
Hood River City Council
211 Second St.
Hood River, OR 97031
(541) 386-1488
www.cityofhoodriver.gov

November 9, 2020

AGENDA

6:00 p.m.

Councilors:	Mark Zanzmiller (President)	Kate McBride, Mayor	Megan Saunders	Tim Counihan
	Jessica Metta		Erick Haynie	Gladys Rivera

All public meeting locations are accessible. Please let the City Recorder know if you will need any special accommodations to attend any meeting. Call (541) 387-5212 for more information. Oregon Relay Service 1-800-735-2900

The City of Hood River is taking steps to limit exposure and spread of COVID-19 (novel coronavirus). In support of state and federal guidelines for social distancing, the City of Hood River will hold this meeting by using Zoom Conferencing.

Please use the following phone number or video link:

<https://us02web.zoom.us/j/86916074773>

(253) 215 8782

Meeting ID: 869 1607 4773

Members of City Council and City staff will participate by Zoom, they will not be on site at City Hall during the meeting. The audio recording of the meeting will be posted shortly after the meeting on the City's website. Please check the City's website for the most current status of planned public meetings.
<https://cityofhoodriver.gov/administration/meetings/>

I CALL TO ORDER – Cell Phone Reminder

II BUSINESS FROM THE AUDIENCE

The Hood River City Council encourages community members to talk about issues important to them. If you wish to speak during "Business from the Audience", there are two options to choose from:

1. Submit written comments to the City Recorder at j.gray@cityofhoodriver.gov by Monday, November 9, no later than 12 noon in order to distribute to the City Council in one packet for review by 3pm. All comments will be added to the record.
2. To address Council during Business for the Audience, email the request (name of speaker and topic) to j.gray@cityofhoodriver.gov by Monday, November 9, no later than 12 noon. Please specify the topic your testimony addresses. Testimony will go in order of requests received. Attendees that have registered will be unmuted by the IT Administrator for 3 minutes to address Council. Public comment will be by audio only. At the Mayors discretion, public comments may be received prior to a specific topic of relevance during the meeting.

III PUBLIC HEARINGS

1. Co-Housing Appeal, D. Nilsen, J. Kaden
Materials for this item can be viewed at
<https://cityofhoodriver.gov/administration/meetings/> November 9, 2020
City Council Packet No. 2.

WORK SESSION

- IV OPEN WORK SESSION
- V AGENDA ADDITIONS OR CORRECTIONS
- VI DISCUSSION ITEMS
- VII ADJOURN WORK SESSION

REGULAR COUNCIL MEETING

- I OPEN REGULAR COUNCIL MEETING
- II AGENDA ADDITIONS OR CORRECTIONS

III CONSENT AGENDA

These items are considered routine and/or have been discussed by Council in Work Session. They will be adopted by one motion unless a Councilor or person in the audience requests, before the vote on the motion, to have an item considered at its regular place on the agenda.

- 1. Change Order 6 Phase 1 Waterfront Storm Sewer Project, M. Janeck PAGES 3-6
- 2. Award Professional Service Contract for Final Design for Cascade Ave. 15th to 18th Water and Sewer Replacement Project. M. Janeck PAGES 7-15
- 3. Resolution 2020-21 for Inclusion Under the State of Oregon Deferred Compensation Plan, M. Morris PAGES 16-19

IV REGULAR BUSINESS ITEMS

- 1. Energy Council Comments to the Public Utilities Commission, Marla Harvey PAGES 20-53
- 2. First Quarter Financial Performance Report, W. Norris PAGES 54-57
- 3. Fiscal Year 2020-21 Quarterly Supplemental Budget (Resolution 2020-20), W. Norris PAGES 58-61

V REPORT OF OFFICERS

- A. Department Heads
 - 1. Council Work Plan Survey Released, R. Fuller PAGES 62-64
- B. City Recorder
 - 1. Reading of Ordinance 2057 (Nature's Way Rezone) for the first/second time by title only.

- VI MAYOR
- VII COUNCIL CALL
- VIII ADJOURN REGULAR MEETING

CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: October 29, 2020

To: Honorable Mayor and Members of the City Council

From: Mark Janeck, Director of Public Works

Subject: Change Order 6
Phase 1 Waterfront Storm Sewer Project

Background:

The City is close to completion of a storm sewer project located within the Hood River Waterfront. The project is Phase 1 of a four phase project that includes replacement of waterfront storm sewer line from the intersection of N. 2nd St. and Riverside Dr. to a relocated outfall to the Columbia River, as well as many other public infrastructure improvements, over the next four years.

The Phase 1 work consists of installing a new pipeline from a manhole within the Hood River Distillers (HRD) gravel lot, running approximately 145 feet southwest to Riverside Dr., west 505 feet along Riverside Dr. to N. 8th St., and north 300 feet along N. 8th St. A section of pipeline along N. 8th St. required installation by boring under an existing railroad spur. Also included is abandonment of approximately 1,000 feet of an existing deteriorated 18" and 36" corrugated metal pipe from Riverside Dr. to the existing waterfront pipeline by filling it with low-density cellular concrete. The entire existing waterfront pipeline is installed below the ordinary high watermark (OHWM) of the Columbia River, while the new pipeline will be installed above the OHWM of the Columbia River. Numerous manholes are also being installed along the pipe route as well as creating pipe connections to existing storm sewer pipes. The purpose of the project is to replace the existing, deteriorated corrugated metal pipe that is approximately 18-20 feet below the surface.

Change Orders:

A Change Order is being requested for consideration by the Council for this project.

Change Order 6 involves an 18" storm sewer pipe on the pFriem property that connects to the existing 36" storm sewer that is being abandoned. Since the abandonment includes filling of the pipe with cellular concrete, surcharging within the 18" pipe could occur causing flooding issues on the pFriem and other nearby properties, a situation that will negatively affect the Port of Hood River as a land owner. In order to remedy this, the City intends to extend the new 36" stormwater line north along N. 8th Street, and install a pipe stub connection at the driveway entrance to the pFriem site, so the Port can then connect a new 15" stormwater line before abandonment of the failing 36" pipe takes place. The new 36" stormwater line was going to extend north along N. 8th St. during Phase 4 construction, but due to this unforeseen circumstance the City must perform this work now. Change

Order 6 is in the amount of \$35,813.50 and is all work that was planned to be performed in Phase 4.

Staff Recommendation:

Change Order 6 involves an unforeseen situation by Public Works, the city engineer, Bell Design, and the design engineer, Tetra Tech. Change Order 6 involves a private stormwater line connection that was not previously provided, and without this work, serious negative impacts to the surrounding properties could take place during storm events.

The attached Change Order 6 has been reviewed by the design engineer, Tetra Tech, city engineer, Bell Design, and Public Works personnel, and has been agreed to as fair and correct per our current contract unit prices with the contractor.

The Director of Public Works recommends approval of Change Order 6 as requested by Landis and Landis, the City's contractor on site.

Suggested Motion:

I move that we authorize the City Manager agree to fund Change Order 6, totaling \$35,813.50, as part of the storm sewer Phase 1 project under contract with Landis and Landis Construction as indicated in the attached documents.

Alternatives:

Not extending the new 36" storm sewer line north along N. 8th St., and stubbing out for a 15" pipe connection to the pFriem site could lead to surcharging of storm water out of existing catch basins and manholes once the existing 36" pipe is abandoned.

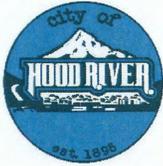
Fiscal Impact:

The publicly bid contract price for the Phase 1 of this storm water project was originally \$984,352, with two previously approved Change Orders making the total \$1,129,664 to date. If this Change Order is approved, the Phase 1 project cost would increase from \$1,129,664 to \$1,165,477.50

Environmental Impact: NA

Attachments:

Attached is Change Order 6 as submitted by the contractor.



PROJECT CHANGE ORDER

PROJECT:	<u>Waterfront Stormline Relocation</u>	CHANGE ORDER NO.	<u>#6</u>
Location:	<u>Port Waterfront Industrial Park</u>	CO Initiation Date:	<u>27 October 2020</u>
City/State:	<u>Hood River, OR 97031</u>	Notice to Proceed Date:	<u>16 September 2020</u>
Contract No.:	<u>671</u>	Contract Completion Date:	<u>21 December 2020</u>

DIRECTED TO CONTRACTOR: **Landis and Landis**
P.O. Box 50
Marylhurst, OR 97036-0050

YOU ARE DIRECTED TO MAKE THE FOLLOWING CHANGES IN THIS CONTRACT:

Extend the 36" PVC storm mainline to the north on N. 8th St. from MH-P1-4 to pFriem Brewing's driveway and install a 36"x18" PVC tee and an 18"x15" PVC reducer. Install a new 15" PVC pipeline from the tee to the concrete gutter at the driveway.

The contract shall be modified as follows.

- Increase length of 36" PVC pipe by 43 feet @ \$400/LF.
Contract bid item #12 – 36 INCH PVC STORM SEWER PIPE, ALL DEPTHS shall be increased by: + \$ 17,200.00
 - Increase the cold plane removal item by 110 square yards @ \$7/SY.
Contract bid item #25 – COLD PLANE PAVEMENT REMOVAL, 4-6 INCH DEEP shall be increased by: + \$ 770.00
 - Increase the base aggregate item by 6.5 cubic yard @ \$27/CY.
Contract bid item #26 – 3/4"-0 AGGREGATE BASE shall be increased by: + \$ 175.50
 - Increase the ACP item by 25 tons @ \$116/ton.
Contract bid item #29 – LEVEL 2, 1/2 INCH DENSE ACP shall be increased by: + \$ 2,900.00
 - Install approximately 11 lineal feet of 15" ASTM D-3034 PVC pipe from new tee to the concrete gutter.
New Contract item #A2 – 15" ASTM D-3034 PVC SEWER PIPE, ALL DEPTHS shall be added at a unit cost of \$325/LF for a total increase of: + \$ 3,575.00
 - Install new ASTM D-3034 PVC 36"x18" tee and an 18"x15" reducer at the intersection of the 36" and 15" storm lines.
New Contract item #A3 – ASTM D-3034 PVC 36"X18" TEE W/REDUCER shall be added at a lump sum cost of \$9,519.00 for a total increase of: + \$ 9,519.00
 - Increase length of temporary asphalt by 54 feet @ \$31/LF
Contract bid item #30 – 1/2 INCH DENSE ACP – TEMPORARY shall be increased by: + \$ 1,674.00
- For a total contract increase of: + \$35,813.50

CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: November 09, 2020

To: Honorable Mayor and Members of the City Council

From: Mark Janeck, Director of Public Works

Subject: Award Professional Service Contract for Final Design for Cascade Ave. 15th to 18th Water and Sewer Replacement Project

Background:

Replacement of clay sewer pipes and lead jointed water lines is a project on the City Council's 2020 work plan.

The City has approximately 52 miles of clay sewer lines that are past their useful life. Groundwater from rain events infiltrate these deteriorated sewer lines and pushes this clean water to the wastewater treatment plant. This creates an influx of groundwater or stormwater into the wastewater treatment plant making our processing less efficient and has also resulted in DEQ violations due to overflows at the plant.

The City is required to replace all lead jointed water lines and has approximately 30,000 feet within its distribution system. The City submits testing for lead every three years and has never exceeded the lead activation level. The City has a master plan which identifies a plan to replace lead-jointed pipes within the next 10 years.

Due to the age of the pipes, the locations for the clay sewer pipe and lead jointed pipe often coincide and it is cost effective to replace them at the same time. By replacing the lines at the same time, the City can also prevent having to dig up the streets twice which helps reduce disruption to the neighborhoods.

The purpose of this item is to approve an engineering contract for the engineering design for the replacement of water and sewer pipes on Cascade Avenue between 15th and 18th St., the first of many of these types of improvements.

The City issued a request for proposals (RFP) from qualified firms to provide the final design for the Cascade Avenue, 15th to 18th Street project. The scope of work includes planning, survey, and design for the replacement of approximately 640 feet of 4" lead-jointed water pipe, as well as replacement of approximately 600 feet of 8" failing concrete sewer pipe and replacement of two manholes. Starting August 10, 2020, this RFP was advertised in the Oregon Contractor Plan Center, Daily Journal of Commerce, Tri City Construction Council, Premier Builders Exchange, Salem Contractor Exchange, SW Washington Contractors 7017, Hermiston Plan Center,

Central Oregon Builders Association, McGraw-Hill Construction Dodge, Construct Connect and the Columbia Gorge News.

Five firms submitted proposals on August 31st, 2020. The five proposals were evaluated by using a 'Content and Evaluation Criteria' set in the RFP. Please see the content and evaluation results below.

<u>Content & Evaluation Criteria</u>	<u>HBH Consulting</u>	<u>HHPR</u>	<u>Gray & Osborne</u>	<u>Pace</u>	<u>Meier</u>
Intro Letter	x	x	x	x	x
Ins. Coverage	x	x	x	x	x
Computer Equipment	x	x	x	x	x
Consultant Firm Qualifications	80	80	80	80	62
Key Personnel Qualifications	107	108	104	107	94
Quality of Client Service	60	60	60	60	55
Scope of Services	110	110	104	100	90
Supporting Information	20	19	19	20	17
TOTAL POINTS	377	377	367	367	318

Due to a tie in scoring, City staff conducted interviews with HBH and HHPR and awarded the contract to HBH based on those interviews. City staff has been through the scope and fee negotiation process with HBH Consulting Engineers and have reviewed and agreed upon a price of \$68,986 for the design work. City staff are recommending a contingency amount of \$6,014 be reserved for any unforeseen changes in engineering during the duration of the project. The scope of services and fee is attached.

Staff Recommendation: Authorize the City Manager to sign a professional services contract with HBH Consulting Engineers for final design of the Cascade Avenue, 15th to 18th Street Water and Sewer Replacement Project in the amount of \$68,986. Additionally, authorize a contingency of \$6,014 for a total amount of \$75,000 to account for any unforeseen changes during the duration of the project.

Suggested Motion: I move that we authorize the City Manager to sign a professional services contract with HBH Consulting Engineers for final design of the Cascade Avenue, 15th to 18th Street Water and Sewer Replacement Project in the amount of \$68,986, and approve an additional \$6,014 in contingency for unforeseen additions to the design contract.

Alternatives: Do not authorize the signing of the professional service contract and provide other direction to staff.

Fiscal Impact:

Project costs will be split between the Water Fund Capital Outlay and the Sewer Fund Capital Outlay. This project is in the adopted budget for FY2020-21.

Attachments: Scope of Work

November 5, 2020

City of Hood River
Wade Seaborn, Director of Public Works
211 2nd Street
Hood River, Oregon 97031

Re: Cascade Ave 15th to 18th Water & Sewer Replacement Project – Scope of Work and Fee

Dear Wade,

HBH Consulting Engineers, Inc. is pleased to provide civil engineering and construction services for the Cascade Ave 15th to 18th Water and Sewer Replacement Project.

PROJECT UNDERSTANDING

City of Hood River's Cascade Ave 15th to 18th St Water & Sewer Replacement Project will include planning, survey, and design the replacement or new construction of the following:

Water

- Replace approximately 640 linear feet of 4" lead-jointed water pipe with 8" PVC C900, along with associated water services, meters, and meter boxes.
- Extend 25 feet of new 8" PVC C900 to connect the main in Cascade Ave to the water main in 18th St to loop and maintain fire flows in this area.

Sewer

- Replace approximately 650 linear feet of failing 8" concrete sewer pipe with 8" PVC 3034 between 18th St and 15th St, along with associated sewer laterals and cleanouts.
- Replace or install three manholes.

Street

- Full street resurfacing.
- ADA ramps at appropriate intersections.

PROJECT SCOPE AND WORK PLAN

We propose the following preliminary task outline based on our experience for this type of project.

Task 1 - Project Management

Task 1-A – Kick-off Meeting

This task will consist of organizing a kick-off meeting in order to define project goals, further clarify project and management approaches, identify roles and responsibilities, and confirm the scope of work and schedule.

Deliverables: Meeting agenda and meeting minutes.

Task 1-B – Design Administration

As the project manager, Andrey will work throughout the project to keep the project team on schedule and on budget. HBH will facilitate full coordination with City personnel. As a project manager for this project and an owner of the company, Andrey will be responsive to City emails and telephone discussions, in addition to any meetings we may have. We will be in contact with the City frequently enough to facilitate a timely City review of deliverables. We will work with all stakeholders in a responsible manner.

Deliverables: Correspondence, memoranda, telephone logs, and monthly itemized billing statements.

Task 2 – Obtain Data and Prepare Base Maps

Task 2-A – Obtain Existing Data from City and Utilities

HBH will acquire existing data for the project area from the City and private utilities. This data will include: general utility maps for existing city utilities; a copy of the City Engineering Standards; power, gas, and telecommunications facilities from private utility providers.

Task 2-B– Design Survey

Our subconsultant Bell Design Company shall provide a topographic survey for the project. This survey will be utilized as the base plan for our engineering design. The survey will provide at a minimum location of all located utilities such as pipes, manholes, laterals, services cleanouts, valves, fire hydrants, meters as well as type of pipe and elevations. The survey shall identify right-of-way lines. An aerial drone flight will collect high resolution images and planometric data. Potential utility conflicts would also be identified. HBH will use this survey to prepare project base maps.

Deliverables: Topographic survey.

Task 3 – Soils Investigation

Task 3-A – Soils Investigation

Subconsultant Carlson Geotechnical Testing (CGT) will provide a reconnaissance-level evaluation of subsurface geologic conditions along the proposed sanitary sewer main alignment. The future sewer line will be installed at depths of up to 13 feet below existing grades, and the borings should extend to a depth of 15 feet below existing grades. The western boring will be located within a concrete traffic island north of the intersection of Cascade Avenue and Oak Street. The eastern boring will be located about 25 feet west of the intersection of Cascade Avenue and 15th Street. The western boring location will stay just outside of ODOT ROW, so ODOT permits will not be required. It is our understanding the City of Hood River will not require any City permits for the boring/soils investigation within City ROW.

The purpose of our work will be to explore subsurface conditions at the site and present our findings in a written report. *Please note this task will not include geotechnical engineering, development of geotechnical recommendations for the project, or laboratory testing of soil samples.* Our specific scope of services will include the following:

- Site Staking: Visit the site to mark (stake or paint) the locations of our proposed explorations for utility locating.
- Utility Locates: Contact the Oregon Utilities Notification Center to mark the locations of public utilities at the site within a 20-foot radius of our planned explorations. CGT will not be responsible for damage caused to public or private utilities that are not clearly identified and marked.
- Traffic Control: CGT will provide traffic control (flaggers and signs) during the exploratory work in Cascade Avenue.
- Drilled Borings: Explore subsurface conditions at the site by observing the advancement of two drilled borings in the two locations.
 - o The borings will be advanced using a truck mounted drill rig provided and operated by our licensed drilling subcontractor.
 - o The borings will be advanced to depths of up to 15 feet below ground surface (bgs)

or practical refusal, whichever occurs first.

o Sampling and testing within the borings will include:

- Standard Penetration Tests (SPTs) will be conducted using a split-spoon sampler in general accordance with ASTM D1586. SPTs will be conducted (and samples obtained) at 2½-foot to the termination depths of the borings.
- If hard bedrock is encountered within the planned depth of the borings, rock coring will be performed to achieve a depth of 15 feet below existing site grades in accordance with ASTM D2113 to obtain RQD values, percent recovery, other pertinent data, and samples for laboratory testing.

o CGT will measure depths to groundwater (if encountered) in the borings. The water level(s) will be checked in the borings just prior to backfilling.

o Drill spoils (soil cuttings and drilling fluids) from the borings will be drummed and hauled offsite for disposal by our drilling subcontractor.

o The borings will be backfilled with granular bentonite prior to departure from the site, and the surface will be restored with cold-patch asphalt.

- Soil Classification: Classify the soils collected from the explorations in general accordance with ASTM D2488 (Visual-Manual Procedure). A qualified member of CGT's staff will observe and maintain detailed logs of subsurface conditions encountered in the explorations.

Based on the information obtained from the explorations CGT will provide a report including the following:

- Site Vicinity Map & Site Plan: A site vicinity map and a site plan showing the approximate location of the explorations relative to existing site features.
- Exploration Logs: Logs of the explorations, including observed groundwater depths and results of laboratory tests performed on selected samples.
- Technical Narrative: Provide a technical narrative describing site geology, the results of the completed field investigation, and descriptions of the subsurface materials encountered.

Deliverables: *Written soils report.*

Task 4 - Complete Preliminary Design

Task 4-A – 60% Design

Project design will be in accordance with current City Public Works Design and Construction Standards. HBH will confirm the limits of water and wastewater improvements within the project areas. HBH will include a comparison to the current City of Hood River Water Master Plan and Wastewater Master Plan requirements that will confirm that pipes are sized appropriately.

After the kick-off meeting and receiving the topographic survey, HBH will meet with the City to confirm the preliminary horizontal layout, before HBH will prepare a 60% set of design plans for City review. This design will identify all needed improvements within the project area. It will include draft plan and profile for the pipe systems. At this time HBH will prepare a preliminary construction cost estimate, which will allow the City to verify that their funding will be adequate for construction.

Deliverables: Two full-sized copies each of preliminary plan sets for City review and one set of half-size (11"x17") drawings. Preliminary construction cost estimate.

Task 5 - Complete Final Design

Task 5-A – Final Design

After City comments are returned for the 60% design, HBH will prepare 90% plans, technical specifications/special provisions, bid form/schedule with quantities, and cost estimate for City review. HBH will submit plans to City and other stakeholders such as ODOT for review and comment, as well as OHA and DEQ if required. HBH will incorporate any City, ODOT, OHA, and DEQ comments into the final construction drawings, specifications with special provisions, and ODOT technical specifications. City to prepare front end contract documents. HBH will prepare a final construction cost estimate based on the final design and submit final stamped plans and specifications. If needed, HBH to present final design at City Council meeting.

Deliverables: Two full-sized copies each of 90% and final plan sets for City review and one set of half-size (11"x17") drawings. Final cost estimates, permits, any reports, exhibits, and other information. Hard copies, AutoCAD and .PDF format will be provided or as desired.

Task 5-B – Design Coordination Design coordination with the City, ODOT, OHA, and DEQ as needed for project review and acceptance. Last minute review comments, if any, from ODOT, OHA, and DEQ will be incorporated into the bid docs as an addendum.

Deliverables: Two full-sized copies each of 90% and final plan sets for City review and one set of half-size (11"x17") drawings. Final cost estimates, permits, any reports, exhibits, and other information. Hard copies, AutoCAD and .PDF format will be provided or as desired.

Task 6 - Provide Services During Bidding

Task 6-A – Pre-Bid Meeting

HBH will conduct a mandatory pre-bid meeting.

Deliverables: Pre-bid meeting agenda and meeting minutes with sign-in sheet.

Task 6-B – Bidding Services

HBH will assist the City in answering general contractor questions during the bidding process and provide technical language for clarifications and prepare addendums as necessary.

Deliverables: Written responses to contractor questions for addendums.

Task 7 - Provide Services During Construction

Task 7-A – Pre-Construction and Weekly Construction Meetings

HBH will organize and conduct a pre-construction meeting and weekly construction meetings on an as needed basis. HBH will prepare meeting summaries for each meeting and distribute to City, contractor, and others as requested by City.

Deliverables: Pre-construction meeting agenda and meeting minutes. Construction meeting summaries.

Task 7-B – Technical Assistance During Construction

HBH will provide technical assistance during construction to assure the City, OHA, and DEQ that the improvements are constructed in accordance with the plans and specifications. HBH

shall review and respond to the City/Contractor on RFIs, submittals, and change orders. HBH shall respond to the City to help resolve construction issues that arise during construction.

Deliverables: *Written responses to contractor RFI's, submittals, and change orders.*

Task 7-C – Construction Inspection

HBH will perform inspections from time to time and on an as-needed basis, since the City will provide primary inspection. HBH will conduct substantial completion and final inspection, as well as issue a punch list for any items requiring correction or completion.

Deliverables: *Inspection reports and punch list for any incomplete items.*

Task 7-D – Record Drawings

Using contractor's and on-site inspectors redlines and records, HBH will prepare record drawings for the project.

Deliverables: *Final record drawing plans in both hard copy (two full size sets) and electronically on a USB flash drive in a format compatible with the City's computer system (both AutoCAD and .PDF format).*

Not included and/or not anticipated is the following:

- Street lighting design
- Retaining wall design
- Landscaping and irrigation design
- Traffic Engineering (traffic impact study, transportation demand management plan, signal design, traffic control plan)
- Structural engineering and environmental engineering
- Offsite improvements unless noted
- Agency fees and permits
- Private utility design
- Earthwork calculations, except as noted
- 1200-C Designated Erosion Control Inspector

In consideration of the mutual promises exchanged herein, our fee for the above work shall be as follows:

Task 1-A – Kick-off Meeting	\$650
Task 1-B – Design Administration	\$2,304
Task 2-A – Obtain Ex Data from City & Utilities	\$1,040
Task 2-B – Design Survey	\$13,665
Task 3-A – Soils Investigation	\$8,173
Task 4-A – 60% Design	\$12,740
Task 5-A – Final Design	\$15,500
Task 5-B – Design Coordination	\$2,304
Task 6-A – Pre-Bid Meeting	\$556
Task 6-B – Bidding Services	\$864
Task 7-A – Pre-Con and Construction Mtgs	\$2,160
Task 7-B – Technical Assistance During Const.	\$2,600
Task 7-C – Construction Inspection	\$3,120
Task 7-D – Record Drawings	\$2,860
Task 8 – Reimbursables, Mileage, Prints, Etc.	\$450

All services will be invoiced on a time and materials basis with the total project cost not to exceed \$68,986. Reimbursables and subcontractor fees are at cost plus 12 percent. Mileage will be billed at the IRS mileage rate. Payment is due within 30 days of invoice (monthly) or be subject to 1.5 percent monthly interest.

Accepted by: _____

Date: _____

Sincerely,
HBH Consulting Engineers, Inc.



Andrey Chernishov, P.E., CWRE
Principal/Secretary/Treasurer

CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: November 9, 2020
To: Honorable Mayor and City Council
From: Monica Morris, Administrative Services Officer
Subject: Resolution for Inclusion Under the State of Oregon Deferred Compensation Plan (Resolution No. 2020-21)

Background:

SB 1049, signed into law in 2019, makes several adjustments to PERS to slow the increase in employer contribution rates. The Oregon Legislature is the “plan sponsor” for PERS, the system, and has the sole authority to determine the benefit structure for public employees. One of the changes included in SB 1049 is Member (IAP) Redirect, effective July 1, 2020.

Discussion:

All active members have two parts to their PERS retirement:

- Pension – Tier 1, Tier 2 or OPSERP paid by the employer
- Individual Account Program (IAP) 6% paid by City of Hood River employees

Member (IAP) Redirect

For PERS members earning more than \$2,500 a month, a portion of their 6% IAP contributions are now redirected to a new Employee Pension Stability Account (EPSA). These funds will be used to help pay future pension benefits. This will be in effect when the PERS system is less than 90% funded (currently 78.6% funded).

Tier One/Tier Two Members – 2.5% of the employee’s salary that is currently contributed to their IAP now goes to the EPSA.

OPSERP Members- .75% of the employee’s salary that is currently contributed to their IAP now goes to the EPSA.

As part of the Redirect, employed members can elect to contribute after-tax dollars to their IAP to offset the amount that is redirected. PERS promotes the after-tax contribution be managed by Oregon Savings Growth Plan.

Oregon Savings Growth Plan is a 457(b) deferred compensation plan for public employees, managed by the state and kept by Voya. A requirement of adopting this benefit is to approve the resolution presented.

Staff Recommendation:

Adopt Resolution 2020-21, Inclusion Under the State of Oregon Deferred Compensation Plan

Suggested Motion:

“I move that, on tonight’s consent agenda, the City Council adopt Resolution 2020-21, Adopting the Inclusion Under the State of Oregon Deferred Compensation Plan”

Alternatives:

Deny the resolution, Request more information

Fiscal Impact:

N/A

Attachments:

Resolution No. 2020-21

RESOLUTION FOR INCLUSION UNDER THE STATE OF OREGON DEFERRED COMPENSATION PLAN



LOCAL GOVERNMENT PROGRAM

The City Council (Governing Body) of _____
City of Hood River (Employer), pursuant to the provisions of Oregon Revised

Statutes (ORS) 243.474, which provides in part that:

"A local government that establishes a deferred compensation plan may invest all or part of the plan's assets through the deferred compensation investment program established by the Oregon Investment Council (OIC) under ORS 243.421,"

Hereby determines to be included in the State of Oregon Deferred Compensation Investment Program, also known as the Oregon Savings Growth Plan, established by the OIC under ORS 243.421 and administered by the Public Employees Retirement Board according to ORS 243.435 for its eligible personnel.

Be it further resolved that the proper officers are herewith authorized and directed to take all actions and make such reductions and submit such deferrals as are required by the Public Employees Retirement Board of the State of Oregon pursuant to ORS 243.478 (1), and

Be it further resolved that Employer agrees to be bound by the terms and conditions of the contracts between the State, its investment providers and record keeping company, and the "Plan Document" as identified in ORS 243.401 to 243.507 and TPA services as amended from time to time. Specifically, without limitation, Employer agrees to appoint its governing body as Trustee of its Plan, as required by Section 457(g) of the Internal Revenue Code (IRC), 26 USC 457(g)(2). The Employer certifies it is an "eligible employer" under IRC Section 457(e)(1) and has received a copy of the Plan Document and TPA Services.

Be it further resolved that Employer shall submit a certified copy of this resolution and "Notification Memo" to the State of Oregon, Public Employees Retirement System (PERS) as the Plan Administrator.

Be it further resolved that the Governing Body and Employer, recognize the PERS Board's responsibility for maintaining the integrity of the Plan and hereby agree to cooperate fully with the Plan Administrator in accordance with procedures established by PERS, including without limitation in processing requests for withdrawal in case of an unforeseeable emergency as defined in IRC Sec. 457(b)(5) and Treasury Regulations 1.457-2(h)(4) and (5).

DESIGNATION OF AGENT

The person in the following position is hereby designated as the agent in matters pertaining to the State of Oregon Deferred Compensation Investment Program.

Title Finance Director

Agent Will Norris

Address 211 2nd Street
Hood River, OR 97031

Phone Number (541) 387-5214

E-mail address finance@cityofhoodriver.gov

Office Hours 8am-5pm

Payroll Agent Jamie Leiblein finance@cityofhoodriver.gov

Payroll E-mail address _____

Phone Number (541) 387-5213

Fax Number 5413875289

SL3

CERTIFICATION

I hereby certify that the foregoing resolution is a true, correct and complete copy of the resolution duly and regularly passed by the City Council (Governing Body) of City of Hood River, (Employer Name) of Hood River (County) on the 9th day of November and that this resolution has not been repealed or amended, and is now in full force and effect.

Dated this 9th day of November, 2020.

X _____
Governing Body Authorized Signature Title

Mailing Address
211 2nd Street, Hood River, OR 97031

NOTIFICATION MEMO

Employer Name City of Hood River	Daytime Phone (541) 387-5213
Address 211 2nd Street	County Hood River
City, State, Zip Hood River, OR 97031	Federal Identification Number 931070497
Number of Employees 72	PERS Employer Number 2138
Employer Representative (Name) Will Norris	

PAYROLL DATA

- Deferral will be submitted by wire. Back-up documentation containing the participants' demographic information and deferral amounts must be included.
- Normal payday (i.e., every Thursday, every other Friday, etc): 5th, 20th
 - Attach payday schedule for a calendar year
 - Number of employees on this pay mode: 72
- Participants are able to indicate upon enrollment whether deferral amount shall be indicated in dollar amount or as percentage of salary per pay period. Please indicate your preference:
 We will accept deferral indicated in dollars **or** percentage of salary.
 We will accept deferral indicated in dollars **only**.
- The initial and amended payroll reduction authorization, forms and Letters of Transmittal should be sent to:

Name Jamie Leiblein	Title Compensation & Payment Specialist
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- Payroll Reduction Listing that will be sent prior to each pay day should be sent to:

Name Jamie Leiblein	Title Compensation & Payment Specialist
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CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: November 9, 2020

To: Honorable Mayor and City Council

From: Marla Harvey, Energy Coordinator, MCEDD

Subject: Energy Council Comments to the Public Utilities Commission

Background:

The Energy Council would like to submit comments on the Oregon Public Utilities Commission Implementation of Governor's Executive Order 20. The Energy Council would like to make sure the local governing bodies are on board with the comments. Harvey will present to Council on behalf of the Energy Council, regarding their request and to received feedback.

Staff Recommendation:

Suggested Motion:

Alternatives:

Fiscal Impact:

Environmental Impact:

Attachments:

1. Memo from Marla Harvey
2. PUC Work Plan

Memorandum

To: Hood River City Council
From: Marla Harvey, Energy Coordinator, MCEDD
Date: October 29, 2020
Re: Energy Council comments to Public Utilities Commission

Overview:

Through Oregon Executive Order 20-04, Governor Brown establishes new greenhouse gas (GHG) emissions goals for Oregon and directs state agencies to identify and prioritize actions to meet those goals. EO 20-04 also provides specific directives to the Public Utilities Commission (PUC) on GHG emissions, impacted communities, and wildfire safety. The PUC is now seeking feedback on a draft work plan to manage agency actions and activities in response to the Governor's Executive Order. The PUC is responsible for rate regulation of Oregon's investor-owned electric, natural gas, and telephone utilities, as well as select water companies. The PUC also enforces electric and natural gas safety standards and handles utility-related dispute resolution on behalf of Oregon residents.

Given the significant opportunity for changes to help Hood River County meet Energy Plan goals, the Hood River County Energy Council would like to submit comments on the draft work plan as part of a Public Hearing on the topic, November 19, 2020. In their response, the Energy Council seeks to show support for or encourage inclusion of certain activities that would have particular impact on local energy priorities and implementation.

1. Support: Share the importance of local + distributed renewable energy for Hood River County and the current challenges we face in meeting our ambitious goals. Acknowledge that the work plan, as written would greatly help Hood River County meet energy goals, particularly by
 - a. Creating opportunities for community-led green tariff programs that increase community decision making power around its energy mix and create improved opportunities to cost effectively increase local distributed renewable energy and storage for resilience and economic development;
 - b. Reducing interconnection barriers that prevent or slow the development of distributed energy renewables;
 - c. Providing stronger valuation of energy source specific co-benefits in utility resource plans so that the true value and cost of energy sources may be accounted for;

- d. Developing improved communication channels for the development and execution of pilots to reduce energy burden for low-income communities and vulnerable populations;
 - e. Increasing financial and programmatic investments in transportation electrification that support wide-scale, accessible deployment.
2. Additional Feedback: Given their importance to on-going community energy concerns and priorities, the Energy Council will also encourage the addition of the following,
- a. Inclusion of distributed generation as a wildfire mitigation action, acknowledging that strategically deployed distributed renewable energy and storage can mitigate the impacts of fires or fire mitigation activities like power shut offs;
 - b. Increased resources for impacted communities in utility wildfire mitigation plans, particularly when mitigation activities would result in power shutoffs;
 - c. Efforts to address barriers to zero emission medium and heavy-duty vehicles;
 - d. Efforts to increase equity and access for low-income communities and communities of color.

The Energy Council may choose to highlight additional specific recommendations put forth by NW Energy Coalition or Farmer’s Conservation Alliance (attached) in so far as they would help Hood River County meet community goals.

These strategies would provide greater ability and flexibility for our communities to meet its shared goals by providing a more diverse range of tools for implementing local priorities.

Representation:

The Energy Council seeks your approval to represent these comments in the following way:

“The Hood River County Energy Council is as an advisory body to the agencies that adopted the Hood River County Energy Plan as well as to the citizens and public and private partners who are committed to helping the county meet the goals of the plan. The Hood River County Energy Council submits these comments with the support of the four governing bodies who adopted the Energy Plan: Hood River County, the City of Hood River, the Port of Hood River and the Port of Cascade Locks.”

Alternative: While the Energy Council believes governing body support will increase the impact of the stated comments, we can submit the comments with alternative language if preferred.

Example alternatives include

- The Energy Council submits these comments with acknowledgment of the governing bodies that adopted the Energy Plan [will list]”
- These comments are submitted on behalf of the Hood River County Energy Council. The

Council includes representatives from the governing bodies that adopted the Energy Plan as well as volunteers from the community.

Request:

1. If applicable, please provide input on the proposed topics for inclusion.
2. Please provide approval of submission of the comments and direction on the preferred representation of the City's support or acknowledgement of the comments.
3. Please share whether you'd like your appointed Energy Council member or staff to review the final letter before it is finalized and presented.

OREGON PUBLIC UTILITY COMMISSION EXECUTIVE ORDER 20-04 WORK PLANS

Executive Order 20-04 establishes Governor Brown’s new greenhouse gas (GHG) emissions goals for Oregon and directs state agencies to identify and prioritize actions to meet those goals. EO 20-04 also provides specific directives to the PUC on GHG emissions, impacted communities, and wildfire safety.

Based on input from our stakeholders and internal agency discussions, the PUC has developed the following work plans to identify and manage the numerous activities the agency plans to undertake to help reduce GHG emissions in accordance with the goals set forth in EO 20-04. The work plans specify the various actions and activities that will be prioritized for the following year, and offer some insight into activities to be taken up in the following year. The PUC plans to update these work plans with stakeholder’s input through a yearly planning process that reviews accomplishments and identifies priorities and goals for the following year.

The PUC has identified three themes for action in response to EO 20-04: (1) GHG Reduction Activities, (2) Impacted Communities, and (3) Wildfire Prevention and Mitigation. From those three areas, we have developed five separate work plans; given the scope of work to be performed under GHG Reduction Activities, we divided that theme into thirds. Thus, the five work plans, as well as the page at which they may be found, are as follows:

GHG Reduction Activities: Part 1 - Utility Planning	Page 2
GHG Reduction Activities: Part 2 - Utility Services and Activities	Page 12
GHG Reduction Activities: Part 3 - Transportation Electrification	Page 17
Impacted Communities	Page 21
Wildfire Prevention and Mitigation	Page 27

Each work plan has been assigned a sponsor, project manager, and support team. Although presented together in this unified report, each plan will be separately managed, but in coordination and collaboration with the interrelated and reinforcing activities undertaken in the other plans. Due to the separate management, the work plans—while generally consistent—reflect some variation in format and style. Each plan, however, identifies the applicable directives from EO 20-04, establishes goals and objectives and near term priority activities to meet those goals, and contains a schedule.

The PUC has not waited for the adoption of formal work plans to begin work on many of these important activities. Because issues related to GHG Reductions are of relevance to much of our pending regulatory work, we have already begun to incorporate the principles and direction of EO 20-04 into current dockets and proceedings. Similarly, because many of the directives in EO 20-04 build on the PUC’s existing activities related to impacted communities and wildfire safety, many of the activities identified are already underway.

GREENHOUSE GAS REDUCTION ACTIVITIES: PART 1— UTILITY PLANNING

Sponsor: Bryan Conway, JP Batmale

Project Manager: Kim Herb

Support Team: Rose Anderson, Anna Kim, Caroline Moore, and Shelly Maye

EXECUTIVE ORDER 20-04 DIRECTIVES

Section 5.A – It is in the interest of utility customers and the public generally for the utility sector to take actions that result in rapid reductions of GHG emissions, at reasonable costs, to levels consistent with the emission reduction goals set forth in paragraph 2 of this Executive Order, including transitioning to clean energy resources and expanding low carbon transportation choice of Oregonians.

Section 5.B(1) – Determine whether utility portfolios and customer programs reduce risks and costs to utility customers by making rapid progress towards reducing GHG emissions consistent with Oregon’s reduction goals;

Section 5.B(3) – Prioritize proceedings and activities, to the extent consistent with other legal requirements, that advance decarbonization in the utility sector, and exercise its broad statutory authority to reduce GHG emissions, mitigate energy burden experienced by utility customers, and ensure system reliability and resource adequacy;

GOALS AND OBJECTIVES

Rapidly establish new analyses and actions within existing dockets and investigations, and consistent with the PUC’s authorities and duties, so as to place the regulated utilities on sustainable pathways toward achieving the Governor’s 2035 GHG reduction goals. As part of this goal, the PUC will seek to empower stakeholders by imparting key GHG information and by encouraging, where possible, the adoption of activities that balance current best-practices with GHG reductions.

To help meet the overall goal listed above, the objectives of the PUC’s GHG Reduction work in the area of Utility Planning are to identify, prioritize, and deploy strategies to enhance and refine our existing least-cost, least-risk framework to ensure energy utilities are focusing their system-wide resource strategies on making rapid, large-scale, and sustained progress to meet GHG reduction goals.

IDENTIFY

Building off the activities articulated in the PUC’s response to the Executive Order and feedback from stakeholders, the PUC will continue to refine the list of activities it intends to undertake in the next two years, but has identified near term activities around which there is significant stakeholder alignment.

PRIORITIZE

Activities were prioritized to facilitate GHG emission reduction goals, considering additional costs and benefits and the ability to leverage existing processes and dockets. The impact any particular action would have on GHG emission reductions was approximated in terms of speed, scale, and longevity of those reductions *and/or* the ability of that particular action to surface information that would enable stakeholders to take action. The other factors used in selecting GHG reduction actions included use of agency resources (costs), streamlined coordination with other implementing agencies (benefit), impacts to ratepayers generally, impacts to those more severely impacted by climate change and climate change policies, the timeframe to “see” results, and stakeholder support.

In an ongoing effort to ensure we prioritize equitable outcomes from our actions, the PUC, with guidance from its DEI Program Director, will refine and enhance our stakeholder engagement strategies for these identified activities to increase meaningful inclusion and engagement by impacted communities. These strategies will include the development of an “Explanatory Brief” for key activities to provide a short and concise explanation of the issues to be addressed and their potential consequences to impacted communities.

DEPLOY

Activities deemed impactful, within existing authority, and supported by stakeholders will be prioritized by the PUC and agency resources will be dedicated to support implementation.

FIRST YEAR PRIORITY ACTIVITIES

In light of the goals and objectives, Utility Planning activities over the next twelve months include GHG reduction planning activities that enable heightened awareness and reduction of GHG emissions in utility integrated resource plans (IRPs), utility procurement processes, and natural gas operations. Anticipated outcomes include (1) increased awareness of GHG emissions and activities by Oregon’s investor owned utilities (IOUs), (2) ease of ensuring accountability to state goals, and (3) simplification of engagement for all stakeholders on this topic.

1 - INTEGRATED RESOURCE PLANS

The PUC will work within existing IRP proceedings to establish new analyses designed to surface current and future GHG emission levels and further explore reduction activities via planning decisions. This includes more work utilizing the Social Cost of Carbon (SCC). All IRP work will be within existing guidelines. No rulemakings or investigations will need to be opened to support this work in the first year.

Broadly, PUC will explore all EO 20-04 related updates to IRPs by the end of Q4 2020. This guidance will be used to drive pre-filing engagements in IRP planning proceedings. Current IRPs afford opportunities to start this conversation, but may not necessarily include the proposed analysis. In addition, the PUC will develop accessible guidance materials for use by new stakeholders, such as community-based organizations working with impacted communities.

The schedule below identifies IRPs in which the PUC can initiate EO 20-04 related updates in a company’s pre-filing workshops and through stakeholder meetings over the next year:

Table 1: EO 20-04 Guidance and IRP Schedules

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
EO 20-04 Guidance	Development	Introduction	Adoption			
Cascade	Proceedings		Decision			
Avista	Pre Filing			Proceedings		Decision
PacifiCorp	Pre Filing			Proceedings		
Northwest Natural		Pre Filing		Proceedings		
PGE	Pre Filing					Proceedings
Idaho Power	2019 Proceedings		2019 Decision	2021 Development ¹		

Based on this schedule, PUC can begin addressing IRP-related EO activities in stakeholder workshops in Q4 2020 and initiate implementation in Q1 2021. Milestones include seeing changes reflected in the following IRPs: Avista 2021, PacifiCorp 2022, NW Natural 2022, PGE 2022 and Idaho Power 2021.

1.1 UPDATE IRP GUIDELINES FOR GHG COSTS & RISKS

IRPs can surface a tremendous amount of useful information on utility GHG reduction activities in a manner that fully supports the intent of the IRP guidelines, poses minimal additional cost to the utilities, and is in-line with the existing least-cost, least-risk framework. Existing IRP Guidelines indicate that IRPs “must be consistent with the long-run public interest as expressed in Oregon and federal energy policies.”² As such, IRP Guidelines updates would reflect Oregon energy policy direction as articulated EO 20-04.

Various strategies could be used to surface useful GHG emission impacts in IRPs that could enable and encourage utilities and stakeholders to identify paths utilities could take to reduce GHG emissions. These strategies represent IRP guideline updates that could take place within the next year and include:

- **Portfolio Development**
 - o Include a portfolio sensitivity of meeting EO 20-04 emission targets on an absolute/mass basis.
 - o Assess Costs/Risk of missing EO 20-04 emission targets
 - o Require the reference portfolio to meets EO 20-04 emissions targets in each year leading up to 2035.
 - o Calculate each portfolio’s annual GHG emission levels
 - o NPVRR of EO 20-04 portfolios, e.g. 100% RPS or Clean Peak Standard
 - o 12x24 Matrix of emissions of portfolios
 - o For gas utilities
 - all portfolios report carbon intensity (CI) and impact of Renewable Natural Gas (RNG) on CI
 - Review top portfolios’ GHG emissions on an absolute/mass basis and carbon intensity basis and whether or not they meet EO 20-04 goals.

¹ Idaho Power is not required to submit an IRP in Oregon in 2021, but because it is expected to submit an IRP in Idaho in June of 2021, we anticipate receiving an IRP on a similar timeline that may be named the 2021 IRP.

² Order No. 07-002, Item 1d.

- **Forecasting**
 - o GHG Forecast on absolute/mass basis (Actual v. Projected)
 - o Carbon intensity per customer class (Actual v. Projected)
 - o Load reduction: Recognize communities adopting Green Tariffs or decarbonization goals in planning
 - o Load-Duration Curves for price & GHG (historical and for top portfolios) along with analysis assessing the correlation of hours in each year
 - o Document and forecast GHG emissions associated with annual “sales for resale” from fossil fueled resources (actual v. projected)
- **Decarbonization**
 - o Always include an assessment of non-emitting, baseload, generation resources in preferred portfolio development
 - o Include analysis of the distribution grid as a decarbonization resource in terms of GHG emission reductions through fossil fuel generation displacement and as flexible load for renewables integration
 - o Develop a portfolio sensitivity for a high level of near-term, beneficial electrification and electric vehicle adoption
 - o For electric utilities, continue to assess NPVRR of early-retirement of all fossil fuel generation in every IRP
 - o Model a cap on total emissions in the action plan timeframe (e.g., any new increases require reductions elsewhere in the system)
 - o Consider risk of customers leaving utility service for lower-carbon options to meet carbon reduction requirements or goals and stranding remaining customers with system costs
- **Stakeholder engagement**
 - o Utilities host decarbonization plan workshops to solicit and incorporate stakeholder feedback prior to IRP
- **Other**
 - o IRP as forum for discussion of pilots to develop supply chains for low-carbon resources and to decrease carbon risks and future costs
 - o Importance of climate leadership and the risks to reputation and confidence³

Table 2: IRP Guideline Updates Activities

	Activity	Start	End	Status
1.1.1	Develop an approach for IRP Guideline Updates for GHG Costs and Risks	October 2020	November 2020	In Progress
1.1.2	Stakeholder engagement on IRP Guideline Updates <ul style="list-style-type: none"> • Host 2 stakeholder meetings • Conduct Commissioner briefings • Create IRP activities Explanatory Brief 	October 2020	December 2020	Not Started
1.1.3	Adoption of IRP Guideline Update Approach <ul style="list-style-type: none"> • Presentation of staff recommendations to Commission 	January 2021	January 2021	Not Started

³ See the Task Force on Climate Related Financial Disclosures for examples <https://www.tcfhub.org/Downloads/pdfs/E06%20-%20Climate%20related%20risks%20and%20opportunities.pdf>

1.1.4	Integrate IRP Guideline Updates in concert with existing IRP cycles (see Table 1: EO 20-04 Guidance and IRP Schedules)	January 2021	---	Not Started
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1.2 INCORPORATE SCC IN FUTURE IRPS

The SCC is already used as a sensitivity analysis in IRPs. However, there are other opportunities to apply the SCC in the IRP development process without requiring any changes to guidelines. The PUC will explore two new IRP development first year activities:

- SCC in IRP Net Present Value of Revenue Requirement (NPVRR)
- SCC as sensitivity in all valuations to show difference
- Portfolios include high (SCC), medium, and low gas and coal price forecasts in stochastic analysis to reflect the impact of potential carbon policy on company-owned resources.

Table 3: SCC in Future IRPs Activities

	Activity	Start	End	Status
1.2.1	Develop an approach for SCC incorporation in IRPs	October 2020	November 2020	In Progress
1.2.2	Stakeholder engagement on SCC in IRP approach <ul style="list-style-type: none"> • Host 2 stakeholder workshops (part of IRP Guidelines workshops) • Conduct commissioner briefings • Include activities in IRP Explanatory Brief 	October 2020	December 2020	Not Started
1.2.3	Adoption of SCC in IRP approach <ul style="list-style-type: none"> • Presentation of staff recommendations to Commission 	January 2021	January 2021	Not Started
1.2.4	Integrate SCC approach in concert with existing IRP cycles (see Table 1: EO 20-04 Guidance and IRP Schedules)	January 2021	April 2021	Not Started

2 - IDENTIFY CARBON PRICE APPROACHES

By the time the societal impacts of GHG emissions are fully realized in the market, it will be too late to mitigate these impacts. In the short term, utilities and their customers may need to develop more sustainable, reliable energy systems sooner to mitigate these impacts. To better quantify the value of early action, the PUC will explore a more explicit and transparent approach to utilizing a carbon price, such as the SCC, where applicable in our planning activities.

The expanded use of the carbon prices in PUC planning activities is an activity that extends across multiple areas (e.g. Utility Planning and Transportation Electrification). This may include the consideration of a range of carbon pricing scenarios (e.g. California cap and trade market prices, Social Cost of Carbon, or others). In order to facilitate this activity, area leads and teams will collaborate on developing the agency's approaches for using carbon prices by October 2020 that includes communications and meetings designed to work with stakeholders that are new to OPUC process but want to impact our activities.

Table 4: Carbon Pricing Approach Activities

	Activity	Start	End	Status
2.1	Develop an approach for expanded use of carbon pricing in OPUC activities	November 2020	February 2021	Not Started
2.2	Create SCC Explanatory Briefing for new stakeholders.	October 2020	October 2020	Not Started

3 - INCORPORATE SCC IN AVOIDED COST (AC) FILINGS

The SCC is not fully or consistently captured in updates to a utility’s avoided cost calculations. Utilities employ different strategies in the formulation of their AC calculations and the way that carbon costs and impacts are captured in those AC calculations also varies. The PUC will attempt to develop an approach to consistently identify, isolate, and highlight the SCC in applicable AC filings. As part of the PUC’s work in developing expanded applications of pricing carbon risk, it will identify strategies for and direction on how to use the SCC in such things as regular (annual and post-IRP) avoided cost updates applicable to PURPA QFs, and energy efficiency. For this first year, the PUC will concentrate its efforts on incorporation of SCC into energy efficiency avoided cost filings and building a successful path forward. The PUC envisions eventually exploring, at some future point, the incorporation of SCC into (a) annual and post-IRP avoided cost updates and (b) more broadly as part of UM 2000.

3.1 ENERGY EFFICIENCY AVOIDED COST UPDATES

In docket UM 1893, the PUC established guidelines for the data used by Energy Trust of Oregon (ETO) for calculating avoided costs. Energy Trust, with input from the PUC, generally controls the method of calculating avoided costs.

Under those guidelines, utilities file data for avoided cost calculations on October 15th of each year. The PUC then has 60 days to approve for ETO to use in calculating avoided costs. Currently, natural gas avoided costs include a “cost of compliance,” which represents the need to potentially pay compliance costs for GHG emitted in the future. Incorporating SCC would result in replacing this compliance cost and is expected to result in higher avoided costs, but not at the full SCC amount (because the compliance cost formula is calculated at 50% of the carbon price). On the electric side, carbon costs are incorporated into the forward market price for electric energy efficiency. The PUC must address whether this results in a double counting of SCC if applied to electric energy efficiency.

In 2021, the PUC can direct ETO to apply a simplified calculation, assuming each unit of energy saved accounts for the average regional GHG emitted. In 2021, the PUC can engage with stakeholders to discuss a more sophisticated approach, using data from the utilities.

Below is a table of activities to undertake over the next ten months:

Table 5: AC Updates for Energy Efficiency Activities

	Activity	Start	End	Status
3.1.1	Develop an approach to capture SCC in AC Updates used for energy efficiency	April 2021	May 2021	Not Started
3.1.2	Stakeholder engagement on SCC in AC Updates used for energy efficiency <ul style="list-style-type: none"> • Host 1 stakeholder workshop 	June 2021	August 2021	Not Started

	<ul style="list-style-type: none"> Conduct commissioner briefings 		
3.1.3	Adopt SCC in AC Updates used for energy efficiency and direction to ETO for AC methodology for use in October 15 update	October 15, 2021	Not Started
3.1.4	SCC in AC for EE at Public Meeting	December 1, 2021	Not Started

4 - PROCUREMENT

As utilities advance from their IRPs into developing RFPs for procurement, an opportunity exists to ensure GHG related risks are visible and considered as part of the procurement process. To capture this opportunity, the PUC will explore the use of an approach to incorporate GHG reduction benefits as a non-price scoring factor in:

- RFP scoring criteria, and
- Short-list analyses

To ensure all stakeholders share a common understanding of the proposed changes, Staff will create a Procurement Explanatory Briefing.

Table 6: GHG Reduction in Procurement Activities

	Activity	Start	End	Status
4.1	Develop an approach for GHG reduction benefits in procurement	October 2020	December 2020	Not Started
4.2	Create Procurement Explanatory Brief	October 2020	November 2020	Not Started
4.3	Stakeholder engagement on GHG reduction benefits in procurement <ul style="list-style-type: none"> Host 2 stakeholder workshops Conduct commissioner briefings 	January 2021	March 2020	Not Started
4.4	Adoption of GHG reduction benefits in procurement <ul style="list-style-type: none"> Presentation of staff recommendations to Commission 	April 2021	April 2021	Not Started
4.5	Integrate GHG reduction benefits in procurement in concert with existing RFP cycles	April 2021	December 2021	Not Started

5 - NATURAL GAS GHG REDUCTIONS

Oregon has gained momentum in developing incentive programs to reduce GHG emissions from natural gas utilities. In 2013 the Oregon Legislature enacted SB 844 to create a voluntary incentive program for natural gas utilities to invest in projects that reduce GHG emissions. In September 2019, the Oregon Legislature enacted SB 98 to create a path to develop Oregon’s RNG program. Each are intended to encourage natural gas projects that reduce GHG emissions while supporting a smooth transition to a low carbon energy economy in Oregon.

To date, no SB 844 projects have been approved. Given the additional programs designed to incentivized GHG emission reductions (e.g. SB 98 and EO 20-04), and the underutilization of SB 844, it is important to evaluate existing policy effectiveness and interactions to determine the most impactful and cost effective implementation paths forward.

Because it is likely that natural gas providers in Oregon will be subject to DEQ’s Cap and Reduce program, the PUC will work closely with the Department of Environmental Quality (DEQ) to develop coordinated responses and programs, especially with regards to efforts to mitigate the energy burden to low-income natural gas customers.

Activities over the next twelve months to reduce GHG emissions from natural gas utilities fall into three categories; SB 844 policy interactions and updates; Collaboration with DEQ on Cap and Reduce; and SB 98 Implementation and Compliance. To facilitate increased meaningful inclusion and engagement by impacted communities, PUC staff will create a Natural Gas GHG Reduction Explanatory Brief targeted to new stakeholders and coordinate with the DEI Program Director and the Executive Office on strategies for engagement.

5.1 - SB 844 POLICY INTERACTION ANALYSIS:

Include a policy interaction analysis of SB 844, with respect to SB 98 and EO 20-04 in the SB 844 biennial report due to the legislature in February 2021. This report is intended to determine whether SB 844 is still warranted. If the report indicates that SB 844 is still warranted, convene stakeholders to identify ways to increase utilization and ensure that it is complementary to SB 98 and EO 20-04. This would likely include updating the rules for SB 844.

5.2 - COLLABORATE WITH DEQ ON CAP AND REDUCE

Working in close collaboration with the DEQ on the development and deployment of the Cap and Reduce program to ensure complementary programs and activities. The PUC will also work alongside community-based organizations, DEQ, and gas companies to ensure any tariffs developed to support low-income customers are thorough and well reported.

5.3 - SB 98 IMPLEMENTATION & COMPLIANCE

Develop capacity to manage SB 98 compliance with MRETs and in coordination with DEQ. This includes developing a strategy to share reporting on the carbon intensity for all RNG procured / delivered to ratepayers in an annual RNG Compliance Report.

Table 7: Natural Gas GHG Reduction Activities

	Activity	Start	End	Status
5.1.1	Conduct policy interaction analysis on SB 844, SB 98, and EO 20-04, including cap and reduce to the extent possible	October 2020	February 2021	Not Started
5.1.2	Create Natural Gas GHG Reduction Explanatory Brief	October 2020	November 2020	Not Started
5.1.3	Stakeholder engagement on proposed changes to SB 844 <ul style="list-style-type: none"> • Host 2 stakeholder workshops • Conduct commissioner briefings 	February 2021	March 2021	Not Started

5.1.4	Develop recommendations regarding 844 next steps <ul style="list-style-type: none"> Presentation of staff recommendations to Commission 	April 2021	April 2021	Not Started
5.2.1	Hold regular meetings with DEQ staff on implementation	July 2020	October 2021	In progress
5.3.1	Train staff on MRETs	September 2020	November 2020	Not Started
5.3.2	Develop process for capturing and sharing RNG compliance reporting data	January 2021	May 2021	Not Started

SCHEDULE

The schedule below outlines anticipated timeline of the Utility Planning GHG Reduction activities.

Table 8: GHG Reduction, Utility Planning Activities Schedule

Area	Activity	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
IRP	IRP Guideline Updates	Development		SE	SE	CB	A						
	Carbon Price in Future IRPs	Development		SE	SE	CB	A	Integration					
	Carbon Price in EE AC									Development	SE	SE	
C\$	Carbon Price Approach	Development											
RFPs	GHG Scoring & Shortlist			Development			SE	SE	CB	A	Integration		
NG	RNG		MRETs Training				RNG Compliance Reporting						
	SB 844			Policy Interaction Analysis			SE	CB	Rec.				

	Development
SE	Stakeholder Engagement
CB	Commissioner Briefing
A	Adoption
I	Integration

Table 9: Activities by Quarter

Quarter	Task	Activity	Start	End	Status
Q3-20	5.2.1	Hold regular meetings with DEQ staff on implementation	Jul-20	Oct-21	In Progress
	5.3.1	Train staff on MRETs	Sep-20	Nov-20	Not Started
Q4-20	1.1.1	Develop an approach for IRP Guideline Updates for GHG Costs and Risks	Oct-20	Nov-20	In Progress
	1.2.1	Develop an approach for SCC incorporation in IRPs	Oct-20	Nov-20	In Progress
	1.1.2	Stakeholder engagement on IRP Guideline Updates <ul style="list-style-type: none"> Host 1 stakeholder workshop Conduct commissioner briefings Create IRP activities Explanatory Brief 	Oct-20	Dec-20	Not Started
	1.2.2	Stakeholder engagement on SCC in IRP approach <ul style="list-style-type: none"> Host 2 stakeholder workshops (part of IRP Guidelines workshops) Conduct commissioner briefings 	Oct-20	Dec-20	Not Started

Quarter	Task	Activity	Start	End	Status
		<ul style="list-style-type: none"> Include activities in IRP Explanatory Brief 			
	4.1	Develop an approach for GHG reduction benefits in procurement	Oct-20	Dec-20	Not Started
	4.2	Create Procurement Explanatory Brief	Oct-20	Nov-20	Not Started
	5.1.1	Conduct policy interaction analysis on SB 844, SB 98, and EO 20-04, including cap and reduce to the extent possible	Oct-20	Feb-21	Not Started
	5.1.2	Create Natural Gas GHG Reduction Explanatory Brief	Oct-20	Nov-20	Not Started
	2.1	Develop an approach for expanded use of carbon pricing in PUC activities	Nov-20	Feb-21	In Progress
Q1-21	1.1.3	Adoption of IRP Guideline Update Approach	Jan-21	Jan-21	Not Started
	1.1.4	Integrate IRP Guideline Updates in concert with existing IRP cycles (see Table 1: EO20-04 Guidance and Schedules)	Jan-21	---	Not Started
	1.2.3	Adoption of SCC in IRP approach	Jan-21	Jan-21	Not Started
		<ul style="list-style-type: none"> Presentation of recommendations to Commission 			
	1.2.4	Integrate SCC approach in concert with existing IRP cycles (see Table 1: EO 20-04 Guidance and IRP Schedules)	Jan-21	Apr-21	Not Started
	4.3	Stakeholder engagement on GHG reduction benefits in procurement <ul style="list-style-type: none"> Host 2 stakeholder workshops Conduct commissioner briefings 	Jan-21	Mar-20	Not Started
	5.3.2	Develop process for capturing and sharing RNG compliance reporting data	Jan-21	May-21	Not Started
5.1.3	Stakeholder engagement on proposed changes to SB 844 <ul style="list-style-type: none"> Host 2 stakeholder workshops Conduct commissioner briefings 	Feb-21	Mar-21	Not Started	
Q2-21	3.1.1	Develop an approach to capture SCC in AC Updates used for energy efficiency <ul style="list-style-type: none"> Presentation of recommendations to Commission 	Apr-21	May-21	Not Started
	4.4	Adoption GHG reduction benefits in procurement <ul style="list-style-type: none"> Presentation of staff recommendations to Commission 	Apr-21	Apr-21	Not Started
	4.5	Integrate GHG reduction benefits in procurement in concert with existing RFP cycles	Apr-21	Dec-21	Not Started
	5.1.4	Develop recommendations regarding 844 next steps <ul style="list-style-type: none"> Presentation of staff recommendations to Commission 	Apr-21	Apr-21	Not Started
	3.1.2	Stakeholder engagement on SCC in AC Updates used for energy efficiency <ul style="list-style-type: none"> Host 1 stakeholder workshop Conduct commissioner briefings 	Jun-21	Aug-21	Not Started
Q4-21	3.1.3	Adoption SCC in AC Updates used for energy efficiency and direction to ETO for AC methodology for use in October 15 update	15-Oct-21	15-Oct-21	Not Started
	3.1.4	SCC in AC for EE at Public Meeting	1-Dec-21	1-Dec-21	Not Started

GREENHOUSE GAS REDUCTION ACTIVITIES: PART 2—UTILITY SERVICES AND ACTIVITIES

Sponsor: Bryan Conway, JP Batmale

Project Manager: Sarah Hall

Support Team: Kacia Brockman, Anna Kim, Nick Sayen, Natascha Smith, Shelly Maye, and Garrett Martin

EXECUTIVE ORDER 20-04 DIRECTIVES

Agency Decisions – To the full extent allowed by law, agencies shall consider and integrate climate change, climate change impacts, and the state’s GHG emissions reduction goals into their planning, budgets, investments, and policy making decisions. While carrying out that directive, agencies are directed to:

Section 3.C (1) Prioritize actions that reduce GHG emissions in a cost-effective manner;

Section 5.B(3) – Prioritize proceedings and activities, to the extent consistent with other legal requirements, that advance decarbonization in the utility sector, and exercise its broad statutory authority to reduce GHG emissions, mitigate energy burden experienced by utility customers, and ensure system reliability and resource adequacy;

GOALS AND OBJECTIVES –

Undertake GHG reduction activities that build on existing authority and activities to encourage greater awareness of GHG emissions, and their reduction. Activities were selected with an eye toward stakeholder alignment, interagency coordination, and equity benefits. Year 1 objectives will promote community-wide green tariffs; streamlined interconnection of clean resources and their valuation; co-benefit identification and incorporation; and raising awareness by measuring, tracking, and reporting of the GHG reduction impacts of existing customer programs.

Focus areas and related objectives for Year 1 are:

- 1. Establish community-wide green tariffs targeted toward reducing utilities’ GHG emissions.**
Objective: Provide guidance for utilities and communities for Community-Wide Green Tariffs to assist communities that want to use 100% “green” energy, exceeding the Renewable Portfolio Standard.
- 2. Consider how to prioritize actions that streamline and modernize safe, reliable methods to connect clean resources, from renewables to demand side management, to the electric and natural gas systems and appropriately value their system contributions, especially when deployed to support low- to moderate-income customers.**
Objectives:

- a. Continue the launch of interconnection reform investigation (UM 2111) and ensure it is integrated with related dockets such as Distribution System Planning (UM 2005), PGE’s net metering agreement solution (UM 2099), and Community Solar Program (UM 1930), treatment of transmission additions for qualifying facilities (UM 2032), and PAC queue reform (UM 2108).
 - b. Establish Distribution System Planning (UM 2005) that results in successful utility plan filings in 2021 that advance long-term planning to effectively connect clean resources.
3. **Consider how to quantify and incorporate measurable co-benefits beyond energy and financial benefits (e.g., GHG emission reductions, local air quality improvements, health benefits, reduction of energy burden), as relevant to initiatives such as targeted replacement of wood-burning stoves.**
- Objectives:*
- a. Direct new utility pilots to quantify and assess estimated GHG emissions impact at scale.
 - b. Require Energy Trust of Oregon to report on GHG emissions avoided through energy efficiency programs on behalf of utilities.
 - c. Begin research into addressing energy burden reduction benefit within energy efficiency programs and/or avoided costs.
4. **Measure the GHG reduction impacts of existing customer programs and products, such as voluntary customer renewable energy purchasing programs, to inform work with stakeholders to make recommendations to improve the GHG reduction benefits of the programs.**
- Objective:*
- Through the Community Solar Program and all of the Public Purpose Charge Programs, quantify GHG emission reduction impacts from annual activities.

FIRST YEAR PRIORITY ACTIVITIES

Internal –

- **Strategy Development**
 - Coordinate internally on development of GHG measurement and social cost of carbon methodology, for application to Energy Trust and Community Solar Program (CSP) objectives.
- **Report Template Development**
 - Develop report on 12-month findings and recommendation to continue Community Solar Program interconnection process.
 - Direct CSP Program Administrator and all administrators of PPC funded programs to analyze and report GHG impacts of activities on regular reporting basis.
- **DSP Infrastructure**
 - Develop and present guidelines for utility Distribution System Planning (DSP) filings that include an emphasis on activities directly supporting EO 20-04.

- Provide regular internal reporting on DSP activities related to stakeholder outreach by the utilities.

External –

- **DSP Implementation**
 - Facilitate stakeholder/utility meetings to inform community engagement activities by utilities within their DSP plans.
- **Voluntary Program Activities**
 - Through several stakeholder workshops, develop guidance for utilities and communities that allows implementation of Community-Wide Green Tariffs.
 - Develop and release an interconnection roadmap showing milestones for Comprehensive Interconnection Reform (UM 2111).
- **Accelerating Beneficial Growth of DERs**
 - Implement Interconnection roadmap by hosting technical working group meeting for stakeholders to continually advance Interconnection reform efforts.
 - Continue to socialize Staff's 'Pilots to Programs' with utilities and Energy Trust in context of GHG reporting requirement.
- **Raising Awareness**
 - Begin annual posting of GHG emission reductions associated with OPUC-related programs and pilots. Encourage the utilities to do the same for voluntary programs.
 - With Energy Trust of Oregon, support development of pilots that can reduce energy burden for low-income communities and vulnerable populations.
 - Post biannual docket Gantt chart for stakeholders to better track OPUC activities.

SECOND YEAR

Year 2 will be a continuation of many Year 1 objectives. The following new objectives are anticipated for focus areas 1, 3 and 4. A new focus area (5) may be added, addressing demand side management opportunities for transport or distribution-only customers.

1. Community-wide green tariffs:

Objective: Reorient and launch the Portfolio Options Committee (POC), UM 1020. Meet with diverse stakeholders to re-envision POC to reflect broader stakeholder representation and offerings in voluntary renewable products. Assess emissions reduction potential of products as criteria during design phase, informed by new load duration/GHG datasets.

2. Quantify and incorporate measurable co-benefits beyond energy...as relevant to initiatives such as targeted replacement of wood-burning stoves.

Objectives:

- a. Support Energy Trust to implement programs with high GHG emission reduction impacts, particularly related to replacement of wood-burning stoves. Support a targeted pilot for ductless heat pump technology, accounting for the secondary impacts of enhanced incentives.

- b. Explore pathway to quantify and incorporate measurable GHG co-benefits in demand side management (DSM) and distributed energy resource (DER) programs.
- c. Support OHCS’s 10 year plan to reduce energy burden in affordable housing by aligning activities.

3. Measure GHG reduction impacts of existing customer programs and products.

Objectives:

- a. Issue GHG reporting guidance for all “customer choice” programs beyond the Renewable Portfolio Standard.
- b. Measure the GHG reduction impacts of existing and new customer programs and products offered through the Portfolio Options Committee (POC). Create a reporting process, working with stakeholders to make recommendations to improve the GHG reduction benefits of programs and pilots within the portfolio.

4. Evaluate expansion of demand-side management programs to customers taking only transportation or distribution service from the utility.

Objective: Engage with gas utilities to create voluntary DSM program for large customers with only utility distribution services, assessing health equity benefits in addition to GHG impacts. Hold public input forums on initial utility DSP plans, and use feedback to inform improvements to process and reporting.

YEAR 1 SCHEDULE

Area	Activity	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Strategy Development	Internal coordination on GHG / SCS methodology and reporting		X	X		
Report Template Development	Community Solar Program 12-month IX report			X		
	Direct GHG reporting by CSP and PPC administrators			X - Develop reporting		X - Reporting
DSP Infrastructure	Develop and present DSP filing guidelines for Commission approval		X - Guidelines			
	Internal reporting on DSP utility outreach				Ongoing	Ongoing
DSP Implementation	Stakeholder/utility meetings to inform community engagement plans				X	

Area	Activity	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Voluntary Program Activities	Community -Wide Green Tariffs guidance		X - Workshops	X - Guidance (Ongoing)	X - Guidance (Ongoing)	X - Guidance (Ongoing)
	Interconnection Reform (UM 2111)	X - Draft Roadmap		X - Final Roadmap, Workshop		
Accelerating Beneficial Growth of DERs	Interconnection technical working group			X	X	X
	Socialize Pilots to Programs framework with utilities	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Raising Awareness	Annual GHG reporting for OPUC pilots and programs			X		
	Biannual Docket Gantt chart for stakeholders		X		X	
	Support pilots that can reduce energy burden, with Energy Trust			X	X	X

GREENHOUSE GAS REDUCTION ACTIVITIES: PART 3—TRANSPORTATION ELECTRIFICATION

Sponsor: JP Batmale and Bryan Conway

Project Manager: Sarah Hall

Support Team: Eric Shierman, Sabrinna Soldavini, Robin Freeman, and Garrett Martin

EXECUTIVE ORDER 20-04 DIRECTIVES

Agency Decisions – To the full extent allowed by law, agencies shall consider and integrate climate change, climate change impacts, and the state’s GHG emissions reduction goals into their planning, budgets, investments, and policy making decisions. While carrying out that directive, agencies are directed to:

Section 5.B (2) –

Encourage electric companies to support transportation electrification infrastructure that: supports GHG reductions, helps achieve the transportation electrification goals set forth in Senate Bill 1044 (2019), and is reasonably expected to result in long-term benefit to customers.

GOALS AND OBJECTIVES –

Rapidly research new analyses and investment frameworks, and promote robust data collection, so that electric utilities can achieve the goals set forth in SB 1044 to beneficially electrify the transportation sector. Transportation Electrification (TE) has the potential to save customers money, make the grid more flexible, contribute positively toward utilities’ bottom-line, and significantly reduce GHGs.

The near-term objectives for transportation electrification will be to conduct research and enact policies that establish the foundations of a new framework plan for utilities and stakeholders to guide future TE investments. This includes:

1. Prioritizing appropriate TE infrastructure investments within distribution system planning;
2. Collaborating on new rate schedules and tariffs that encourage transportation electrification, grid-efficient electric vehicle charging behavior, and is beneficial to all ratepayers, including those in impacted communities;
3. Beginning a stakeholder dialogue to improve our TE planning guidelines and program requirements to streamline utility processes and clarify cost-recovery criteria;
4. Exploring approaches to assess cost-effectiveness of TE activities beyond load planning, which promote GHG reduction goals and the transition to clean energy resources. The PUC will undertake various activities described below to address the greenhouse gas emissions of motor vehicles.
5. Initiate a new robust data collection process into market transformation indicators to be tracked by the utilities and shared annually with the OPUC, in addition to TE plans.

In addition, DEQ and the Environmental Quality Commission (EQC) are tasked with expanding the Clean Fuels Program (CFP). The PUC stands ready to serve as a resource on any changes to the CFP that require expertise in regulated utilities or energy markets. This expansion could result in more credits flowing to utilities as aggregators for residential customers, resulting in more utility funds to accelerate GHG reductions in the transportation sector.

6. Provide supporting technical expertise in DEQ rulemakings and continue to provide a forum for stakeholder engagement through workshops. The PUC will continue to require regular reporting to oversee complementary interactions between CFP- and ratepayer-funded transportation.

FIRST YEAR PRIORITY ACTIVITIES

Internal –

1. Establish a Transportation Electrification team of cross-departmental staff to consider and socialize innovative regulatory and programmatic approaches that support beneficial electrification by electric utilities.
2. Conduct a series of internal workshops, supported by the Regulatory Assistance Program (RAP), to establish an internal plan and regulatory framework for the beneficial electrification of the transportation sector. This effort will include research on best practices and inform public workshop dialogue on these topics.
3. Guide current and future TE dockets effectively and in a coherent, forward-looking way sensitive to rural and low-income customer opportunities. Dockets will include grid-connected level-2 charging across residential/home, and business/public charging applications and transportation line extension allowance proposals.
4. Monitor and report quarterly to PUC leadership on Transportation Electrification efforts across the state, and by regulated utilities.

External –

Update Investment Approaches

1. Hold public workshops on topics such as cost-effectiveness methodologies, guidance for transportation electrification infrastructure expenditures, impacts of program costs on energy-burdened households, tariffs that better link EV charging to decarbonization (e.g., peak shifting; charging during times of solar curtailment in CA) and streamlined approval of EV-related programs. Workshops will culminate in the introduction of a plan and regulatory framework to guide PUC strategy and utility actions, which reflects public input and internal deliberations with RAP.
2. Request the utilities propose a strategy in their next TE Plans to transition all of their light, medium, and heavy-duty company vehicles to either natural gas or electric vehicles, including service trucks, by 2035.
3. Consider line extension allowances for transportation electrification that scale the multiplier with greater grid integration capabilities (e.g., including storage), utility control of dispatch, and/or in locations with feeders or substations impacted by high levels of DER penetration.

Track Impacts and Improve Data Collection

4. Within the public workshop series, develop with stakeholders key market transformation data to be tracked by the utilities and shared annually with the PUC, in addition to TE plans.⁴ Such data would be anonymized, made available to trusted 3rd parties for analysis, and include, but not be limited to:
 - General:
 - EV registrations in service territory; percent of charging off-peak and on-peak; estimated fuel savings and GHG reductions; survey users of services for data on awareness and uptake; infrastructure location (rural vs. urban)
 - Incentives:
 - Numbers of chargers deployed in territory and use of TE incentives and tariffs (e.g., Level-2 home chargers and TLEA); business days from application for interconnection to utility approval; site owner expense to interconnect; % of EVSC providing charging services.
 - Grid Integration:
 - Data on fast chargers deployed and operating; charging stations that install batteries; track TOU adoption by residential customers with EVs; calculation of new load and peak load impacts; submission of load shapes for various charging locations for future tariff development (e.g., fleet; business; home with and without TOU; neighborhood pole drops; hotels; grocery stores, etc.)

Support DEQ Clean Fuels Program

5. Provide analytic assistance for DEQ and collaborate with DEQ and all stakeholders on changes to the CFP.
6. Hold public workshops for stakeholder input on PGE and PacifiCorp's CFP plans and use of funds. Explore deploying Low Carbon Fuel Standard to pay for infrastructure outside utilities service territory in key EV corridors across the state.

SECOND YEAR

Year 2 will assess progress and effectiveness and produce a coherent, forward-looking and strategic framework and plan that effectively guides utility investment to achieve our policy goals. We will continue to convene internal and external workshops to build expertise and leverage learnings and best practices from other states.

YEAR 1 SCHEDULE

Area	Activity	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Internal Processes and Planning	Cross-Functional TE Team		X	X	X	X
	Agency Briefings		X	X	X	X
	Internal Workshops with RAP		X	X	X	X

⁴ Ideas for data collection come from the Regulatory Assistance Project (RAP), "Metrics to Measure the Effectiveness of Electric Vehicle Grid Integration." May 2020, Little D., Shipley J., and O'Reilly M.

Area	Activity	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
	Framework Development & Data Collection	X	X	X	X	X
External Events	Public Workshops		X	X	X	X
	TE Plan updates to include utility vehicle transition			X		
Utility Dockets - Current and Upcoming	ADV 1148: PacifiCorp TLEA		X			
	ADV 1149: PGE TLEA		X			
	ADV 1151: PGE Residential Rebate Pilot		X			
	ADV 1155: PGE Business Rebate Pilot		X			
	PAC Residential Rebate Pilot (TBD)			X		
	PAC Business Rebate Pilot (TBD)			X		
	PGE pole charging pilot (TBD)				X	
DEQ Clean Fuels Program	Review 2021 CFP plans at Commission		X			
	Support EQC rulemaking			X		X

IMPACTED COMMUNITIES

Sponsor: Michael Grant

Project Manager: Robin Freeman

Support Team: Shelly Maye, Kandi Young, Garrett Martin, Sarah Hall, Matt Muldoon, and Nolan Moser

EXECUTIVE ORDER 20-04 DIRECTIVES

Agency Decisions – To the full extent allowed by law, agencies shall consider and integrate climate change, climate change impacts, and the state’s GHG emissions reduction goals into their planning, budgets, investments, and policy making decisions. While carrying out that directive, agencies are directed to:

Section 3.C (3) Consult with the Environmental Justice Task Force when evaluating climate change mitigation and adaptation priorities and actions.

Section 3.E Participate in the Interagency Workgroup on Climate Change Impacts to Impacted Communities

Section 5.B(3) Prioritize proceedings and activities, to the extent consistent with other legal requirements, that advance decarbonization in the utility sector, and exercise its broad statutory authority to reduce GHG emissions, mitigate energy burden experienced by utility customers, and ensure system reliability and resource adequacy.

Section 5.B (6) In cooperation with Oregon Housing and Community Services, establish a public process to address and mitigate differential energy burdens and other inequities of affordability and environmental justice, including rate design and other programs to mitigate energy burden.

GOALS AND OBJECTIVES

Undertake various activities to address the disproportionate effect of climate change on impacted communities and those traditionally underrepresented in public processes. These activities recognize the need to not only take action to protect these communities, but to ensure that these communities are engaged in and benefit from actions and activities to reduce GHG emissions. They also address the roles of regulated utilities and the PUC in advancing broader societal interests in climate change mitigation, social equity, and inclusion of underrepresented communities.

The directives, goals and objectives found in the Impacted Communities Work Plan have been used to inform, guide and support the implementation of the activities identified in all the work plans the PUC has developed to implement the Governor’s Executive Order.

NOTE: A threshold activity is to create a DEI Program Director position; the PUC is currently recruiting to fill the position. With the addition of this position, we anticipate that our Impacted Communities Work Plan may be modified to reflect the leadership and expertise of the new DEI Program Director. The DEI Program Director will lead efforts, with the support of the Executive Office and agency leadership, to make recommendations for a DEI agency-wide program, and work with management and other partners to deliver an action plan.

Change our structure and business operations

- a. Establish a Diversity, Equity, and Inclusion (DEI) Program Director position to provide a PUC point of contact to lead engagement activities.
- b. Continue and expand the recently formed Low Income Roundtable to raise PUC employee awareness of issues impacting vulnerable customers and to ensure the agency serves as an effective advocate for all utility customers.
- c. Through the leadership of the DEI Program Director and with the support and help of PUC leadership, initiate efforts to develop an agency DEI Operations Plan to help the PUC become a more diverse, equitable, and inclusive organization that is better equipped to serve all customers and the public generally.

Increase awareness and build new tools to help inform utility actions and agency decision-making processes

- a. Expand and enhance utility reporting of service disconnects and develop a publicly accessible database to inform state actions on energy burden
- b. Quantify energy burden in Oregon through stakeholder workshops, informed by Department of Labor Statistics and other resources

Inform and prioritize PUC regulatory actions in current or new agency proceedings to help protect and benefit impacted communities

- a. Consider updates to the cost-effectiveness exception policy to allow streamlined approval for measures and programs targeted toward low-income ratepayers, up to a defined percentage of program costs.
- b. Requiring GHG reduction activities and pilots to include dedicated actions to serve low-income communities.
- c. Examine rate design options to benefit low-income customers.
- d. Revisit rules regarding utility service connection, bill payment arrangements, and disconnection requirements.
- e. Explore utility pilots and tailored programs to deploy advanced technology in low-income settings to provide bill savings and non-energy benefits, such as resiliency during extreme events.

Fulfill the Governor’s directive to engage customers, communities, and partners in government to ensure Oregon’s GHG reduction goals provide value for all customers

- a. Engage the Environmental Justice Task Force as a trusted partner in PUC activities to assist vulnerable populations and impacted communities
- b. Engage the Governor’s office interagency workgroup to develop strategies to guide state climate actions
- c. In cooperation with the Oregon Housing and Community Services, conduct a public process to raise awareness of issues impacting vulnerable customers and populations to minimize impacts related to GHG mitigation activities

FIRST YEAR PRIORITY ACTIVITIES

Internal –

- Create DEI Program Director Position (***Currently in progress***)
 - Inform position duties and recruitment support through outreach and relationship building with representatives of impacted communities through listening sessions
 - Facilitate contact with the representatives of impacted communities to increase awareness of the DEI job announcement
 - Recruit experienced representatives from impacted communities to review candidate applications or serve on a PUC hiring panel
 - Conduct interviews and fill position in October
- Identify dockets for potential and real DEI changes to promote greater outreach to, participation from, and consideration of impacts to, impacted communities (***Currently in progress***)
 - Create accessible, approachable, non-technical presentations and materials that encourage public involvement in PUC proceedings (***Currently in progress***)
 - Work with ERP to design and deliver a “OPUC 101” presentation geared toward helping organizations new to the PUC understand how the agency operates, what its purpose is and how to participate in docket proceedings
 - Explore and design new formats and venues to reduce barriers, such as in-person listening sessions and lower-technology formats to address the digital divide
 - Work alongside ERP staff to assist in proposing and assessing “utility community engagement plans” to encourage utilities to proactively interact with stakeholders on proposed projects that impact underserved communities
- Initiate development of an agency DEI plan that includes long-range plans, goals, objectives and milestones, and tools for evaluating program effectiveness
 - Gather data for policies and procedures to be used in the development of an equity and inclusion framework and an associated action plan that outlines equity goals, metrics

and implementation plans; and draft policies and procedures to guide agency DEI initiative development

- Conduct outreach and engage stakeholders and DEI professionals
 - Evaluate operational practices, processes, rules and business systems to identify areas of enhancement of program effectiveness as it relates to DEI policies and outreach
- Initiate a review of the activities and membership of the Low-Income Roundtable. Make recommendations and initiate changes to strengthen the work of the group
 - Lead collaborative efforts with the ETO to ensure ETO programs and utility programs overseen by the PUC represent and benefit low-income electric and natural gas customers and vulnerable populations

External –

- Engage with representatives from impacted communities and utilities to address impacts customers are facing from the COVID-19 pandemic
 - Gather data through information requests and surveys to inform COVID-19 workshops and shape recommendations for addressing social and financial hardships on customers of regulated utilities (**Currently in progress**)
 - Initiate discussions around development of a “social equity framework” through which the Commissioners and PUC staff can consistently examine the impact of its actions on vulnerable/impacted communities
- Engage stakeholders and participate in activities that increase awareness of and participation in the activities and services of the PUC, and improve the PUC’s awareness of the needs of low-income and vulnerable populations
- Engage Community Action Agencies on low-income energy assistance programs that serve the customers of electric, natural gas, water and telecommunications utilities.
 - Identify and build relationships with organization that provide services to underserved communities
- Represent the PUC to the Environmental Justice Task Force
 - Complete the annual EJTF report in accordance with ORS 182.550
- Appoint new DEI Program Director to represent the PUC as the key contact and tribal liaison to the nine federally recognized tribes in Oregon and the Legislative Commission on Indian Services
 - No later than December 15 complete and submit the annual report to the Governor and the Legislative Commission on Indian Services on activities of the PUC in accordance with ORS 182.162 to 182.168

- Engage Oregon’s nine federally recognized tribes through outreach activities dictated by the Legislative Committee on Indian Services and provide them with educational material and key contact information
- Attend the Governor’s annual meeting with representatives of state agencies and tribal leaders
- Engage Oregon Housing and Community Services (OHCS) to initiate collaboration efforts to establish a plan for a public process to address and mitigate differential energy burdens and other inequities of affordability and environmental justice, including rate design and other programs to mitigate energy burden

Internal and External –

- Develop a communications outreach plan and avenues to ensure key messages are communicated, implemented and are measurable
- Conduct internal engagement activities with PUC Staff to refine and enhance our stakeholder engagement strategies for PUC proceedings and activities to develop meaningful inclusion and engagement by impacted communities
- Facilitate internal and external stakeholder workshops, work groups and task forces on DEI issues as necessary
- Develop and conduct training for new stakeholders to increase awareness of PUC activities and participation options
- Work with the COVID-19 Team on the agreed-upon terms from the COVID-19 Workgroup deliberations that are focused on low-income, social justice and environmental justice activities
 - Engage in discussions on improved utility service for low-income customers and development of a framework to analyze utility proposals through the lens of environment and social justice
 - Participate and assist in development of workshops hosted by the PUC to identify arrearage management best practices for energy and water utilities

SECOND YEAR

- Research and prepare legislative concepts, if needed, for introduction in the 2023 Legislative Session to authorize the PUC to create a rate class for low-income customers of regulated utilities.
- Research and prepare policy option packages, if needed, for introduction in the 2023-25 budget
- Evaluate progress and effectiveness of changes undertaken during the first year of operational practices, processes, rules and business systems to identify areas in further need of enhancement of program effectiveness as it relates to DEI policies and outreach
- Develop and implement government-to government tribal relationship policy as required by ORS 182.164

Light shaded boxes means work is happening

Darker shaded boxes indicate potential ending months

SCHEDULE

Activities	Status	Aug.	Sept.	Oct.	Nov.	Dec.	Jan	Feb	Other
Develop, recruit and hire DEI Program Director	On-going				Fill Position				
COVID-19 Impact Workshops	Completed								
Engage OHCS re Collaboration									
Initiate DEI Planning Process	TBD								
Review Membership/ Activities of Low Income Roundtable	TBD								
Engage Oregon's nine federally recognized tribes						File Report			
Engage Community Action Partners/ Impacted Communities									
Represent PUC at EJTF	On-going								

WILDFIRE PREVENTION AND MITIGATION

Sponsor: Bryan Conway

Project Manager: Lori Koho

Support Team: Yassir Rashid, Mark Rettmann, Lisa Gorsuch, Garrett Martin, Robin Freeman

EXECUTIVE ORDER 20-04 DIRECTIVES

Section 4.B(4) – Evaluate electric companies’ risk-based wildfire protection plans and planned activities to protect public safety, reduce risks to utility customers, and promote energy system resilience in the face of increased wildfire frequency and severity, and in consideration of the recommendations made by the Governor’s Council on Wildfire Response 2019 Report and Recommendations.

Section 4.B(5) – Convene periodic workshops for purposes of assisting electric companies, consumer-owned utilities, and operators of electrical distribution systems to develop and share best practices for mitigating wildfire risk.

GOALS AND OBJECTIVES –

Engage in two separate but closely related activities. First, the PUC will promulgate rules requiring regulated utilities to develop and implement wildfire mitigation plans. The rules will address at least:

- demonstrating that the plan is risk-based and actions are based on best practices and appropriate technologies,
- creating robust plans for community outreach, and
- demonstrating the utility is proactively evaluating and managing to the ways wildfire risk is changing.

The rulemaking will be an open, inclusive, and accessible public process intended to safeguard the interests of the diverse stakeholders who may not be familiar with Commission processes. Stakeholder engagement and review of emerging practices in other states will identify additional issues to include in the rules and provide guidance on how to prioritize issues.

Second, the PUC will continue its efforts to develop and facilitate the Oregon Wildfire and Electric Collaborative. The Collaborative will regularly convene workshops with both regulated and consumer owned utilities, electricity providers, and other key stakeholders to discuss technical wildfire issues pertaining to the state’s electricity grid. The group will help quickly identify and share best practices for mitigating wildfire risk across the state, with a focus on adaptation to local circumstances.

Wildfire Mitigation Plan Rules

- a. Conduct rulemaking and develop rules to define the requirements for future utility submissions of wildfire mitigation plans. At minimum, the draft rules will cover the specific plan requirements of risk analysis, mitigation actions and prioritization, plans for de-energization of lines, vegetation management plans, methods and timelines for routine inspection of utility facilities, and community outreach. The rules will also address plan evaluation, vegetation management standards, data gathering and metrics.
- b. Enlist assistance from traditional parties and engage in outreach to impacted communities, agencies, local jurisdictions, and others to identify affected stakeholders to promote and assist their participation in this rulemaking to better inform PUC decision-making.
- c. Work with partners (i.e., electricity providers, state and federal agencies, etc.) to develop, review, and finalize a timeline and process for holding workshops as the foundation for the development of wildfire mitigation plan rules.
- d. Utilize elements included in recommendations from the Governor's Council on Wildfire Response and proposed SB 1536 as a foundation for discussions on what should be required in utility wildfire mitigation plans.
- e. Engage regularly with regulated electric utilities to understand current wildfire mitigation practices currently in place and how utilities are updating them with new information and learnings, throughout the rulemaking process.

Continue to develop and strengthen the Oregon Wildfire and Electric Collaborative (OWEC)

- a. Plan, develop, and hold regular workshops on topics of interest to collaborative participants that address wildfire risk and mitigation issues. Develop workshop agendas and presenters, and manage the logistics for conducting the workshops.
- b. Develop an outreach plan to achieve participation from IOUs, COUs, energy service provider as well as additional agencies and organizations for which collaborative participants are seeking greater communication and partnership.
- c. Develop plan for facilitation of larger collaborative meetings to review 2020 wildfire season, prepare for 2021 wildfire season, and/or increase communication and resource sharing between electric sector and local, state, and federal agencies.

FIRST YEAR PRIORITY ACTIVITIES

Internal –

- Conduct both informal and formal rulemaking activities to develop rules to address the requirements for future utility submissions of wildfire mitigation plans.
- Collect data and develop expertise on the components of successful wildfire mitigation plans and requirements used in other states/regions, including which mitigation actions have data backing their effectiveness, latest research in system hardening, etc.

- Work closely with Administrative Hearings Division, the Executive Office, and Commissioners throughout rulemaking process.

External –

- Foster engagement from traditional and non-traditional parties in the wildfire mitigation plan rulemaking process.
- Conduct a series of workshops and town hall meetings to discuss the requirements for utility wildfire mitigation plans.
- Plan, develop, and hold regular OWEC workshops on topics of interest to collaborative participants that address wildfire risk and mitigation issues.
- Provide OWEC participants with periodic updates on the PUC’s wildfire mitigation plan rulemaking process and discussion

Light shaded boxes means work is happening

Darker shaded boxes indicate potential ending months

SCHEDULE

Wildfire Mitigation Plan Rulemaking Schedule

	Status	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Other
Staff Technical Development	On-going	Light shaded	Light shaded						
Game plan with Staff, agencies & utilities	On-going	Light shaded	Darker shaded						
Kick-off Workshop		Light shaded	Darker shaded						
2 nd Workshop – Wildfire Mitigation Plan Elements		Light shaded	Light shaded	Darker shaded					
3 rd Workshop Wildfire Mitigation Plan Elements			Light shaded	Light shaded	Darker shaded				
Town Hall	Planning beginning in November.		Light shaded	Light shaded	Light shaded	Darker shaded			
Further workshops				Light shaded	Light shaded	Light shaded	Light shaded	Light shaded with arrow	Light shaded with arrow

Oregon Wildfire Electric Collaborative Schedule

	Status	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Other
Workshop #2	On-going								
Workshop #3	On-going								
Additional Workshops	On-going							→	
Post-2020 Wildfire Season Roundup	Planning beginning in Sept.								
Collaborative Update on Wildfire Plan Rulemaking	Waiting for rulemaking to get underway								
Pre-2021 Wildfire Season Preparation	Planning beginning in Feb.								

DRAFT

CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: November 9, 2020

To: Honorable Mayor and Members of the City Council

From: Will Norris, Finance Dir. / Asst. City Manager

Subject: First Quarter Financial Performance Report

Background:

The First Quarter (Q1) Financial Report includes three months of financial data through 25% of the fiscal year. The attached report provides full-year estimates-to-close based on historical financial patterns, knowledge of upcoming expenditures, and actual spending and revenue received through September 30, 2020.

Discussion:

COVID-19 substantially and negatively impacted City revenues. The difference between pre- and post-pandemic forecasts show a revenue decline of \$1.7 million for FY2019-20 and FY2020-21 attributable to COVID-19. The City reacted in several ways. The most significant being a one-year pause to Urban Renewal division of tax, resulting in a projected General Fund revenue bump of \$560,000. This action also benefits overlapping taxing districts, including the County, Library, and Parks districts. The City received an allocation of Federal CARES Act dollars. However, this federal funding is limited to direct reimbursement for COVID-19 expenditures. 2/3rds of the City's CARES Act allocation was distributed as economic support to community partners. The remaining portion directly offset City COVID19 expenditures and did not help offset revenue losses.

Despite this extreme revenue shock, the City remains on stable operational footing due to cautious financial decisions over the last decade. As communicated in the FY2020-21 Budget Message, the City's financial position enables the organization to hold on major programmatic adjustments until the long-term financial impacts of COVID-19 come into focus.

General Fund Revenues

Property Taxes

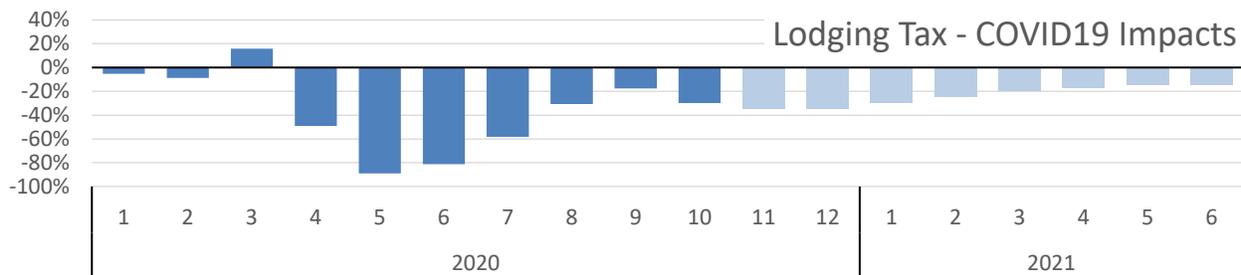
FY2020-21 property tax collection starts in November. Without actual collection data, the Q1 Forecast defaults to the budgeted amount. As noted above, the FY2020-21 property tax receipts include an estimated \$560,000 attributable to the pause in Urban Renewal division of tax for all three districts. Monies attributable to the Heights and Waterfront districts will not continue into future fiscal years. The impact from the impending closure of the Columbia Cascade District is dependent on whether the Urban Renewal Agency chooses to administer a partial collection in FY2021-22 to bring the district to its full maximum indebtedness.

Transient Revenue Tax

The largest dollar impacts from COVID-19 are in Transient Lodging Tax (TLT). The City saw a 90% TLT reduction in May, 2020 vs. May, 2019. Revenue declines steadily

lessened through the Fall, with September, 2020 tax returns being only 18% below September, 2019 tax returns. Initial October tax returns, associated with September stays, indicate the City may be posed for double dip as winter approaches and outdoor gorge activities slow. Alternatively, October's dip may be due to poor air quality from wildfires and not COVID19.

The Q1 Forecast assumes that TLT revenues will slightly worsen this winter and then slowly improve again in the Spring and Summer months. This forecast is modelled in the chart below. Dark blue months are actual figures and light blue months are Q1 Forecast assumptions. This forecast is subject to a high degree of uncertainty based on the trajectory of the COVID-19 pandemic.



Parking Meter Receipts & Municipal Court Revenue

The severity of parking meter and court revenue declines were a surprise and significant downward revision from the Adopted Budget. Meter receipts have remained roughly 50% below the prior year throughout the pandemic. Similarly, fewer traffic stops and ticketing for infractions are reducing Municipal Court revenue. Because each of these conditions have persisted from March through September, the forecast assumes continued softness through FY2020-21.

General Fund Expenses

Expenditures are largely trending within budgeted expectations. Under-spending noted for Fire, Police, and Parks are largely due to turnover, which replaces employees at the top of a pay scale with employees starting at the bottom of a pay scale, as well as several vacancies that have either been filled or soon will be.

The Q1 Forecast estimates that the General Fund Balance will decrease by approximately \$1.0 million. This is attributable to a \$736,601 PERS Side Account deposit and an estimated \$300,000 buydown of Fire/EMS compensated absence balances. Each payment reduces prior existing City liabilities and therefore is not an operating expense. A personal finance analogy is using savings to paydown debt.

The Q1 Forecast assumes that the City will not move forward with an additional \$250K locally funded economic development program because CARES Act dollars largely filled this need.

Other Major Revenues

COVID19 impacted both local and state gas receipts. State gas taxes are faring worse than local taxes, trending down year-over-year 23% (state) vs. 9% (local). It is possible that gas tax receipts will improve if the pandemic is substantially controlled in 2021. Conversely water revenues are up. The same phenomenon that had people flooding home improvement stores during the pandemic may have also increased landscaping projects and associated water use.

Staff Recommendation:

Receive and file quarterly financial report for the period ending September 30, 2020.

Attachments

Quarterly Financial Report for the period ending September 30, 2020

GENERAL FUND REVENUE SUMMARY, Through September (25% of Fiscal Year)							
Resources	Budget	Actual Through Sept. 2020	Year End Estimate	Year End Estimate Over / (Under) Budget	Percent of Budget Received thru Sept. 2020	Fiscal Year 2019-20 Revenue thru Sept. 2019	Year-End Actual
Taxes							
Current Property Tax	3,062,665	-	3,062,665	-	0%	-	2,399,334
Previously Levied Tax	44,453	33,076	71,212	26,759	74%	30,364	74,312
Transient Room Tax	1,269,563	354,828	1,253,435	(16,128)	28%	468,046	1,225,526
Local Marijuana Tax	135,481	43,702	129,383	(6,098)	32%	-	109,606
CET - Admin	10,500	907	2,895	(7,605)	9%	2,624	8,377
Licenses & Permits							
Franchise Fees	791,843	85,227	758,337	(33,506)	11%	87,477	777,172
Utility Fees	614,690	176,780	663,753	49,063	29%	170,498	601,771
Parking Meter Receipts	572,050	121,904	374,500	(197,550)	21%	207,997	533,758
All Other	140,238	46,185	134,055	(6,183)	33%	54,306	121,723
Fines & Forfeitures							
Parking Fines	162,108	47,025	140,889	(21,219)	29%	64,009	169,597
Municipal Court Revenue	252,975	55,669	148,157	(104,818)	22%	91,753	227,922
All Other	32,000	7,951	31,213	(787)	25%	7,599	24,844
Intergovernmental							
Fed. COVID19 Relief	-	136,256	202,241	202,241		-	97,392
All Other	341,211	74,037	347,031	5,820	22%	49,475	331,506
Charges for Services							
Ambulance Revenues	822,186	226,214	904,116	81,930	28%	276,976	856,369
GEMT	57,484	83,016	162,559	105,075		-	57,419
All Other	197,343	49,188	202,825	5,482	25%	44,818	211,985
Interest Earnings	81,681	6,239	24,955	(56,726)	8%	22,184	89,819
Misc. Revenues	111,410	40,508	62,381	(49,029)	36%	42,918	119,491
REVENUE TOTAL	8,699,881	1,588,711	8,676,601	(23,280)	18%	1,621,045	8,037,922

GENERAL FUND EXPENDITURE SUMMARY, through September (25% of Fiscal Year)							
Department	Budget	Actual Through Sept. 2020	Year End Estimate	Year End Estimate Over / (Under) Budget	Percent of Budget Expended thru Sept. 2020	Fiscal Year 2019-20 Expenses thru Sept. 2019	Year-End Actual
Fire / EMS	3,919,354	925,674	3,824,614	(94,740)	24%	910,265	3,657,674
Police	2,693,486	681,710	2,555,557	(137,929)	25%	676,311	2,439,863
Parks	584,489	115,615	483,648	(100,841)	20%	138,615	460,663
Planning	651,888	129,625	643,170	(8,718)	20%	127,039	531,337
Parking	533,013	123,431	486,584	(46,429)	23%	113,914	411,976
Engineering	166,676	40,168	153,326	(13,350)	24%	41,054	345,819
Municipal Court	142,872	29,766	126,830	(16,042)	21%	35,258	131,982
City Council	24,745	1,756	19,873	(4,872)	7%	2,475	9,836
<i>Sub-total Department Expenditures</i>	<i>8,716,523</i>	<i>2,047,745</i>	<i>8,293,601</i>	<i>(422,922)</i>	<i>23%</i>	<i>2,044,931</i>	<i>7,989,151</i>
Non-Departmental							
Personnel	-	-	-	-		-	1,169
Materials & Services	470,850	159,848	220,850	(250,000)	34%	58,001	277,186
Contingency	250,000	-	85,000	(165,000)	0%	-	-
One-time FY2020-21 Transactions							
PERS Side Account Deposit	754,595	736,601	736,601	(17,994)	98%	-	-
Fire/EMS Comp. Absences	300,000	-	300,000	-	0%	-	-
TOTAL	10,491,968	2,944,194	9,636,052	(855,916)	28%	2,102,932	8,267,505

FY2020/21 Beginning Bal.	3,544,477
Proj. FY2020/21 Change in Fund Bal.	(959,451)
Proj. FY2020/21 Ending Bal.	2,585,026

Pooled Cash & Investments (All Funds, Including URA)	
Sept. 2019	24,328,199
Sept. 2020	24,697,808

OTHER MAJOR REVENUE SOURCES SUMMARY, through September (25% of Fiscal Year)							
Revenue	Budget	Actual Through Sept. 2020	Year End Estimate	Year End Estimate Over / (Under) Budget	Percent of Budget Received thru Sept. 2020	Fiscal Year 2019-20 Revenues thru Sept. 2019	Year-End Actual
Gas Tax - Local	371,761	63,177	315,842	(55,919)	17%	71,043	345,955
Gas Tax - State	655,597	81,576	471,508	(184,089)	12%	143,499	609,535
Utility Charges							
Water	2,895,169	953,920	3,028,053	132,884	33%	886,190	2,775,020
Sewer	4,226,385	1,103,579	4,194,133	(32,252)	26%	1,063,141	4,021,543
Storm	562,070	141,847	563,866	1,796	25%	138,030	546,096

CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: November 9, 2020
To: Honorable Mayor and Members of the City Council
From: Will Norris, Finance Dir. / Asst. City Manager
Subject: Fiscal Year 2020-21 Quarterly Supplemental Budget
(Resolution No. 2020-20)

Background:

On June 8th, 2020, the Hood River City Council adopted the appropriations resolution governing the City's Adopted Budget for Fiscal Year (FY) 2020-21. Routinely mid-year changes in revenue or operating conditions require appropriation adjustments. ORS 294.471 allows the governing body of a municipal corporation to adopt a Supplemental Budget by ordinance or resolution. The City of Hood River has customarily grouped necessary adjustments as needed into quarterly supplemental budgets. This allows all adjustments to be considered in context of one another and their cumulative impact on the City finances.

Discussion:

The attached Supplemental Budget, Resolution 2020-20, makes the following adjustments:

GENERAL FUND

Repairs to Fire Engine #2 \$ 7,000

Fire Engine #2 was purchased in 2010 at a cost of \$551,744 and is scheduled for replacement 2032. A significant repair was needed to the Fire Engine's tie rods which are needed for steering. Resolution 2020-20 accesses budgeted contingency to pay for this unexpected maintenance cost.

RESTRICTED REVENUE FUND

Providence Homeless Services Grant \$ 25,000

The City is acting as a financial intermediary for a Providence Hospital Grant to improve local homeless services outreach. The supplemental budget budgets both these grant funds and expenditures.

UTILITY FUNDS

Emergency Sewer Line Repairs \$ 20,000

City crews responded to an emergency breach of a sewer line located near the wastewater treatment plant. The damaged line was stabilized and Crestline Construction is currently working on its repair. Resolution 2020-20 accesses budgeted contingency in the Sewer Fund to pay for this unexpected repair work.

Staff Recommendation: Adopt Resolution No. 2020-20, a Supplemental Budget, to make appropriations and adjust the adopted budget for Fiscal Year 2020-21.

Suggestion Motion: “I move that City Council approve Resolution 2020-20, to make appropriations and adjust the adopted budget for Fiscal Year 2020-21.”

Alternatives:

- Request additional information from staff
- Do not approve the Supplemental Budget

Fiscal Impact:

The attached resolution identifies the adjusted amounts.

Attachments:

Resolution No. 2020-20

RESOLUTION 2020-20
A Resolution Adopting a Supplemental Budget for
Fiscal Year 2020-21 for the City of Hood River

WHEREAS, ORS 294.471(1)(a) allows the governing body of a municipal corporation to make one or more supplemental budgets if an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period requires a change in financial planning;

NOW, THEREFORE, BE IT RESOLVED, by and through the City of Hood River meeting in regular session, the City of Hood River City Council hereby adopts the following supplemental budget, makes appropriations, and adjusts the Fiscal Year 2020-21 Budget as follows:

	Current Budget	Increase / Decrease	Revised Budget
GENERAL FUND			
Beginning Balance	3,444,544		3,444,544
Revenues	8,699,881		8,699,881
Transfers-In	0		0
Total Resources	12,144,425		12,144,425
Police	2,683,455		2,683,455
Fire	3,862,154	7,000	3,869,154
Parks	583,563		583,563
Planning	649,635		649,635
City Council	24,745		24,745
Engineering	166,676		166,676
Municipal Court	142,872		142,872
Parking	532,193		532,193
Non-Department	470,850		470,850
Debt Service	0		0
Transfers	371,230		371,230
Special Payments	754,595		754,595
Contingency	250,000	(7,000)	243,000
<i>Total Appropriations</i>	10,491,968		10,491,968
Unappropriated/Reserved Balance	1,652,457		1,652,457
Total Requirements	12,144,425		12,144,425

Summary: Appropriations for repair to Fire Engine #2 tie rods and resulting reduction in budgeted contingency

SEWER FUND			
Beginning Balance	4,925,708		4,925,708
Revenues	6,266,289		6,266,289
Transfers-In	148,218		148,218
Total Resources	11,340,215		11,340,215
Operations			
Distribution	3,323,427	20,000	3,343,427

Waste Water Treatment Plant	4,901,498		4,901,498
Systems Development Charges	400,000		400,000
USDA SLARRA	650,000		650,000
USDA Indian Creek Debt Reserve	0		0
Debt Service	433,638		433,638
Transfers	148,218		148,218
Special Payments	46,639		46,639
Contingency	180,000	(20,000)	160,000
<i>Total Appropriations</i>	<u>10,083,420</u>		<u>10,083,420</u>
Unappropriated/Reserved Balance	1,256,795		1,256,795
Total Requirements	11,340,215		11,340,215

Summary: Reduction in budgeted contingency for emergency sewer line repairs.

RESTRICTED REVENUE FUND

Beginning Balance	956,985		956,985
Revenues	2,581,395	25,000	2,606,395
Transfers-In	0		0
Total Resources	<u>3,538,380</u>		<u>3,563,380</u>
Building Program	681,918		681,918
LID Assessments	34,724		34,724
Small Grants	14,542	25,000	39,542
Fire General Obligation Bonds	0		0
Tourist Promotion Fund	423,187		423,187
CET - Local Program	0		0
CET - Development Incentives	0		0
CET - State OHCS Distribution	53,608		53,608
AFT AirPack Grant	617,232		617,232
Debt Service	820,608		820,608
Transfers	0		0
Special Payments	41,241		41,241
Contingency	635,000		635,000
<i>Total Appropriations</i>	<u>3,322,060</u>		<u>3,347,060</u>
Unappropriated/Reserved Balance	216,320		216,320
Total Requirements	3,538,380		3,563,380

Summary: Appropriations for homeless services planning and outreach offset by grant revenues from Providence Hospital.

Approved by the City of Hood River City Council on this 9th day of November 2020, to take effect immediately

ATTEST:

Kate McBride, Mayor

Jennifer Gray, City Recorder

CITY COUNCIL AGENDA ITEM COVER SHEET

Meeting Date: November 9th, 2020

To: Honorable Mayor and City Council

From: Dustin Nilsen, Planning Director

Subject: Ordinance 2057 Zone Change upon the request of IBC File Number 2020-13

Background:

File # 2020-13 requests the approval of a zone change from R-1 to R-2 and an 18-lot subdivision to include grading, construction of street extensions of Montello and Prospect Avenues and 30th Street, and installation of public utilities and associated site improvements. The property, Tax Lot Description: 03N 10E 34A 200, is located at the northwest corner of 30th Street and Prospect and is approximately 3.14-acres in size.

On October 26h, 2020, the City Council evaluated the zoning change request at a public hearing, took testimony, and moved to approve the application, adopting findings and Planning Commission’s recommendation. As described in the City Code, Council has the sole authority to allow and approve zone changes, which are enacted through the approval of an Ordinance.

Ordinance 2057, which has been posted for public viewing for a week and included as Attachment A is the official action taken to rezone Tax Lot 03N 10E 34A 200.

Staff Recommendation: Staff recommends Council accept the first reading of Ordinance 2057.

Suggested Motion:

I move to accept the first reading of Ordinance 2057.

Alternatives:

I move to accept the first reading of Ordinance 2057 as amended.

Fiscal Impact: As land with the Urban Growth Boundary, the subject property is considered available for urban development consistent with plans for the provision of urban facilities and services. The City provides water, sewer, police, and fire service to the area and the applicant proposes to construct street and utility improvements to support the development. The site is continuous to existing residential development and is not expected to generate any unique fiscal impacts.

Environmental Impact: The subject property is not designated as an open space, scenic, or historic area and has no inventoried natural resources to protect. There are no protected natural resources located on the subject property. There are no wetlands or floodplains in the territory. There are no landslide hazard areas. There are no known or inventoried historic resources or cultural areas located or identified on the site. There are no identified mineral or aggregate resources on the site.

Attachments:

1. Ordinance 2057
2. Map of the subject property

ORDINANCE NO. 2057

(An Ordinance amending the City’s Comprehensive Land Use Plan and Zoning Map for property located at 3N 10E 34A 200)

WHEREAS, the City of Hood River Planning Commission held a public hearing on October 5th, 2020 to consider an application for a quasi-judicial plan and zone map amendment according to Chapter 17.08 to change the zoning designation on the property located at 3N 10E 34A Tax Lot 200 and as shown on Exhibit A;

WHEREAS, the applicant requested a plan and zone change from R-1 (Low Density Residential to R-2 (Standard Density Residential) and the Planning Commission recommended granting the request;

WHEREAS, the City of Hood River notified the Department of Land Conservation and Development in writing on September 21st, 2020;

WHEREAS, following issuance of notice as required by the Hood River Municipal Code, the Hood River City Council held a public hearing on October 26th, 2020, at which time the Council considered the Planning Commission’s record and recommendation, the Planning Staff’s report, and testimony presented;

WHEREAS, the Hood River City Council adopts the Planning Commission’s findings of fact and conclusions of law set forth in the findings signed October 14th, 2020 and approves the application for the requested plan and zone map amendment.

NOW, THEREFORE, the City of Hood River ordains as follows:

The Comprehensive Land Use Plan and Zoning Maps of the City of Hood River are hereby amended by changing the zoning designation of property located at 3N 10E 34A, tax lot 200.

Read for the first time November 9th, 2020.

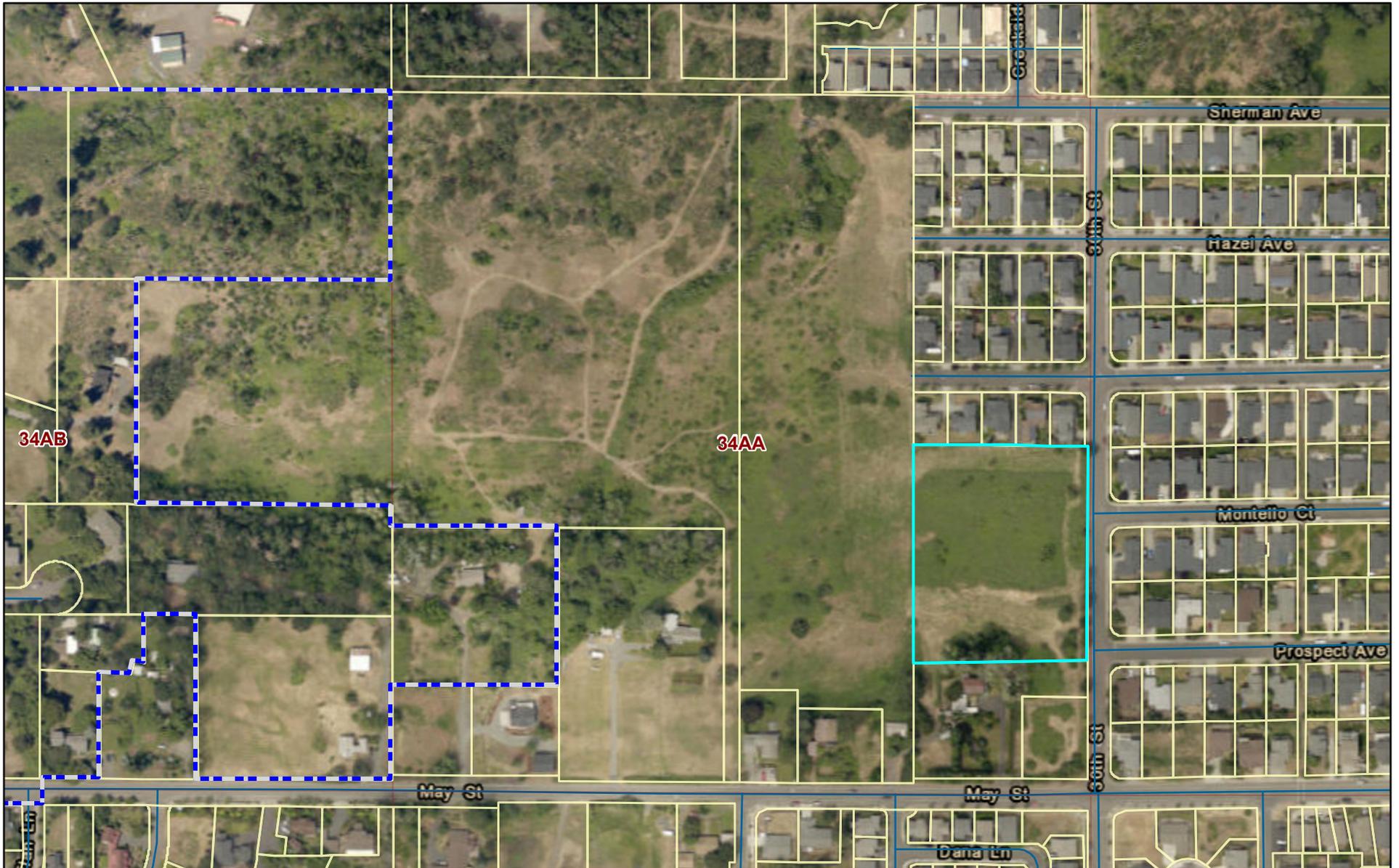
Read for the second time and approved: TBD, to become effective 30 days after the ordinance is read for the second time.

Kate McBride, Mayor

ATTEST:

Jennifer Gray, City Recorder

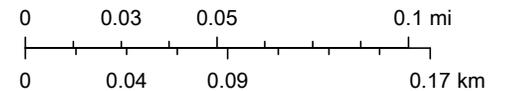
City of Hood River Planning Department Map



9/9/2020, 11:58:17 AM

- City Limits
- Urban Growth Boundary
- Hood River SITUS Addresses
- QuarterQuarterGRID

1:4,514



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS,