



ALBANY CITY COUNCIL AGENDA

Monday, April 8, 2024
4:00 p.m.

Council Chambers, City Hall
333 Broadalbin Street SW

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Please help us get Albany's work done.

Be respectful and refer to the rules of conduct posted by the main door to the Chambers and on the website.

1. Call to order and roll call
2. Airport Historic Hangar Museum update – Kristin Preston [Verbal]
Information
3. Business from the public
4. Utility rate adjustments for FY 2024-2025 – Chris Bailey [Pages 2-13]
Direction
5. Economic Development overview – Sophie Adams [Page 14]
Information
6. Transportation Advisory Commission recommendation: potential rectangular rapid flashing beacon locations – Ron Irish [Pages 15-17]
Direction
7. Business from the council
8. City manager report
9. Adjournment

This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: cityclerk@albanyoregon.gov.

Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.

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MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager *B414*

FROM: Chris Bailey, Public Works Director *CB*

DATE: March 26, 2024, for the April 8, 2024, City Council Work Session

SUBJECT: Utility Rate Adjustments for Fiscal Year 2024-2025

Relates to Strategic Plan theme: A Safe City; An Effective Government

Action Requested:

Staff recommends City Council provide direction regarding utility rate adjustments for Fiscal Year (FY) 2024-2025.

Discussion:

Each year, Public Works staff provides annual revenue and expenditure reports for the three water utilities, recommends rate adjustments, and provides five-year rate projections necessary to meet levels of service established by council. All of the utilities are discussed at one time to better understand the combined impacts of utility rates on the community.

Based on council feedback from this work session, staff will develop new rate resolutions for each utility, which will be adopted following a public hearing in April. The effective dates of the new rate resolutions will be the traditional times of year that adjustments are implemented (sewer is the first to occur in the fiscal year):

- Sewer – July 1, 2024
- Water – January 1, 2025
- Stormwater – March 1, 2025

This memo provides a summary of each recommendation for FY 2024-2025. Attachment A provides a more detailed discussion of water, sewer, and stormwater revenues and requirements with an updated five-year rate projection. Attachment B provides community comparisons for utility bills.

Sewer Rates

A two (2) percent rate increase effective July 1, 2024, is required to respond to inflationary and other cost increases throughout sewer programs and to meet the council's approved financial target for annual capital projects of \$3.6 million (inflation adjusted). In addition to the rate increase, staff recommends increasing the permit fees for Significant Industrial Users (SIU) to \$955 to reflect the increase in fees charged to the City by the Oregon Department of Environmental Quality (DEQ) for these permits. As they have done for each of the last several years, DEQ raised the SIU fee to \$955 in November of last year. The City's practice has been to adjust the SIU fee described in the rate resolution to match the amount charged to the City by DEQ.

Water Rates

A four (4) percent rate increase effective January 1, 2025, is required to respond to inflationary and other cost increases and to move closer to the council's approved financial target for annual capital projects of \$3 million (inflation adjusted).

Stormwater Rates

In June 2018, the council approved a funding plan consisting of a series of 17 percent per year increases that began in 2019 and was completed with the rates set for fiscal year 2023-24. The goal of this plan was to create an additional \$1.8 million (inflation adjusted) in annual stormwater revenue by 2025 to pay for new regulatory requirements and begin addressing deferred maintenance. This goal has been achieved. In the rate memo and presentation last fiscal year, staff communicated that a new revenue target would be built for the stormwater utility so that a new rate forecast could be performed. This new revenue target is similar to the structure of the rate revenue target in the more senior water utilities and includes the operating revenue forecast, an In Lieu of Franchise Fee (ILFF) transfer to the street fund, and an increasing capital project goal. To achieve those objectives, a stormwater rate increase of six (6) percent is required.

Residential Utility Bill Impact

The following table identifies the monthly impact to a residential customer being charged for eight units of water/sewer usage and an average amount of impervious surface based on a two percent sewer increase, a four percent water rate increase, and a six percent stormwater increase.

Proposed Rate Increase	Monthly Increase	Total Monthly Charges
2% Sewer	\$1.39	\$69.62
4% Water	\$2.37	\$62.08
6% Stormwater	\$0.97	\$17.28
Total:	\$4.73	\$148.98

Unlike residential customers, commercial and industrial customers do not use water and sewer services in predictable and uniform ways. Impacts to the total monthly bill of any individual commercial or industrial customer are likely to be unique to that customer depending on their circumstances. For these reasons, summarizing the impacts to these groups of customers does not fit neatly into a single table. A more detailed discussion of potential increases in monthly charges for these customers will take place at the city council work session.

Community comparisons for both individual utility bills and total bills are provided as Attachment B. The total utility bill described in this table includes all utilities within each community (sewer, water, stormwater, transportation, and other city service utility charges).

Budget Impact:

Sewer: A two percent sewer rate increase is estimated to generate \$400,000 in additional rate revenue to the sewer fund.

Water: A four percent water rate increase is estimated to generate \$640,000 in additional rate revenue to the water fund.

Stormwater: A six percent increase is estimated to generate \$300,000 in additional rate revenue to the stormwater fund.

CB:kc
 Attachments (2)

ATTACHMENT A – UTILITY RATES

Introduction

The Albany Strategic Plan identifies the importance of providing safe, sufficient, and reliable drinking water, sewage disposal, and drainage systems, and complying with related regulations. To accomplish this, the City proactively manages utility systems. Part of managing each system is to plan for the needed system revenues and expenditures. There are no general fund resources used to support Albany's utilities. Operations and Maintenance (O&M) and capital project activities are funded through revenues generated by service charges, System Development Charges (SDCs), and other permit fees. The exception is the stormwater utility where street funds still cover some stormwater related costs on street capital projects. Grant funding is used to augment revenues when available.

There are three components to the cost of running and maintaining each utility's expenditures. The three expenditure components are:

- Debt Service
- Operations and Maintenance
- Capital Expenditures

These three components are interdependent and impacts to funding of any one of the components ripple into the other two.

Debt Service: The City's first obligation is to pay off the debts we owe. At times, utilities borrow money to complete large capital improvement projects that cannot be funded with pay-as-you-go funding. The Albany-Millersburg Water Reclamation Facility (WRF) and Albany-Millersburg Joint Water Project are examples of these types of projects.

Debt agreements typically have specific requirements for repayment and annual revenue generation. Repayment of debts are often made through a combination of rate funds and SDCs, when eligible.

Operations and Maintenance: The City's second obligation is to properly operate and maintain existing facilities. These assets include pipe systems, sewer lift stations, water pump stations, reservoirs, and treatment facilities. In addition, there are regulatory requirements within each of the utilities that have operating, monitoring, enforcement, and reporting obligations the City must comply with in order to meet state and federal permit requirements.

Proper O&M reduces the risk of system failures that can lead to interruption of service or violation of health and environmental standards. Proper maintenance can also reduce overall expenditures, including capital needs, and prolong the service life of infrastructure components.

Capital Expenditures: Finally, the City needs to invest in capital improvements to replace failing and undersized infrastructure. Adequate investment in this work provides for reliable service to existing customers and anticipates needs to support economic development in the community. Almost all capital expenditures are made to replace failing or undersized infrastructure or in response to mandated regulations to protect Albany's citizens and the environment.

Regular capital investment in utility infrastructure will reduce the risk of system failures that can lead to interruption of service or violation of health or environmental standards and ensures adequate capacity in these systems is available for future growth of the City. Staff routinely conducts condition assessments of utility assets, providing data that allows planning for specific, targeted repairs or replacements. Targeted capital expenditures will reduce the ongoing maintenance costs associated with operating the utilities.

Revenue and Expenditure Variables

Staff has prepared five-year projections for each utility. However, it is likely that the revenue and expenditure picture will change as we move into the future. Requirements to pay off existing debts are fixed, but there are significant variables that can impact revenue and the operation and capital requirements for each utility. The following is a list of variables that can impact the rate picture over time:

Rate Revenue: While we have confidence in our rate revenue projections, there are influences outside the City's control that can have meaningful impacts. The state of the economy can dramatically impact revenues in either direction and for the water utility, the weather can also have a significant impact on revenues.

SDC Revenue: The revenue the City receives from SDCs is driven by the amount of development happening in the City. The projections in this memo are conservative in that they assume moderate SDC revenues. If development increases, so will SDC revenues, which can change the long-term picture for rates.

Personnel and Other Large Operation Expenses: Personnel costs are the largest single driver impacting operating expenses. The cost of fuels, chemicals, and electricity can also have large impacts on expenditures and, therefore, rate requirements. Significant weather events can also influence expenditures in the sewer and stormwater utilities.

Unforeseen Capital Needs: Staff can project and identify most of the substantial capital needs with enough notice that there is time to plan and incorporate them into long-range rate planning; however, there are instances when unforeseen issues arise that require unanticipated expenditures. We are continually working to improve our understanding of the current condition of facilities through a properly functioning asset management program in order to minimize unanticipated needs.

Future Regulatory Costs: Regulatory requirements can significantly impact rate projections. While regulations are tightening for all three utilities, more stringent regulations with important financial implications are anticipated for the sewer fund in the near term. The largest driver of near-term costs for the sewer utility is the renewal of Albany's NPDES discharge permit. This permit allows discharge of treated wastewater effluent under strict conditions. The city's existing NPDES permit is outdated and has been administratively extended since 2005. DEQ has begun the process of renewing that permit with the goal of issuing the City a draft renewal permit in the fall of 2024. Permit renewal involves expensive and complicated studies, some of which have already been completed, and detailed and thorough analysis of the proposed permit conditions. City staff is working with professional wastewater engineering consultants and legal counsel to do this analysis and respond to the draft permit conditions. While staff works diligently to manage its impacts, implementation of the new NPDES discharge permit will be more costly than the existing permit due to water quality regulations that have become more stringent since the current permit was issued in 2000. The full financial impacts of these future regulatory requirements cannot be precisely calculated at this time, but staff is aware of and has budgeted for anticipated operating and capital expenses associated with permit renewal and compliance for the coming year.

Sewer Revenue and Rate Picture

The following is a summary of the revenue and expenditure needs for the sewer system.

Revenues:

Rate Revenue - The current estimated total sewer rate revenue the City will receive in fiscal year (FY) 2023-2024 is approximately \$20.1 million. This is slightly higher than the revenue estimated during the budget development process.

SDC Revenue - SDC revenues vary year to year depending on the pace of development in the community. The City anticipates it will receive approximately \$1,050,000 in FY 2023-2024. For the future projections, staff has assumed \$770,000 in annual SDC revenue. This is equivalent to approximately 139 home starts in a year. If development patterns change and SDC revenues increase or decrease, the future analysis will be adjusted to reflect that change.

Expenditures:

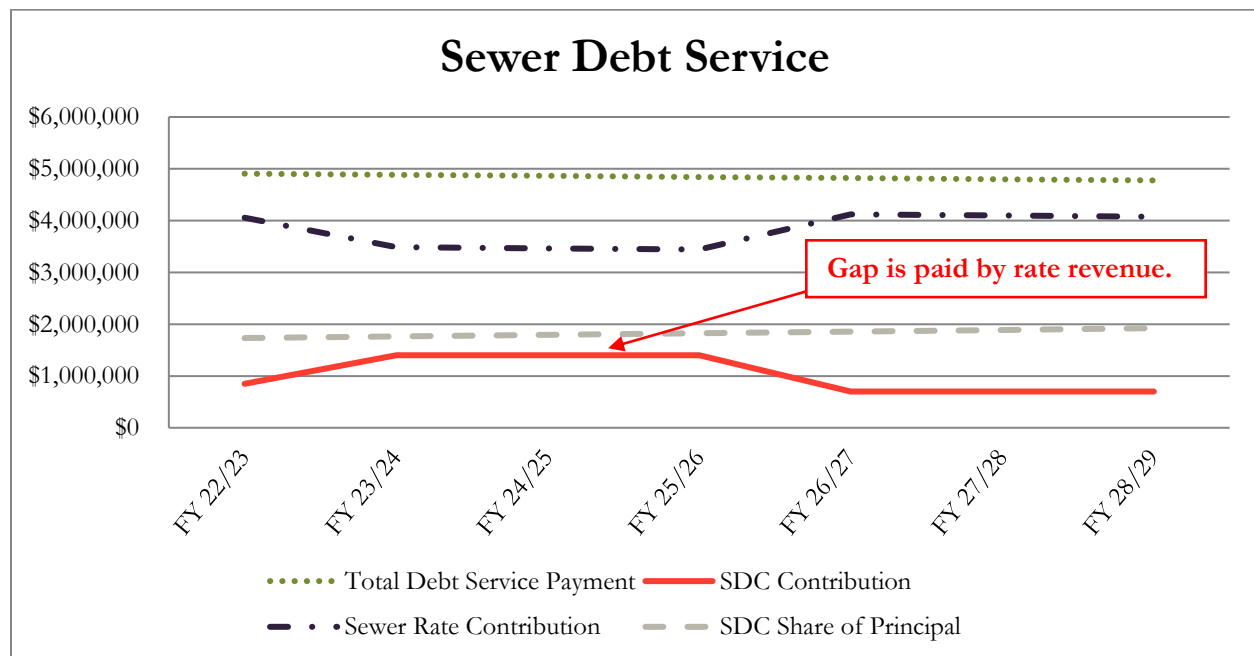
Debt Service - In order to complete the Water Reclamation Facility (WRF) and Talking Water Gardens (TWG) wetlands projects, the City borrowed approximately \$77.2 million. While the City was able to secure low-interest

financing for these projects, the annual debt payments are significant. In 2017, the City refinanced the remaining debt and is projected to save \$4.1 million over the life of the loan. The total current debt service associated with construction of the WRF and TWG amounts to approximately \$4.6 million per year through the year 2032. Albany's share after Millersburg's contribution toward debt service is approximately \$4.3 million per year.

Both rate and SDC revenues are responsible for paying off debt for these wastewater improvements. Rate revenues are responsible for all interest costs and 55 percent of the principal payments for the WRF and 100 percent of the TWG. In FY 2024-2025 this will equal approximately \$2.5 million. SDCs are responsible for 45 percent of the debt principal payment for the WRF because a significant portion of the facility was sized to serve future capacity needs. In FY 2024-2025, SDCs share of the payment equals \$1.8 million.

Albany recently accepted a new low interest rate loan to address capacity problems in the City's largest sewer interceptor, the River Front Interceptor (RFI). The RFI has been a known problem for several decades and has been the subject of past enforcement actions by DEQ. This loan financed the design and construction of the wet weather lift station and associated force main located near Water Avenue and Montgomery Street and paid for repairs and improvements to the RFI. This project was completed in late 2020. The debt service payment associated with the approximately \$11.8 million loan is offset with savings from recent refinancing and conclusion of the annual payments for TWG property. Consequently, debt service requirements for this loan have not required rate increases. Payments for this loan are approximately \$617,000 per year and began in FY 2021-2022.

For several years, staff has discussed with council that sewer SDC revenue has not been keeping pace with the amount of debt required to be paid by SDCs each year. When there is not enough SDC revenue to cover its share of the annual debt payment, rate revenue is used to make up the difference. Based on current revenues, SDCs are not paying their assigned share of this debt. According to the original distribution of debt service payments, in FY 2023-2024, SDCs were expected to pay \$1,763,100 and rates were to pay \$2,503,800. In actuality because SDC revenue has not been high enough to maintain its share of the debt payment for several years, SDCs only paid \$1,400,000 and rates paid the remainder. This situation is expected to continue for the remainder of the debt service payments for this loan, with the actual amount that SDCs pay toward debt varying with actual SDC revenue collected each year. Staff does not expect SDC revenue to ever pay its full share of this debt payment for the remainder of the loan. This relationship is shown in the graph below. Should development pick up in the City and SDC revenues climb, SDC revenues may be able to pay a larger share of the debt obligation. For instance, SDC revenue in FY 2021-2022 was higher than expected, and staff expects SDC revenue in the current fiscal year to end higher than budgeted. For that reason, staff expects to be able to pay more toward debt with SDC revenue in FY 2023-2024 (\$1,400,000) than was available in previous years.



Operations and Maintenance - Rising employment, chemical, and overhead costs impact the O&M budget. For the five-year projection, a five percent per year increase in O&M expenses has been used. Actual increases in personnel and overhead costs have been more than five percent, and some materials, such as chemicals, have had extremely high increases year over year. Through active management of operating costs and efficiencies in operations, the department has been able to keep rate increases at or under the forecasted inflationary increases.

Public Works staff will continue to look for efficiencies and make sure funds are appropriately targeted; however, most maintenance activities cannot be deferred without increasing the risk of sewer line failures, interruption of service, damage to streets and private property, or other impacts from failed systems.

Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure. Adequate investment provides for reliable service to existing customers and anticipates needs to support economic development and growth. The pressure on available capital funds continues to grow because SDC revenue is not predicted to be adequate to cover the SDC share of debt service and operating costs (personnel and materials) continue to rise. In balancing the capital needs of the system with available revenue from both SDCs and rates, staff has had to choose to defer routine pipe replacement projects in some years. In FY 2021-2022 for instance, staff chose not to program sewer pipe replacement projects that would replace the worst of the existing small diameter sewer mains based on our asset management data. Instead, those funds were directed toward a large capital project, the Cox Creek Interceptor project. This was a calculated risk and, unfortunately, the city experienced failures in some of the small pipes which were deferred. Those failures had to be repaired as an emergency capital project, which is more expensive than a planned project and dips into the capital reserve funds.

Identifying the appropriate level of capital funding must be balanced with the burden it places on the rate payers. It is vital to have enough capital funding available to replace the worst infrastructure in a reasonable time in order to reduce the risk of failures, sewer backups into basements, surcharging, sink holes, and environmental permit violations. It is also important to be able to address problems that result in recurring high O&M costs.

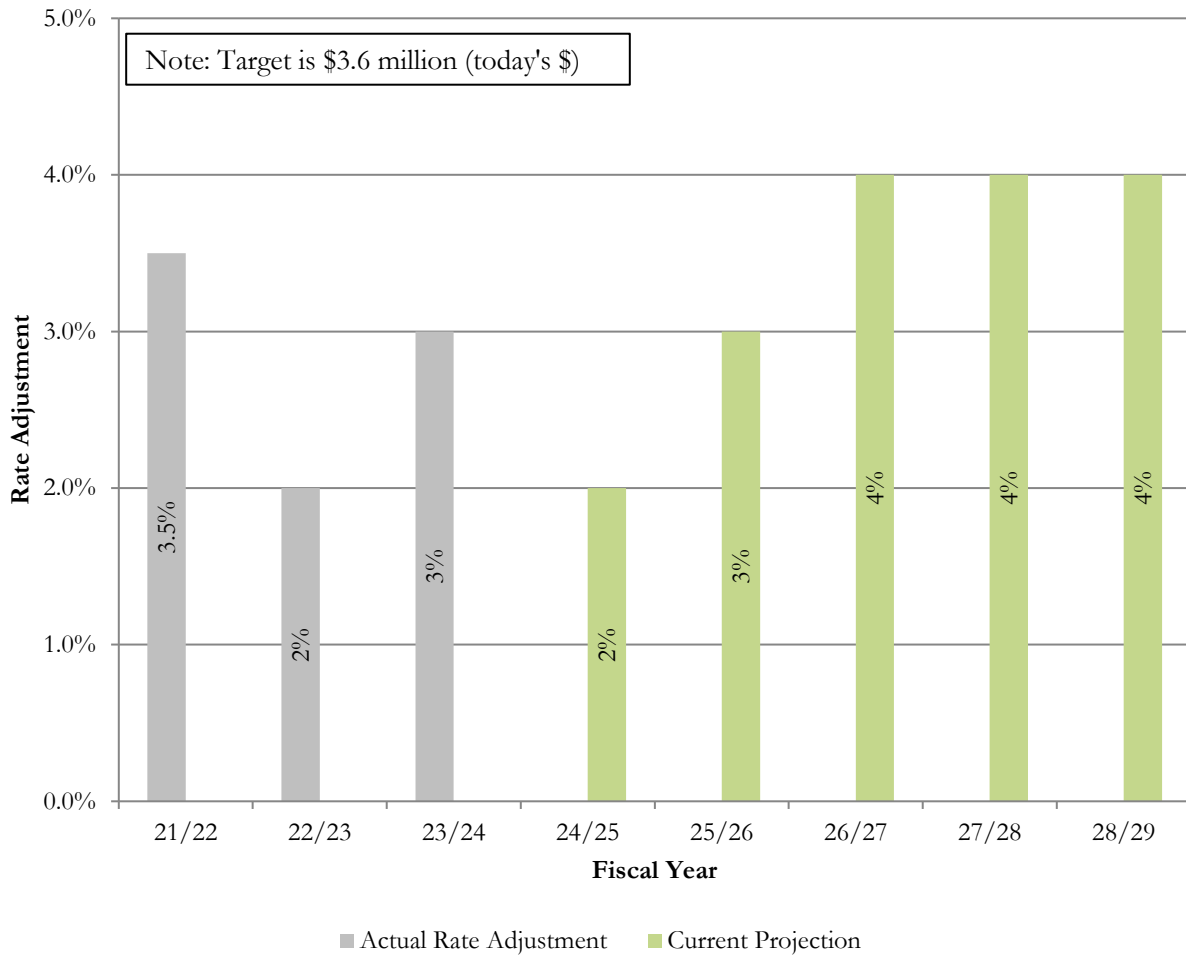
Council previously established program goals that resulted in an annual financial target of \$3.6 million (inflation adjusted) for capital projects. Like water, increases in local costs for some sewer construction projects have outpaced regional inflation indexes. However, the use of trenchless technologies, such as pipe bursting and cured-in-place pipe, provide for lower cost construction methods than traditional open trench methods and, to date, have allowed us to adequately address system needs without further inflationary adjustments for local conditions. Staff has also aggressively pursued state and federal funding for our most important sewer capital projects. Awards from state and federal appropriations will help offset the burden that would otherwise fall almost entirely on sewer ratepayers.

Summary

Recommendation:

A sewer rate increase of two (2) percent effective July 1, 2024, is necessary to allow the City to continue to meet debt service and O&M requirements and also maintain the annual funding target of \$3.6 million for capital projects. The following graph shows recent past and projected future rate adjustments necessary to meet system requirements and provide desired levels of service.

Sewer Five-Year Rate Projection



Water Revenue and Rate Picture

The following is a summary of the revenue and expenditure needs for the water system:

Revenues:

Rate Revenue - The current estimated total water rate revenue the City will receive in FY 2023-2024 is approximately \$15.5 million. This is slightly higher than the revenue estimated during the budget development process.

SDC Revenue - SDC revenues vary year to year depending on the pace of development in the community. It is anticipated that this fiscal year the City will receive approximately \$420,000 in SDC revenue, which is slightly above what was assumed during the budget development process. For future projections, staff has assumed \$400,000 in annual SDC revenue. This is equivalent to approximately 118 home starts in a year. This estimate reflects the most recent development activity the City has been seeing. If development patterns change and SDC revenues increase or decrease, then future projections will be adjusted to reflect that change.

Expenditures:

Debt Service - In 2003 the City sold \$40.5 million in water revenue bonds to fund the construction of several significant water improvements and retirement of other water debt. These improvements included the Albany-Millersburg Water Treatment Plant (WTP), dam and fish screen improvements on the canal, and other capital projects.

In 2013 the City refinanced the existing water bonds to take advantage of low-interest rates. This saved an estimated \$7.3 million over the life of the loan. The total new debt service associated with the water bond projects amounts to approximately \$1.92 million per year through the year 2034. Both rate revenue and SDC revenues are responsible for paying for the water bond debt. Rate revenues are responsible for all interest payments and 57 percent of the principal payments. SDC revenues are obligated to pay 43 percent of the principal payments of the debt service.

Operations and Maintenance - Rising employment, chemical, and overhead costs impact the O&M budget. For the five-year projection, a five percent per year increase in O&M expenses has been used. As with the sewer operating programs, actual increases in personnel, materials, and overhead costs have been more than five percent, and some materials, such as chemicals, have had extremely high increases. Through active management of operating costs and efficiencies in operations, the department has been able to keep rate increases at or below inflationary estimates.

Public Works staff will continue to look for efficiencies and make sure funds are appropriately targeted; however, most maintenance activities cannot be deferred without increasing the risk of public health advisories, water line failures, interruption of service, lower fire protection reliability, damage to streets and private property, or other impacts from failed systems.

Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure. Adequate investment provides for reliable service to existing customers and anticipates needs to support economic development and growth. Identifying the appropriate level of capital funding must be balanced with the burden it places on the ratepayers. It is vital to have enough capital funding available to replace the worst infrastructure in a reasonable time in order to reduce the risk of failures, damage to public and private property, interruption of service, and health regulation violations. It is also important to be able to address problems that result in recurring high operation and maintenance costs.

Immediate capital needs for major treatment plant improvements have primarily been addressed with recent improvements; however, ongoing investments for system maintenance and reliability are anticipated. The recently completed Water Master Plan Update has identified several major capital projects the city will need to program into the budget in the next 5 to 10 years. Currently, the largest annual reoccurring need is to invest in replacement of pipes in the water distribution system.

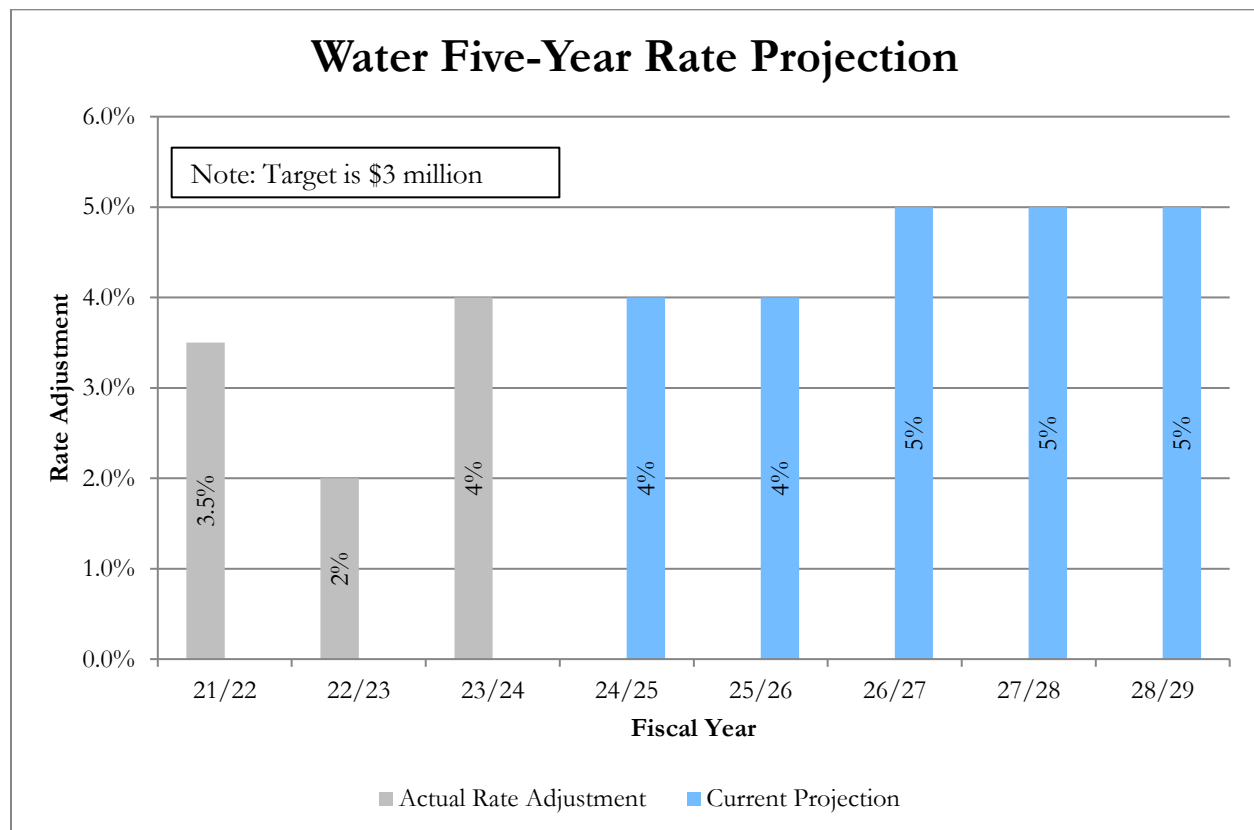
The water loss in the system has been reduced in the recent past and is currently estimated at approximately nine percent. This has been achieved through focused efforts to replace failing lines and an ongoing dedication

to seek adequate funding. Despite accomplishments in reducing water loss, our work is not done. Water loss reduction goals were achieved through focused attention on steel water mains. Other pipes throughout the system are aging and exceeding their anticipated service life. For example, the City has some pipe sections that are 100 years old and still in service. Additionally, there are over 85 miles of Asbestos Cement (AC) pipe in our distribution system. The older sections of AC pipe are nearing 70 years of service, which means they are approaching the end of their original design life (75 years). AC pipe failures have shown this material fails in a catastrophic way rather than starting with smaller leaks, as other pipe materials do. This failure more often results in damage to both public right-of-way and private property.

Staff has developed a water pipe assessment program that evaluates the risk and consequences of failure for each water main. This assessment methodology was further refined in the recent Water Master Plan Update to assist with prioritizing pipe replacement projects, maximizing the available capital funding, and avoiding catastrophic failures and all of the consequences they bring. This approach informs the distribution system capital projects planned for the five-year Capital Improvement Program. The pipe assessment program will continue to be refined in future years.

Recommendation:

A water rate increase of four (4) percent is recommended effective January 1, 2025. This rate increase will allow the City to continue to meet debt service and O&M requirements and build toward an adequately funded capital program. The following graph shows recent past and projected future rate adjustments necessary to meet system requirements and provide desired levels of service.



Stormwater Revenue and Rate Picture

The following is a summary of the revenue and expenditure needs for the stormwater system.

Revenues:

Rate Revenue - The current estimated total stormwater rate revenue the City will receive in FY 2023-2024 is approximately \$3.9 million. This closely matches the revenue estimated during the budget development process.

SDC Revenue – The council adopted the first stormwater SDC methodology and set SDC rates effective January 1, 2024. As with the sewer and water utilities, SDC revenues will vary year to year depending on the pace of development in the community. Staff did not budget for any SDC revenue to be collected in the current biennium, and to date the city has collected less than \$1,000. Staff will monitor stormwater SDC revenue for the remainder of the biennium in order to forecast future revenue from SDCs to use in budgeting and overall utility management. It will likely be several years before the city has collected adequate SDC revenue to pay for the SDC-eligible portion of any future stormwater capital project.

Expenditures:

Debt Service - There are currently no stormwater related debts.

Operations and Maintenance - The stormwater system has no treatment plants, reservoirs, lift stations, or other traditional fixed facilities, which means the O&M costs for stormwater are much lower than those for water and sewer. This does not mean, however, that the stormwater utility is immune from rising O&M costs. With growth comes additional stormwater infrastructure and increased regulation. For instance, stormwater regulations now require stormwater quality facilities such as roadside planters, each of which creates a maintenance obligation for the city. In the last few years, hundreds of these new water quality facilities have been installed with new development, road reconstruction, and other capital improvements. This trend is expected to continue as development, redevelopment, and road reconstruction takes place. For this reason, we are forecasting growth in O&M costs due to the need to hire additional maintenance staff and purchase additional equipment to maintain our growing stormwater infrastructure.

For the five-year projection, a five percent per year increase in O&M has been used for ongoing costs. Additionally, two new stormwater maintenance FTE are planned to be added over the next five years.

As Albany's stormwater programs grow, public works staff will continue to look for efficiencies and make sure funds are appropriately targeted. Although Albany's stormwater funding is relatively new, most of the City's stormwater infrastructure is not. More than 14 miles of pipe are known to be failing, which complicates ongoing maintenance efforts. Unfortunately, street flooding, sink holes, and property damage should be anticipated with the condition of our current assets. This issue is discussed further under capital projects.

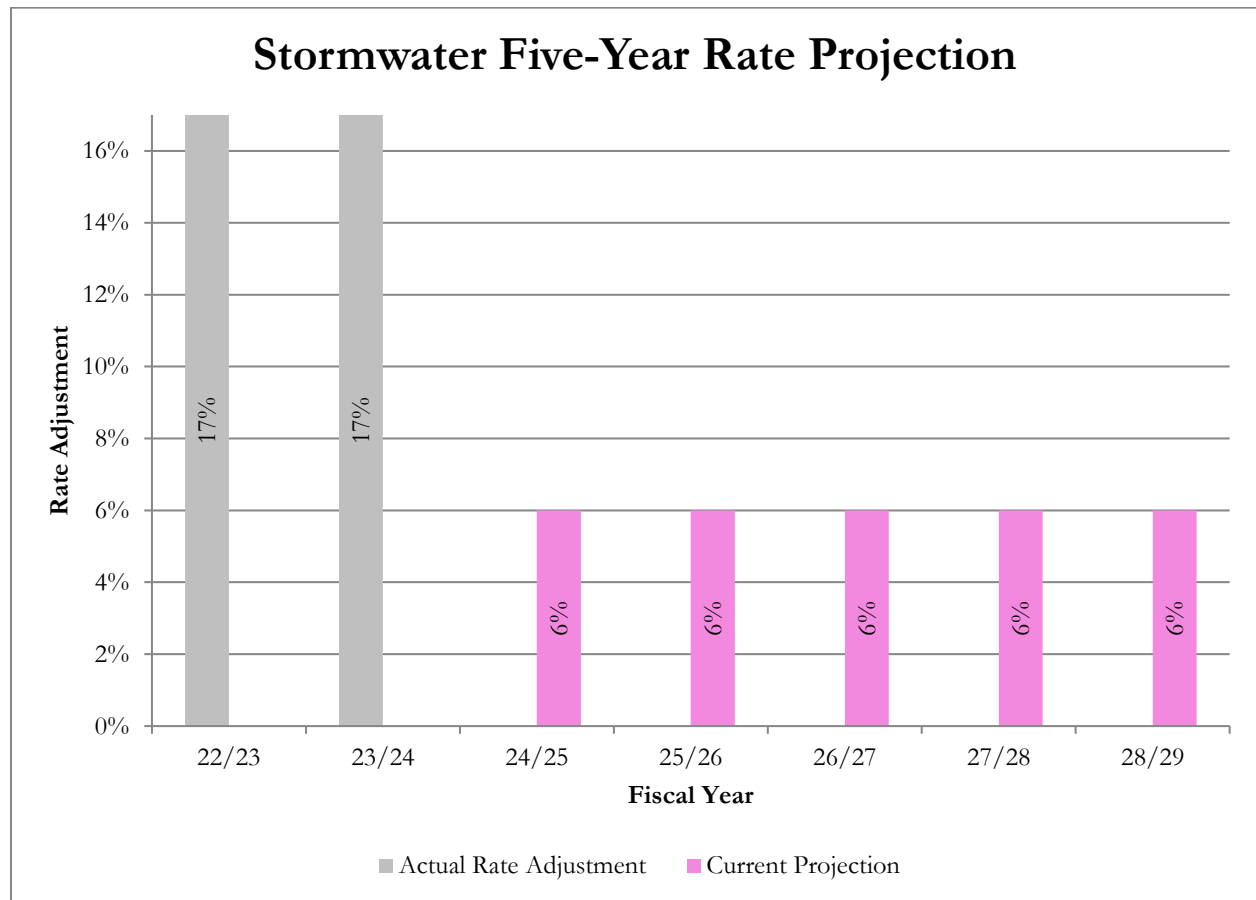
Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure, much of which is described in the Stormwater Master Plan. Significant portions of Albany's piped stormwater system are failing. Similarly to the wastewater collection system, pipe segments within the stormwater conveyance system are inspected and assigned a condition rating. To date, more than 15 miles of pipe are identified as being in a failed condition or are anticipated to fail in the next 10 years. The cost estimate to repair the pipe segments in this condition alone is close to \$50 million. While many stormwater pipes were installed decades ago, the city is only now building a capital replacement fund to repair or replace the most critically failing components of our stormwater system. Until funds allow a routine pipe replacement program, frequent street flooding, sink holes, and property damage should be anticipated.

As part of an evaluation of street maintenance needs in 2017, staff estimated that the street fund was spending, on average, \$490,000 (inflation adjusted) to fund stormwater improvements associated with planned street projects. This included costs for stormwater quality improvements, addressing capacity constraints, and replacing failing pipes. Staff includes this amount annually as part of the rate revenue forecasting, and stormwater capital funds are now available to pay for the stormwater infrastructure associated with street improvement projects.

A stormwater master plan update was completed in 2021 and identified the location of undersized pipes and other capital improvements needed in the stormwater system. Projects from the stormwater master plan will be incorporated into the City’s Capital Improvement Program, and staff will discuss options for funding these capital projects with the city council in future presentations.

Recommendation:

In June 2018, the council approved a funding plan consisting of a series of 17 percent per year increases that began in 2019 and was completed with the rates set for fiscal year 23-24. The goal of this plan was to create an additional \$1.8 million (inflation adjusted) in annual stormwater revenue by 2025 to pay for new regulatory requirements and begin addressing deferred maintenance. This goal has been achieved. In the rate memo and presentation last fiscal year, staff communicated that a new revenue target would be built for the stormwater utility so that a new rate forecast could be performed. This new revenue target is similar to the structure of the rate revenue target in the more senior water utilities and includes the operating revenue forecast, an In Lieu of Franchise Fee (ILFF) transfer to the street fund, and an increasing capital project goal. To achieve those objectives, a stormwater rate increase of six (6) percent is required.



ATTACHMENT B

TOTAL UTILITY BILL

(Assumes rate increases of 2% sewer 7/1/24, 4% water 1/1/25, 6% stormwater 3/1/25)

2023-24 Average Monthly Utility Bills in Oregon Cities
Single-Family Residential Customers - Total Utility Bill

Population 2023 PSU	City / District	800 cu ft	
		\$ / mo	Rank
648,097	Portland	\$214.77	1
41,396	Lake Oswego	\$185.53	2
55,868	Tigard	\$166.77	3
10,028	Sweet Home	\$164.69	4
13,159	Sandy	\$164.18	5
20,329	Lebanon	\$161.89	6
57,997	Albany	\$157.98	7
1,496	Adair Village	\$148.92	8
10,274	Independence	\$147.75	9
117,107	Gresham	\$147.67	10
5,823	Philomath	\$147.30	11
38,049	Oregon City	\$147.18	12
61,669	Corvallis	\$145.24	13
14,387	Cornelius	\$144.62	14
110,874	Hillsboro	\$144.05	15
20,868	Sherwood	\$139.03	16
101,165	Beaverton	\$136.72	17
27,360	West Linn	\$135.19	18
182,726	Salem	\$134.69	19
63,078	Springfield	\$127.54	20
34,612	McMinnville	\$126.98	21
106,275	Bend	\$124.68	22
27,044	Woodburn	\$117.99	23
40,102	Grants Pass	\$108.23	24
27,551	Forest Grove	\$107.96	25
177,339	Eugene / EWEB	\$102.41	26
11,019	Monmouth	\$100.62	27
39,169	Keizer	\$99.61	28
24,258	Roseburg	\$74.05	29
	Average	\$138.77	

Utility bill calculation includes water, sewer, stormwater, transportation, and city service fees, if applicable
Rates are calculated on 3/4-inch meters for residential accounts only; all units calculated in cubic feet
800 cubic feet is the comparison used by the League of Oregon Cities



MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager
Matthew Ruettgers, Community Development Director

FROM: Sophie Adams, Economic Development Manager

DATE: March 28, 2024, for the April 8, 2024, City Council Work Session

8/4/4

SUBJECT: Economic Development Overview
Relates to Strategic Plan theme: Healthy Economy

Action Requested:
None, information only.

Discussion:

A healthy economy is the bedrock of a livable community. The economic landscape touches every aspect of life in Albany, from good paying jobs, infrastructure improvements, attraction and retention of business, to vitality and creating a sense of place. Simply put, a healthy economy improves quality of life for our residents. The City's Economic Development Division, along with its partner organizations, supports business owners, entrepreneurs, industries, the workforce, and the community in reaching its full potential.

To that end, Albany's current Strategic Plan further outlines goals to work towards throughout FY 2022-2026:

- Enhance the value and diversity of Albany's economy by attracting, retaining, diversifying, and expanding local businesses.
- Strengthen the area's role as a leading regional economic center through local and regional coordination and collaboration on economic development planning and projects.
- Focus on living-wage jobs, training, and education opportunities for Albany residents. Work to achieve a healthy balance of housing and jobs.
- Create a readily identifiable downtown core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.

The upcoming April presentation will provide a high-level overview of the city's Economic Development Division and its daily work, as well as highlighting some exciting past projects and visions for the future.


Budget Impact:
None.


SA:mr







MEMO

TO: Albany City Council 

VIA: Peter Troedsson, City Manager
Chris Bailey, Public Works Director 

FROM: Staci Belcastro, P.E., City Engineer 
Ron Irish, Transportation Systems Analyst 

DATE: March 21, 2024, for the April 8, 2024, City Council Work Session

SUBJECT: Transportation Advisory Commission Recommendation – Potential Rectangular Rapid Flashing Beacon Locations

Relates to Strategic Plan theme: A Safe City

Action Requested:

Staff recommends Council accept the recommendations of the Transportation Advisory Commission (TrAC) regarding potential Rectangular Rapid Flashing Beacon (RRFB) locations. Staff also seeks direction regarding whether council desires to continue the policy funding RRFB installations as “targets of opportunity”.

Discussion:

At the November 6, 2023, council meeting, council requested that the TrAC develop an updated list of potential locations for installation of pedestrian activated RRFBs. The referral to the TrAC was driven by a resident’s request that council consider installation of a new crosswalk and RRFB at the intersection of Knox Butte Road and Expo Parkway.

The cost to install an RRFB varies by location. ADA standards must be met whenever RRFBs are either added to an existing crossing or constructed with a new crossing. Recent costs for just the devices themselves have been approximately \$50,000 per crossing, with additional expense should new pedestrian ramps or curb/storm drainage work be necessary.

The Traffic Safety Commission previously developed a list of potential RRFB locations in 2017. That list included a total of 17 suggested locations. No funding was assigned to any of those locations. The direction provided by council was to view locations on the list as “targets of opportunity” should a funding source be identified. To date 10 of the locations on the original 2017 list have been improved with RRFBs. Funding for those improvements has come from a variety of sources: some were installed as part of a larger street project occurring on the corridor, some with grant funding (ODOT Safe Routes to School and Safety grants), and a few by developers as a condition of land development.

Upon receiving the referral from council, the TrAC discussed potential RRFB locations at two meetings, and several members also participated in a field trip to view potential installation locations. Their recommendations are represented on a map (Attachment A) showing both existing and recommended RRFB locations. The map reflects a total of 26 locations that either exist or are currently funded for construction and 17 recommended locations for future installations. While all 17 future locations were deemed important and desirable, 5 were identified by the TrAC as being especially significant and “priority” locations.

Budget Impact:

None at this time.

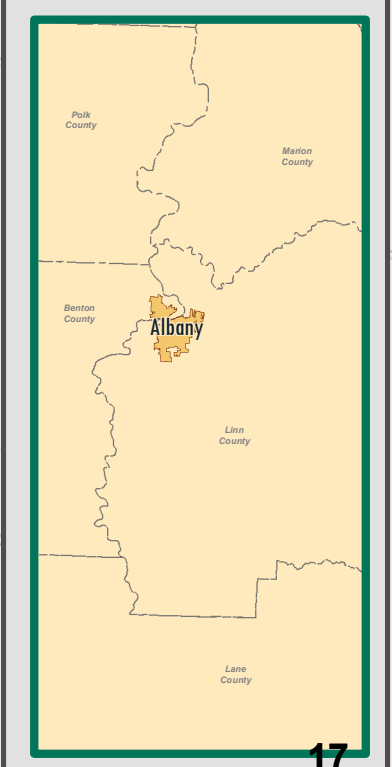
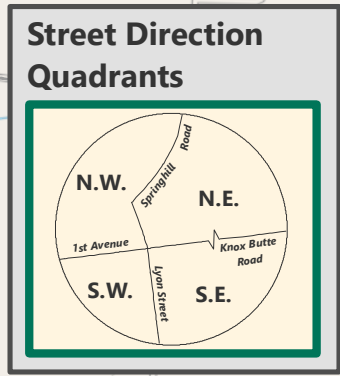
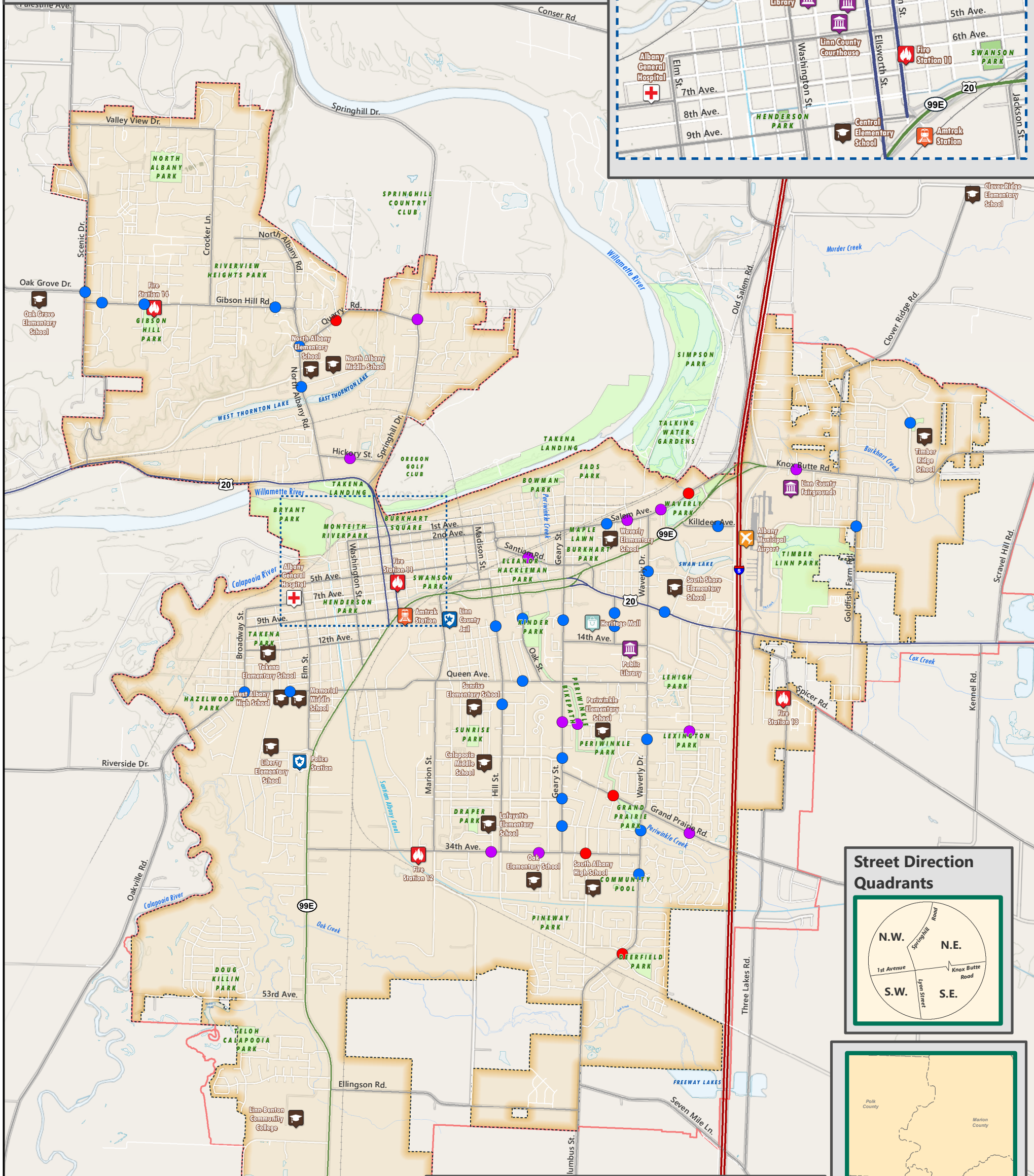
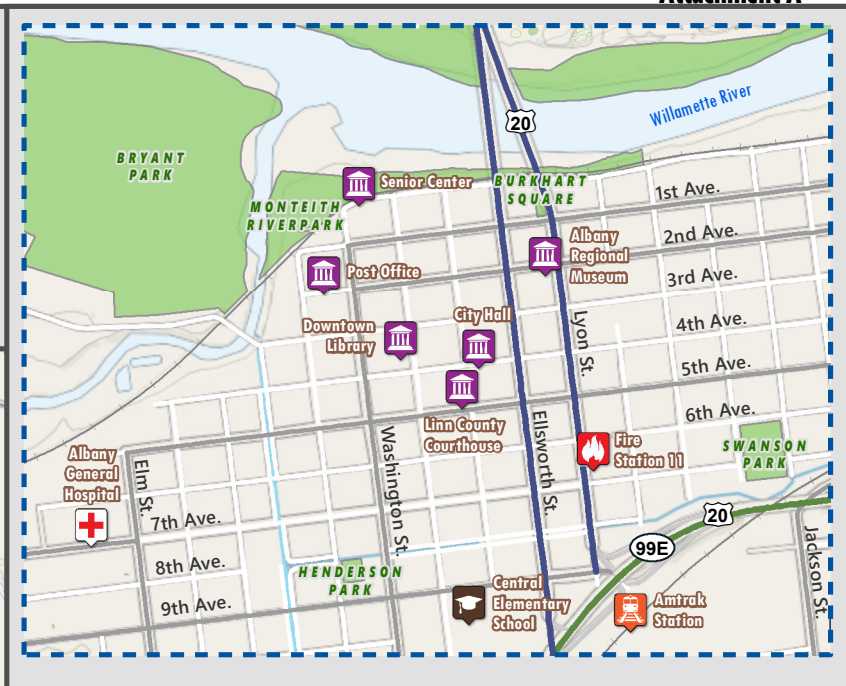
RGI:kc

Attachment 1



City of Albany

Rectangular Rapid Flashing Beacon Pedestrian Crossings



Legend

RRFB	Existing/ In-Progress	Priority	Tier 2
Freeway	US Highway	State Highway	Major Street
Highway Ramp	Residential Street	Railroad	River, Stream, or Lake
City Park	Albany City Limits	Urban Growth Boundary	Airport
Fire Station	Hospital	Law Enforcement	Public Building
Shopping Center	Train Station	School	

0 0.5 Miles

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 Map by: City of Albany
 Revised 3/18/2024 - APM