can support transportation in this particular budget. He's looked at tnc fee increases. He's looking at parking meter increases. Those are the two significant ones that he's looking at in this particular budget. And I would look at jeremy to add to any any other additional things that you want to add to this one?

Speaker: I think you summed it up pretty well. Yeah. It's I mean, the legacy really is relying on revenue sources that are tied to tax or to gas, the utilization of gas, whether you're driving the vehicle or you're parking the vehicle downtown and trying to move away from that.

Speaker: Okay, okay. And I know sometimes as elected officials, we have some flowery type of language and we're not quite clear on what that exactly means. If there was specific legacy stuff that we needed to point out specifically, of course, we know that the gas tax pays for your restricted funding and what you do. So I'm going to go to my next question. If we look at table two of the mayor's budget on page 35, could you confirm the differences between the transportation operating fund and the transportation reserve fund? Are there any restrictions on disbursements from either fund?

Speaker: So I'll start with the transportation reserve fund. This is a fund that is required in order to keep about 10% of our general transportation revenues in reserve. 5% of that is in case of we have a catastrophic event such as an earthquake. We can draw on those resources. The other 5% is a countercyclical reserve. In case revenues start to dip, we can draw on those particular resources. I will say, given that we do five year forecasting and we have to repay those resources in three years, it really doesn't do us a lot to have a countercyclical reserve, because within the forecast, we'll just have to pay those back within three years. But if we do see an immediate shortfall in revenues, we can plug it with those revenues in the short term.

Speaker: So the transportation operating fund, is there a payback measure for that? You have to do.

Speaker: With the reserve fund. We need to make sure there's a 10%. The operating fund includes everything. So it's all of our general transportation revenues, all of our permit revenues. It's our entire operating fund.

Speaker: Okay. So that same table, it lists an inner fund cash transfer of just over 19 million into the transportation operating fund. Do you know what was the

source of that transfer, and where is that that money coming from or where is it going and why did we make the transfer?

Speaker: There's probably a couple of things within that transfer. One, we typically get transfers from the local improvement district fund. So when we're doing.

Speaker: I'm sorry I didn't.

Speaker: Hear the local improvement district funds. So when we do local. Improvement districts, there's a separate fund that actually sells the debt service. And then they transfer us to cash to do those construction improvements within those districts. So that comes through as a cash transfer. And then a lot of times when we issue debt, it will be issued in a separate fund. And then as we're spending on capital projects, we'll ask for reimbursement from that fund. And that comes through as a cash transfer as well from those other funds in the city.

Speaker: Okay. Perfect. And my last question, how many positions do you all have?

Speaker: I think our current count is around 1000 and 40,039. Right. Yeah. Right around there. Yeah.

Speaker: So but I also noticed that you had an increase and this is to dca jeff hill, an increase of 15 positions in your budget. Do you know what those 15 positions were for?

Speaker: Pbot. Can I ask some clarification. Yep. I would like to defer to director williams or jeremy patton to answer the question.

Speaker: I can handle some of those. And just so the counselors know, we have a lot of this detail that we are planning to come on Thursday to talk to you about. So we saved a little bit of the stuff for Thursday and covered a little bit of it today, which we'll talk a little bit more in detail.

Speaker: About those 15 positions.

Speaker: Yeah. But I do know a lot of them are around some of the inspection services, specifically around our ada curb ramp program, needing more inspectors to inspect some of the ramps. But I have all the details and we can we'll cover that on Thursday as well if you.

Speaker: Okay. So where.

Speaker: Are.

Speaker: We going to.

Speaker: Cover that?

Speaker: Where are we going to cover that.

Speaker: In the full work session with full council. It's on one of the slides within that deck.

Speaker: It's scheduled for this Thursday at 2:30 p.m.

Speaker: Okay. Perfect.

Speaker: Those were just a couple observations that stuck out to me about your particular bureau in this time of cuts, but you also increased by 15. So I was curious to see what those were and what was the urgency for it. Thank you. That's that's all that I have.

Speaker: Come prepared to answer the question on Thursday. Yeah.

Speaker: Counselor green, before I come back to you, I'd like to ask a couple questions myself to director or acting director. Light, I want to ask you a question about the savings on convenience fees. I know you have an excellent program to assist people who have difficulty paying their bill, but can you talk a little bit more about this? Convenience fees. It's a large amount of money that you're saving. Almost 2 million. Can you just pry that apart a little bit for us?

Speaker: Yes. So when over the past, however long we've been paying. So whenever a customer pays their bill with a credit card or debit card, there is a

convenience fee that the credit card companies charge. And we're essentially passing that on because that cost, that cost keeps going up for us. And the other piece that happens now is, let's say a customer goes and they decide they're actually going to use their bank to pay the bill, but the bank is using a third party aggregator. That third party aggregator then uses a credit card, which increases our fees even more. So a lot of people don't know that. They think they're just paying with their check. But what we're facing is increased credit card costs, and we believe that the balance of what we offer through our program makes that makes up that difference. And I mean our program with the affordability programs, we believe that that is enough to make up for the small impact that some customers will see. I will say that we have been spending the last 60 days or so really trying to work with customers to get them to move to a bank account. We also see that we have an increase, some of our customers that pay their bill through fred meyer and other retail locations, and they're they're already paying a fee. So, you know, we balanced it and just said it was a savings to everyone overall. And honestly, the other thing is we did some research and one questions we asked customers is should we share this fee. And we saw a substantial number of customers that said that that that should be shared and that shouldn't be shared. It should be passed on. Excuse me.

Speaker: And to add to what director light said across the practice, across the other bureaus, is to charge that fee. And water bureau was the outlier here, not charging that. So we used the opportunity to see if we can increase the fees or, you know, have have the charge to be able to save that \$2 million.

Speaker: And I will say you'll see this as a standard. I've talked with so many of my colleagues and other jurisdictions, and everyone's doing it because mainly of these third party aggregators.

Speaker: Interesting. I didn't know about the third party, but I definitely knew about the fees because I think we all confront that when we're paying our bills, whether it's at a restaurant or wherever it is. So I'm glad to hear you're moving in that direction. I just wanted a little more knowledge about it. Thank you, thank you. I have a question for acting director ting liu on on your chart. Maybe you could call up the chart. I'm not sure what page it is for biz balanced budget. I just wondered if you could talk a little bit about. In the city administrator's budget, there was an operations reduction of 3.5 million, and that appears to have gone away. Or else it's piecemealed in the mayor's budget. Can you clarify what was in that operation? Operational reduction? And are there still operational reductions, but are they in the mayor's proposal reductions side? Can you clarify that for me?

Speaker: Yeah, I will start and I will also ask for the from bts to add additional perspective here too. So for the increased city service costs for the city administrators budget. So this including internal service costs like fleet facilities and technology services, part of the city charter reform and also the service area cost here for the mayor's proposed budget. I'll ask for shot here to chime in.

Speaker: Thank you, chair clark and members of the committee. For the record, my name is farshad allahdadi.

Speaker: I'm the business services group manager at biz. With respect to the 3.5 million that was in the city's administrative budget, those those costs generally covered lower priority expenditures. In some program areas. We have external materials and services expenditures previously budgeted to help with things like real estate transactions, some internal professional development and the like. Those are all factored into the mayor's proposed budget. So I think the mayor's proposed budget generally is additive of what was in the city administrator's budget.

Speaker: Okay. I'm not sure I follow that. So are some of those costs that were originally listed as the operational reductions? Those are still embedded somewhere in the mayor's proposed budget. Is that what you're saying?

Speaker: Yes. That's correct.

Speaker: Okay. Are those in under the reductions?

Speaker: Yes they are. They are those reductions. The mayor's proposed budget, the line items in the right side of the table are in addition to what was noted in the city administrator's budget.

Speaker: Okay. I'll chew on that. Thank you very much. I have a couple questions for director williams. I know we're all a little queasy about what the future is for the state transportation package and the 11 million we're counting on, and I just I think we're all a little queasy about that. Hoping that that comes through. I don't I don't necessarily want to put you on the spot on where that 11 million would come from. If it doesn't come from the state where we're going to cut. I'm sure you must have that in the back of your mind somewhere. I don't know if you want to address that or you want to just punt.

Speaker: We can address it. Thanks for the question. It is a concern of ours as well. If we are not able to realize the 11 million or some version of that, we would go back to our reductions exercise and prioritize how we would make cuts based on that gap. So instead of the \$38 million gap, it would be a 38 -11, which is what, \$27 million, I mean, 11 million that we would need. What? You know what I'm saying? We would go look for \$11 million in cuts. And so that would be across the bureau, again, prioritizing maintaining the maintenance and operations work of the bureau. It would be in some of the work that I don't want to call any of our work unimportant, but we have different strata and guidelines that help to inform.

Speaker: Well, let's take one that was on your list, your previous cut list, which was the safety cameras you were proposing cutting about \$400,000, I think, from the safety cameras, but that's been restored. I imagine that's something that might come back. Could you talk a little bit about that program for us, what that does, maybe what kind of revenue that generates and where that revenue goes?

Speaker: Sure. I can speak to it really broadly. I've asked the team to go back and identify how much a per camera, what is the per camera cost, what does a the hardware cost. The bureau, as it's currently functioning, does not pay for an individual camera. It pays for an enterprise set of services to help to ensure that the data that's collected through the cameras is evaluated. And then we go out, go through the process of sending out spending, sending out the citations. And Jeremy mentioned what some of the activities are that help to that are funded through that \$400,000. So we asked for the material cost of an individual camera. But the \$400,000 would or is proposed to go to ensure that staff are able to look at the tickets that come in and or the video footage that comes in, and then make a determination about whether or not a ticket would be issued and the size of that citation. So we continue to work with the now new vendor to identify what the actual material hardware costs are. Because my guess and my question even this morning to the team was, I imagine that the counselors are going to want to know exactly how much a camera costs, and we need to be able to tell them that. So we're working to pull that data. I hope to be able to provide that as early as Thursday's work session, if we come back to the question again. But right now, the cost to increase the number of cameras is related to the cost of increasing staff to be able to do the work that's required to review the tickets that that are generated through that work. And I wouldn't suggest that it's a revenue generating tool. There

are funds that come from it, but it's not not like the parking enforcement. It's a very different type of funding. Supporting it is self-supporting. Yes.

Speaker: And the just to add the limitations in our ability to increase the number of safety speed cameras is to the staff resources available in the city and to the court's ability to process citations. And so we have a draft mou right now with both police bureau and the court. And if you can talk a little bit more about that, sure.

Speaker: The previous model was that sworn police officers would review the information that came in from the speed cameras. That was something that we worked for a very long time to readdress, because we realized that a sworn officer, a sworn person, was needed to ensure that there was integrity in the review of the data, but it didn't necessarily require a sworn officer. And so we worked through the system to identify how we would be able to increase staff that would be qualified, to be able to do the reviews and share that data back with the bureau, so that we could move forward with the issuance of the citation. The other component of that is with increased numbers of tickets, whether that's parking tickets, speeding tickets or others. There is the intersection with Multnomah County courts. And so their capacity is also limited. And so we would need to ensure that we have the relationship that's in place to allow for the increase and the speedy review of the information that's provided from time to time because of, again, staffing all along the way and process limitations all along the way, we've been a little bit slow to get to that work.

Speaker: Well, thank you for that. I hope that we don't get to the point where we have to look at that again for a cut, because I think it's intimately involved in vision zero, and it's really a safety measure across the board.

Speaker: Sure. I think we need to make sure we're looking at the cannabis tax and the allocation of that funding in a different way, in terms of what it goes to fund. So

with the reduction in cannabis tax, we also much like gas taxes, we have little control over how much consumption people are offering to the system. So an alternative to dca, donna paul's earlier point answering councilor smith's question is moving away from a tax base that supports the bureau to another type of revenue generation would ensure that we're not looking at those places as opportunities to cut unnecessary cuts.

Speaker: Thank you. And my last question before I turn it over to councilor green is back to street sweeping. I just want to make absolutely clear how the street sweeping is being financed. There are still questions about that among my colleagues. Could you outline exactly where the money is coming from for the street sweeping?

Speaker: Sure. So the overall street sweeping program for the bureau is actually quite large. It's about \$15 million. The additional \$3.1 million that we're talking about adding to the existing budget, is actually a transfer from bts to help to support street sweeping, specifically of the streets that are subject to a type of permit that they are responsible for managing and monitoring. And so it's about 26% of the streets that will be able to extend the sweeping to that are outside of the streets that we're already sweeping. In addition to the sweeping activity, we do need to make sure that we have staffing and equipment to do the work. So while it would be great for us to be able to say, oh, it's back and we can tomorrow see the benefit of that addition, it will take us some time to ramp up the effort to do the overall sweeping that we've proposed bringing back to the city.

Speaker: So and we're not pulling from, excuse me, from street maintenance or some other fund to cover those positions.

Speaker: Absolutely not that everything remains whole in terms of street maintenance. The street mcd, the construction division, none of those are impacted

by the shifting of the funding focus. It is not something that came out of a pbot fund, but rather support from the.

Speaker: Okay, thank you so much, and don't be surprised if you get that question on Thursday. Councilor green.

Speaker: Thank you, madam chair. Great questions. I want to come back to the tnc revenue fee for a moment. So it's to be used on transportation related expenditures. But that seems pretty broad. Is there is there more specificity or is it anything pbot wants to spend money on the tnc can fund?

Speaker: So in the language it talks about operations and regulations of the tnc companies, which includes kind of providing a safe and reliable transportation system. And that's the linkage that we're using to put those funds into general transportation revenue. So anything that would be going to provide within transportation a safe and reliable transportation system, we could spend those resources on.

Speaker: Great. That's pretty broad, and I like that. So can we use because I've got a budget amendment from last week on the floor to take it from 130 to \$2, which would create another 5 million over what the mayor proposed. So can we use that to fund councilor koyama lane priorities for the vision zero?

Speaker: Yes.

Speaker: That's that's all I wanted to know. Thank you.

Speaker: Thank you, councilor green. Thank you for that clarification, councilor smith.

Speaker: Thank you, madam chair. Going back to priorities last week we passed the cip, the sidewalk improvement and paving program, and we just wanted to give you all a an update that we plan on bringing an amendment through to the finance committee that would authorize 200 million and \$50 million a year for the next two

years, which would be 100 million. And we would have to reauthorize again to actually spend the authorization that we are planning to put in an amendment. And if you were waving your your magic wand, dca. We have a couple different methods of paying for debt service. We plan to use this in regards to the limited revenue bonds. That's where we see we can have the most and the quickest due diligence to put sidewalks in district one and in district four. And if you had a chance to wave your magic wand, where would you go to pay the debt service on this?

Speaker: Thank you. Councilman, that's a very good question, but I'm going to defer to our cbo. Who's in the room or the finance pbot finance manager to be able to respond to it.

Speaker: Is jonah still here? If I want somebody from the from the department to be able to tell me where the money is, to be able to pay \$5 million worth of debt service.

Speaker: So the debt service right now, I don't believe we have identified any funding sources for the cip program that I am aware of to pay any.

Speaker: No, no we haven't. So what I'm saying to you, I'm just acknowledging the fact that we passed the non revenue piece last week and we will be submitting an amendment to the budget to pay a funding mechanism. And we're planning to use the limited revenue bonds. We got \$1.5 billion in limited revenue bonds. And we're going to authorize 200 million, but only bid out for 100 million. So I'm I'm asking if we have 100 million worth of worth of limited revenue bonds, where would you take the money out of the transportation operating funds to pay for the debt service? That might be about \$5 million.

Speaker: If we didn't identify new revenue sources and had to take it out of the operating fund, we'd have to make reductions to programs for \$5 million to pay for that debt service. Is that what you're asking?

Speaker: Yes. That's what I wanted to hear you say. Thank you that you don't have any money. So I'll let if councilor green, if you have any more to add to that, I'll let you go ahead and add that.

Speaker: Thank you, councilor smith. So. The limited tax revenue bonds for \$200 million into two waves of \$100 million issuances. I think what we discussed, those would not be secured by any specific general tax, general transportation revenue bonds. Those would be secured by just the general fund. And so we have not identified the trade offs and proposals. But but I would note, you know, again, if we approve a budget amendment to raise tnc fees to an even two that pays for most of the incremental revenue that we could maybe pursue, that the gt-r back piece. So I think there's still a lot in play, and we'll have to have that conversation before finance. But those are a little bit. Those are the specifics as as we're working on it. From my side.

Speaker: Yeah I just wanted the folks to know that we're diligently trying to identify infrastructure and assets that we need to improve upon, and the urgency about the sidewalks in district one and in district four there. The challenge is real. And if we don't do something immediately, I mean, it's going to get only worse. So I just wanted to let you all know that it passed and you were here, and I appreciate it. But just to let you know that we're we're going to be trying to identify sources. I don't know, is jonas here? I can't see him.

Speaker: He's. Jonas is not here. But we have somebody from cbo here to take notes and get back to jonas.

Speaker: Okay? Okay, I'll just follow back up with jonas. Thank you so much. Appreciate it.

Speaker: Great. Thank you, counselor smith. I don't think we have any other. Hands up. Any other questions? I haven't heard from councilor. Morillo. I don't

think that she doesn't appear to have any questions right now. So I just want to acknowledge all the hard work that you've been undertaking to get to this point on the budget. It's been kind of an emotional roller coaster, I think, for a lot of people. And just really appreciate your being here and answering our questions. I know there's a lot more to go. We're not there yet, but you can see the light at the end of the tunnel. I think it's coming. We're all feeling it, definitely. But thank you so much for being here, all of you, and all your hard work.

Speaker: Thank you for your leadership and partnership.

Speaker: Thank you.

Speaker: Take a couple of announcements before we adjourn. Our next meeting is may the 19th. We're doing that because of the memorial day holiday. And we will we can continue our budget conversation then if necessary. But also councilor koyama lane, I believe, is bringing forward a resolution on vision zero. Then we're going to have some other responsibilities around appointments to the mount hood cable regulatory commission that's within the scope of our work, and we'll see what else comes up before the 19th. So thank you all. And with that, I will adjourn the meeting of the transportation infrastructure committee.