

CITY OF ALBANY
CITY COUNCIL (WORK SESSION)
Municipal Court Room
Monday, January 12, 2009
4:00 p.m.

MINUTES

CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 4:00 p.m.

ROLL CALL

Councilors present: Councilors Ralph Reid Jr., Bill Coburn, Jeff Christman, Bessie Johnson, Dick Olsen, and Floyd Collins.

Councilors absent: None.

MAYOR STATEMENT

Konopa spoke to the importance of volunteers in our community. She presented former Mayor Dan Bedore with a plaque in recognition of his service to Albany in the capacity of Mayor, Councilor, and as a Planning Commission member.

Bedore thanked the Council for giving him the opportunity to serve as Mayor. He thanked City staff for making his job so much easier and for being supportive, kind, and understanding. He also expressed gratitude to the citizens of Albany who contribute every day to the success of this community.

BUSINESS FROM THE PUBLIC

There was no business from the public.

REQUEST TO EXPAND MEMBERSHIP OF BICYCLE AND PEDESTRIAN ADVISORY COMMISSION

Albany Bicycle and Pedestrian Advisory Commission Chair Bill Pintard explained that the Commission has been unable to maintain a quorum. Adding a seventh member will help to meet quorums, break tie votes, and will also allow for more citizen participation.

MOTION: Councilor Bill Coburn moved to adopt the resolution increasing the number of members on the Bicycle and Pedestrian Advisory Commission and Councilor Bessie Johnson seconded it. The motion passed 6-0 and was designated Resolution No. 5721.

BUILDING DIVISION FUNDING

Building Official Melanie Adams noted that at the December 8 and 17, 2008, work sessions, the Council asked staff to investigate funding options other than raising fees for sustaining the Building Department. Adams will describe the options tonight.

Adams gave a PowerPoint presentation (see agenda file).

Johnson asked, how will the GIS application "Permit Hub" impact the Building Department funding? Adams said it will reduce the number of phone calls by allowing customers to access the information themselves. Currently customer calls go to voice mail if there is heavy volume or when Building is understaffed, so it will improve customer service to some degree.

Johnson asked, how would Building implement a fee for collecting the System Development Charges (SDCs) associated with other City departments? Community Development Director Greg Byrne said, with Council action, Building could assess the administrative cost. He suggests that it be a set fee to become part of the methodology rather than a percentage of the total SDC, in order to comply with the law. Discussion followed.

Coburn asked, how will waving Central Service charges for Building and Information Technology (IT) impact the overall budget? City Manager Wes Hare said, there is extra money this year in Central Services which would cover the cost of Building's Central Service charges. Ordinarily we would roll over that extra money to the next year, and all departments would pay a discounted amount. By using the extra money for Building instead, all departments would be impacted two years out. For example, in 2008-09 the other departments would pay the fees which have already been allocated; but in 2009-10, all departments would pay a higher rate than they would have otherwise paid if the rollover had been applied.

Hare said Urban Renewal Manager Kate Porsche had suggested a partnership between Central Albany Revitalization Agency (CARA) and Code Compliance. The Compliance Officer could focus on the CARA district and would be paid from the CARA budget. It would be like an assistance program for lower income residents and would free up a portion of Building's budget.

Councilor Floyd Collins supports charging a transaction fee for SDC collection. Regarding a reduction or waiver of Central Services and IT charges for Building, Collins prefers to have Management Systems Director Bob Woods calculate the cost of doing business and then show that charge in the Budget document, so the cost of business is consistent throughout the years. Collins would like staff to come back with an integrated plan for all the suggestions presented tonight.

Councilor Dick Olsen asked, how are IT charges assessed? Hare said, on an annual basis based on the number of staff in each department.

Councilor Jeff Christman thinks a permit fee increase should be part of the budget process. Also, he does not feel we should try to make up this shortfall in the short-term. For example, if we increase permit fees 40% we will lose business and defeat the purpose of the increase. We need to raise fees slowly. Additionally Christman is concerned about how waiving or reducing Building's Central Service charges might impact other departments. He agrees with Collins that reviewing a complete, integrated plan is important.

Coburn doesn't think we will need a long-term fix, because the economy will correct itself. We should assess this situation every six months to see if further adjustments should be made. He asked, if permits are down, is there need to have current staff levels? Adams said, actually we are not slower this winter in comparison to other winters, but we were slower in summer months. Usually the five Building Inspectors are swamped in the summer months and need to be supplemented with temporary help in order to keep up with the demand. Current staff levels are able to keep up with the winter work flow. Adams explained that she did not fill positions as they became vacant over the last few years in a proactive approach to the slowing economy. This foresight has meant that Albany's Building Department has not had to lay off employees, whereas many other cities have done just that. Hare agreed that Building is at minimum staff levels now and that if we were to cut positions, our citizens would see a cut in services that they have not yet experienced.

Konopa suggested forming a Council Subcommittee with staff to work on a plan and report back to the full Council. Hare replied that he does not think diverting to another venue will surface any more information than what staff has already provided to the Council over several work sessions, and in fact it may just delay the process and aggravate the problem. With Council's direction so far, staff can put together a plan.

Coburn agrees with Hare that the Council already has enough information. He thinks Building should be self-supporting, and that this problem doesn't require a big fix. First of all, he supports a 20% increase in permit fees, which is about 3 % per year since 2001. Then, the fees should be increased automatically every 2-3 years. Albany's permit fees are far lower than other cities. Secondly, he supports relief of Building's Central Service charges.

Collins agreed that it is appropriate to staff for normal conditions and contract for the peaks. Also, the Council should decide what the appropriate level is for reserves. Hare said the City's policy is to have 5-20% contingency in the General Fund.

Johnson wants to fund Building through the end of 2008-09 and then raise permit fees for 2009-10.

Byrne explained that there are statutory fee noticing requirements which would take 2-4 months to complete, so even with Council direction to increase fees today, they could not be in place for several months. For SDCs fees, it would take even longer since they have to be included in the methodology unless it is a simple transaction fee. A SDC transaction fee would be far simpler to implement compared to changing the SDC methodology.

Councilor Ralph Reid commented that every year the Council raises fees for other City services such as ambulance and utilities. Similarly, we should have considered raises to permit fees annually as well. Reid supports a 20% increase now and then periodic increases so that Building can be self-supporting.

MOTION: Coburn moved to increase building permit fees by 10%. The motion died for lack of a second.

MOTION: Reid moved to direct staff to increase building permit fees by 20% and bring back a resolution implementing the increase. Coburn seconded the motion.

Johnson thinks the shortfall can be met other ways so does not support this motion.

Adams clarified that this motion simply allows staff to start the process; it does not lock the Council into raising the fees. The fee increase would come before the Council again before being finalized.

VOTE: A vote was taken and the motion passed 5-1 with Johnson voting no.

Staff will proceed with the noticing process for the fee increase through the state Building Codes Division.

Adams and Byrne will construct a plan combining the four elements discussed tonight: relief of Central Service charges, future permit fee increases, SDC transaction fees, and the Code Compliance position to be paid with CARA funds.

PARK PROPERTY PURCHASE

Parks & Recreation Director Ed Hodney described the parcel owned by Mike Lydon being considered to replace the Eades Park property. The right-of-way has been vacated as well so the City would own all the property north of Linn Avenue and east of Alco Street. The purpose of this acquisition is to fulfill the City's requirement by Oregon Parks and National Park Service to buy a piece of property that is not City owned to replace Eades Park.

Hodney described the other lots that have been considered for this purchase. The City must meet the deadline to be in compliance. The consequence of noncompliance is ineligibility for future grants and funding. Hodney is asking for Council authorization to purchase the lot once it has been deemed an acceptable replacement parcel by the granting agencies.

CONSENSUS: Council consensus was to proceed with the purchase of the park property.

WATER RATE DISCUSSION

Public Works Director Diane Taniguchi Dennis reviewed the staff memo, which described a one-year forbearance on water rates by redirecting proceeds of the Archibald property sale.

Collins thanked Reid for raising the issue and staff for doing the calculations. He thinks this is a wise choice and shows the citizens that the Council is responsive to their needs.

Dennis explained that Public Works will also delay construction of the water reservoir in the Oak Creek area, originally planned for Fiscal Year 2009-10, because it is not wise to sell bonds right now. This project can be postponed by completing a water distribution line loop from Columbus Avenue to Ellingson Road.

MOTION: Collins moved to not increase water rates for 2009. Johnson seconded the motion and it passed 6-0.

ROTARY INTERNATIONAL EXCHANGE VISIT

Parks & Facilities Maintenance Manager Craig Carnagey explained that he will be joining a team from Oregon Rotary International on an exchange to Andra, India. He will be gone from late January to February and will be meeting with state officials in Andra to speak about parks and the full gamut of city operations.

Carnagey is using his vacation leave and the Rotary is funding the trip. He thanked Hodney and the Council for allowing him to participate in this unique opportunity. He hopes to make new contacts and would like to give a presentation upon his return.

GIS APPLICATION DEVELOPMENT SERVICES FOR PERMIT HUB

Information Technology Director Jorge Salinas is asking for Council approval for a special procurement for GeoNorth LLC. The City has contracted with them before and they are very familiar with Albany's geographic information system (GIS) environment.

Salinas described the "InfoHub" and "PermitHub" applications. PermitHub would improve Building staff efficiency and customer service by allowing citizens to access permit related information through the web rather than calling or coming to City Hall.

MOTION: Collins moved to adopt the resolution authorizing special procurement of GIS Application Development Services and Johnson seconded it. The motion passed 6-0 and was designated Resolution No. 5722.

COUNCILOR COMMENTS

Coburn passed out copies of the *Daily Journal of Commerce* dated January 7, 2009. He highlighted an article titled "Oregonians are concerned about water, survey says" (see agenda file). Coburn noted that Albany is ahead of the curve for being proactive in ensuring an adequate water supply, while many other cities must play catch-up. This validates that Albany has made good capital investments.

Olsen said his neighbors complained to him about street sweeping needed on 8th Avenue. City staff promptly responded, for which Olsen is grateful.

Collins would like the Council to consider using "guest Councilors". Councilors would appoint a person to take their place in the event of their absence. Guest Councilors would not have voting powers, but it would be a good way to expose them to how the Council operates. Staff will bring this item to a future work session.

Collins wanted to clarify that "resident" as used by the City means a person must reside inside the city limits. This issue was brought up by Mike Quinn in relation to eligibility to serve on City Commissions.

Collins would also like to revisit the Linn Library League (LLL) resolution regarding signatures at a future work session.

CITY MANAGER REPORT

Hare noted there the first Budget Committee meeting is on January 26, 2009. The meeting will include a draft of the Strategic Plan.

Hare invited the Council to “Be the Change you Want to SEE” a celebration for Martin Luther King Day co-hosted by the City of Albany Human Relations Commission, Oregon State University, and Linn Benton Community College (see agenda file). The event is on January 14, 2009, and features Dennis as one of the guest speakers.

Hare said the National League of Cities has offered a pharmacy discount card for cities to cosponsor (see agenda file). To participate in the program the City would be required to put our logo on the cards. The cards are free even if the City chooses not to participate, and some Albany pharmacies are already promoting the program to their customers. Staff’s concern is that the City’s logo on the card may be construed as an endorsement of the program, yet City staff does not have the expertise to judge what the best prices are for pharmaceutical products.

Christman does not think the City should participate for the reasons described by Hare, but suggested that staff pass the information on to social services in Albany.

CONSENSUS: The consensus of the Council was to not join the program.

Hare updated the Council on the Union Pacific Railroad (UP) litigation. The results of arbitration were for the City to pay \$240,000 to UP. Hare thinks this is too much but believes the arbitration judge basically split the disputed amount in half to come up with the ruling. The fine will be paid for from the Risk Management fund.

Hare passed out the Stimulus Package Public Works Infrastructure Projects listing (see agenda file). The list is limited to projects that can be started within six months, a requirement for the Stimulus Package program. Hare said the more projects we can show as necessary, the more likely Albany will be to receive funding. If the Council thinks of other projects not already listed, they should contact staff.

ADJOURNMENT

There being no other business, the Work Session adjourned at 6:05 p.m.

Respectfully submitted,

Mary A. Dibble, MMC
Deputy City Clerk

Reviewed by,

Stewart Taylor
Finance Director