

Our Public Utilities: Year-End Report

I am honored to serve as Commissioner in charge of the Portland Water Bureau and the Bureau of Environmental Services.

This year, I appointed new leaders at both utilities. Mike Stuhr, the former Chief Engineer, took the reigns of the Water Bureau. His successor, Teresa Elliott, is the first woman to hold that post. I also selected Mike Jordan to lead BES, after a long and distinguished career in the public and private sectors.

Together, the two “Mikes” manage more than 1,000 hard-working employees, \$20 billion dollars in public assets, and a combined annual budget of nearly \$1.5 billion dollars.

For two years in a row, we have held combined rate increases below 5% – well below the original forecasts. Rates continue to be influenced by a number of factors, including the cost of replacing aging infrastructure, necessary investments to make our system more resilient, and unfunded federal mandates.

This year, we took several important steps to increase oversight and accountability at both bureaus. We launched the Portland Utility Board

(PUB), and we strengthened a unique partnership with the Citizen's Utility Board of Oregon (CUB). And we developed an innovative new tool to track watershed health: Watershed Health Report Cards.

We continue to take important steps to protect our environment and improve water quality. They include investing in green streets to manage storm water runoff and reduce the cost to our ratepayers; using methane gas, the sun, and Bull Run water to generate clean energy; and restoring Crystal Springs to reduce flooding, protect watersheds, and improve water quality.

After more than a decade of fighting LT2, which requires cities to discontinue using open air reservoirs, we are moving forward with community-supported plans to protect our historic reservoirs at Mt. Tabor and Washington Park.

We work hard every day to improve customer service. This year we launched a new monthly billing option. We are taking additional precautions to safeguard sensitive financial data. And we are strengthening our relationship with our regional wholesale customers.

Auditor Mary Hull Caballero recently released the 2015 *Community Survey*. She highlighted BES's work in her report, noting that, "sewers and storm drainage showed significant improvement in positive ratings."

For the Water Bureau, 72% of residents rated water services as "good" or "very good." The Water Bureau is one of the top five highest-rated city services, and Portlanders continue to love our high-quality, safe, and reliable Bull Run tap water. 87% gave it high marks!

Finally, we know that an earthquake will hit our region some day. That's why we are investing to make our system more resilient. From a new operation and maintenance facility to buried reservoirs and fortified pipes under the Willamette River, we are working to ensure that our system survives the "Big One."

As Commissioner in charge of both utilities, I am committed to being a good steward of our remarkable system, proud of our hard-working and dedicated employees, and honored to serve the citizens of Portland.