

CITY OF ALBANY
CITY COUNCIL
Council Chambers
Wednesday, July 13, 2011
7:15 p.m.

MINUTES

CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 7:15 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG

Konopa led the pledge allegiance to the flag.

ROLL CALL

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

Councilors absent: None.

SCHEDULED BUSINESS

Communication

Funding request from Linn-Benton Community College Small Business Development Center MicroEnterprise Program

City Manager Wes Hare said Barbara Bessey from Linn Benton Community College (LBCC) presented the MicroEnterprise Program to the Council during a work session. The program assists businesses get started in Albany. They have a budget of \$60-70,000 and had been getting \$25,000 of that from Corvallis from their Community Development Block Grant (CDBG) funds. Corvallis will no longer be funding them and that has prompted Bessey to ask the City of Albany to contribute. At the work session the Council requested data about the jobs created as a result of the program, and that information is in the agenda packet tonight. Hare said the program does not generate a large volume of jobs but it is a benefit for local residents.

This request was not anticipated in the Budget and it comes at a time when the Council plans to look at economic development more closely in the months ahead, so Hare's recommendation is to wait until September. Bessey wants a commitment sooner than that. Hare said that if the Council is interested in funding the program they will need to take action tonight so Bessey knows how to proceed.

Councilor Bill Coburn thinks there is value for the program but he is unsure about the request for funding. He supports Hare's recommendation to wait.

Councilor Floyd Collins said he agrees with Hare that we should wait and look at this in a bigger context. He has nothing against the program and it has merit, but wants to make sure the Council uses the PepsiCo settlement money appropriately.

Barbara Bessey, 25098 Pleasant Hill Drive, Corvallis, said she had hoped to run the program in Albany in the fall since the last one ran in Corvallis. She knows it can't be filled again in Corvallis, so that would mean she probably would not run the program even though she has four folks on the wait-list. She would have to wait until winter. It would also push the launch-a-business program back a year.

Konopa asked, is the Corvallis program just for Corvallis residents? Bessey said yes it was, because it was funded with Corvallis CDBG money. It was also restricted to low-income residents.

Hare said that the ongoing nature of the program is something they need to consider too. Albany has not yet received Metropolitan Planning Organization (MPO) status. It could happen as early as August, and that could provide for an additional funding source to consider.

Bessey said they are looking for a long-term funding strategy, now that the Corvallis CDBG money is gone. Given the economy and how slow jobs are coming back, people are really looking to start new businesses. It is a valuable program. She said, we not only launch businesses, but we also help folks decide not to launch a business. She will continue to look for funding. She will meet with the Council again in September. This is probably the best financial investment in this segment of the population.

Councilor Jeff Christman thinks this is one of the types of items that can be discussed as part of the bigger economic development picture.

Hare explained that the MPO is comprised of several cities, and granting funds would have to be for a purpose that is acceptable to all members of the Board.

Councilor Dick Olsen wants to consider allocating some of that MPO money to this program.

Bessey said that if Benton County gets money they can only commit it to one project, so they are committing it to the Monroe Library.

Collins said that in the 1970's the CDBG money was flowing freely and they used it for ongoing operational needs. Since then the money has dried up and we can no longer help to fund those ongoing operational needs. He said, we need to decide if we want to spend CDBG on capital needs or ongoing operations. He cautioned that we not rely too heavily on CDBG money for ongoing programs. That is exactly what is happening right now.

Konopa said it is a wonderful program but it does need more sustainable funds. Bessey said they are looking to foundations for a five-year strategy. She is looking now to not break service in the interim because folks in the community are depending on the program.

Konopa asked if the Chamber of Commerce in Albany and in Corvallis can help with fundraising. Bessey has not approached them. They may also get some funding from investors in the Willamette Valley in the way of philanthropic support.

Council consensus was to discuss this item as part of the larger economic development discussion in September 2011.

Public Hearing

Adjustments to system development charges and connection charges

Konopa called for a staff report.

Utility Services Manager Mark Yeager said this request is consistent with adopted System Development Charges (SDC) methodologies in the Albany Municipal Code (AMC). Each July the Council considers an annual adjustment to SDCs based on the Engineering News Record (ENR). The proposal represents a .074% increase. There is no change proposed for the Transportation System Development Charges (TSDC) or the sewer SDCs.

Christman asked about the Columbus Street Lift Station. In the agenda packet there is a map and a list of surrounding properties. He said it appears that some of them are outside the City limits but inside the Urban Growth Boundary (UGB). Yeager said yes. Christman asked, if they were to connect, would they pay the amount shown in Exhibit B on page 28? Yeager said yes, it-is-in lieu of an assessment that could have been levied at that time. This is a way for the City to recoup the money invested in the oversizing of the lift station. Not all the infrastructure is in place; this primarily focuses on the lift station. Konopa said they did this years ago to help out the Mennonite Village.

Konopa opened the public hearing at 7:39 p.m.

No one wished to speak.

Konopa closed the public hearing at 7:39 p.m.

Assistant City Attorney Andy Noonan said the Council can make one motion to adopt all the resolutions.

MOTION: Coburn moved to adopt all the Resolutions as presented. Christman seconded the motion and it passed 5-0. The Resolutions were designated Res. No. 6020 through Res. No. 6027, as follows:

- a) Revising water system development charges, reaffirming an appeal fee, and repealing Resolution No. 5807. RES. NO. 6020
- b) Revising connection charges for street connections to improved city streets of unassessed properties in the city of Albany and repealing Resolution No. 5810. RES. NO. 6021
- c) Revising connection charges for sewer connections of unassessed properties in the city of Albany and repealing Resolution No. 5808. RES. NO. 6022
- d) Revising connection charges for water connections of unassessed properties in the city of Albany and repealing Resolution No. 5811. RES. NO. 6023
- e) Revising connection charges for storm connections of unassessed properties in the city of Albany and repealing Resolution No. 5809. RES. NO. 6024
- f) Revising in-lieu-of assessment charges for the North Albany sanitary sewer basin and repealing Resolution No. 5812. RES. NO. 6025
- g) Revising special connection charges for a portion of the Columbus Street sanitary sewer lift station project costs, which are allocated to unassessed properties within the lift station service area, and repealing Resolution No. 5814. RES. NO. 6026
- h) Revising the improvement assurance charges for the non-oversized portion of future arterial and collector street improvements for streets located within the North Albany area and repealing Resolution No. 5815. RES. NO. 6027

Business from the Public

Bill Root, 2634 Valley View Drive, brought the pavers from the North Albany Neighborhood Association (NANA) fundraising project for East Thornton Lake Natural Area (ETLNA). Root said there are four sizes: 4 x 8", 8 x 8", 8 x 12", and 12 x 12". The cost is from \$50 to \$500 and they can be inscribed. Root showed a brochure regarding ETLNA (see agenda file). Root said the pavers have been made available at Saturday Markets, Monday's at Monteith, and River Rhythms. They will also be at the Benton County Fair and NANA plans to ask if they can be at the Linn County Fair also. They are also on the City's website.

Fred Hueglin, 942 North Albany Road, said there are also larger sizes, 16 x 16" or 24 x 24", being offered to corporate sponsors.

Root said the pavers are made and carved locally. They are also tax deductible donations.

Sandi Gordon, 1230 Linnwood Drive NE, is a Greater Albany Public Schools (GAPS) Board member. She is the current elected Director. She said she wanted to thank the Council personally for considering and adopting Local Improvement District (LID) charges when there was an error in the calculation. It is dire times for GAPS and they appreciate it, as every little bit helps. She also thanked the Council for the rubber track that will be put in place this summer at Timber Ridge School and invited them to the grand opening. She said, thank you for looking for any way the City can help GAPS at this time, such as the Timber Ridge gymnasium and Deerfield Park. She said, we can be a great community when the school district and the City are working together.

Adoption of Resolutions

Deferring sewer rate increase for July 2011 & reaffirming rates set forth in Resolution No. 5917

Konopa called for the staff report.

City Engineer Mark Shepard said that the Council took action during the budget process to defer the sewer rate increase for July 2011. This affirms that direction.

Collins said that this was the subject of much discussion following the PepsiCo settlement. The Council decided to give back part of the settlement to the citizens so they receive a portion in a timely way. This was the Council's way to help citizens with monthly bills. They also decided not to use the settlement towards operations and maintenance.

Christman asked if there needs to be a dollar amount assigned in the actual resolution. Finance Director Stewart Taylor said no, because the amounts are listed in the Fiscal Year 2011-12 Budget. Christman is concerned that it not be considered "open ended" with no dollars assigned, though he is supportive if the amounts are in the Budget.

Councilor Bessie Johnson asked, how much would the rate increase have cost customers? Sheppard said a 6-7% rate increase would have cost utility billing customers about \$35 annually.

Olsen thinks it would be good to have the amount listed in the resolution so that folks are aware of what the City is doing.

MOTION: Collins moved to adopt the resolution. Coburn seconded the motion and it passed 4-1, with Johnson voting no. The resolution was designated Resolution No. 6028.

Repealing Resolution No. 5813, to eliminate special connection charges for properties near the Oregon Youth Authority benefited by construction of water and sewer lines

Shepard said this is a special district similar to the Lift Station. The Oregon Youth Authority (OYA) bore the cost in a capital recovery agreement. If someone connected, the City collected the money and then passed that money onto the OYA. The capital recovery agreement with the OYA has sunsetted. Now if someone connects, they pay the standard sewer or water connection fees. The City Attorney has advised that as these agreements sunset, the City close them.

MOTION: Collins moved to adopt the resolution and Coburn seconded it. The motion passed 5-0 and was designated Res. No. 6029.

Adoption of Consent Calendar

- 1) Approval of Minutes
 - a) May 25, 2011, City Council Regular Session.
- 2) Approving annual liquor license renewals.
- 3) Accepting right-of-way dedication deeds from:
 - a) Riverview Estates, LLC.
 - b) The First Church of God, Albany, Oregon.

RES. NO. 6030
RES. NO. 6031

- 4) Accepting franchised utility easement from:
 - a) The First Church of God, Albany, Oregon. RES. NO. 6032
- 5) Accepting franchised utility and access easement from:
 - a) Ronald and Lynda Chadwick. RES. NO. 6033
- 6) Authorizing transfer from Street Capital to Street Transfers Out for \$36,600. RES. NO. 6034

MOTION: Coburn moved to adopt the Consent Calendar as presented. Johnson seconded the motion and it passed 5-0.

Award of Contracts

Baldwin General Contracting for Fire Station 12 Seismic Upgrade

Fire Chief John Bradner asked for the Council's approval to award the contract for the seismic upgrade to Fire Station 12. He is pleased to report that it came in significantly lower than the engineer's estimate, which was \$350,000. The bid came in at \$216,000 plus some additions.

Coburn asked why some columns list zeros on the "Apparent Bid Results" (page 68). Bradner said some of the alternatives were listed as negatives, so since the bids came in low they added them back in. They may look like there was no bid but those alternates actually were bid on. Not all portions of the project are seismic-related, but the City will be picking up the other portions. A significant portion was seismic and will be picked up by the grant funds.

Konopa said it is nice that this is a local contractor and the dollars will stay in our community.

Olsen said the bids came in at 60%. He asked, how long will the state be interested in helping with seismic rehabilitation? Will it continue for several more years? Bradner said that he found out that the Governor's budget for June 30 included \$1.5 million for the rehabilitation of seismic structures; but the next round is just for schools. In the future he hopes funds will continue for public safety facilities but he doesn't know. Olsen is concerned about Station 11 since they are undecided about whether to rehabilitate it or rebuild it. Bradner said it is too late to apply for funds now since the next two years are already earmarked for schools. Olsen said it may still be worthwhile to prepare the request.

MOTION: Collins moved to award a contract in the amount of \$216,704 to the low bidder, Baldwin General Contracting of Albany. Christman seconded the motion and it passed 5-0.

PetroCard for commercial card-lock fuel

Management Systems Director Bob Woods said the Albany Police Department (APD) had a contract with PetroCard that expired last year. Using fleet management software across the City, Woods found that other departments also had been using card locks on occasion, such as Public Works, Parks & Recreation, and the Fire Department. Fire was using a different vendor. Staff decided to go out for a single contract. Police were getting 6 cents over wholesale, which is the same as this contract. The state contract is 16 cents over wholesale so this is a much better deal. This is a two year contract.

Hare said the primary fuel source for City vehicles is Linn County Fueling Facility because it has the best price in general. However, there are times when it may be more cost effective to get it from PetroCard because it is more convenient than driving across town. APD will most often use PetroCard and then will use Linn County the rest of the time.

Collins asked, do we pay state and federal taxes on fuel? Woods said, we are tax exempt.

Woods said APD primarily uses PetroCard because their mechanics have advised them to use it instead of the fuel from the Linn County Facility. They have high performance engines and have issues when there are fluctuations in fuel quality.

Woods said the City now has a single fuel tracking system. All fuel, repairs, etc. have been tracked for about one year and staff now has the ability to do some analysis. If they see some reoccurring repairs they will have hard data to justify decisions.

MOTION: Coburn moved to approve the resolution as presented and Johnson seconded it. The motion passed 5-0 and was designated Res. No. 6035.

Appointments

Albany Arts Commission

Konopa explained that she gave the Arts Commission the authority to recommend members to the group since she does not have expertise in art. Their two recommendations are Linda Herd and Billie Moore.

Johnson said that both are very qualified according to their applications.

Konopa is considering the creation of a "Friends of the Arts" group, for folks that want to be involved but not be committed to a Committee. She said, the Arts Commission is doing a great job.

MOTION: Johnson moved to appoint Linda Herd and Billie Moore to the Albany Arts Commission. Collins seconded the motion and it passed 5-0.

Reports

Request from contractor to perform night construction-related work on the Walmart site

Shepard said Robinson Construction's first request to perform night construction-related work on the Walmart site came to the Council with staff's recommendation for denial. This is work being done offsite on I-5 in association with the Walmart project. The state requires they work at night to limit impacts to traffic on I-5. The City rejected the first application because it was too vague and the contractor didn't demonstrate that they had exhausted other options for staging locations.

Shepard said that Project Manager Kevin Hamilton has worked with the contractor to get more detailed information, and today staff recommends the Council approve their request. The key issues are that the contractor has committed to doing most of the on site work between 7:00 p.m. and 11:00 p.m. From 4:00 a.m. to 6:00 a.m. they will be bringing back traffic control materials (in other words, cleaning up the site on I-5). Additionally, they will be restricted from dumping on the site to minimize noise from tailgates dropping. Shepard reminded the Council that they can rescind the permit at anytime, if Robinson Construction fails to fulfill their part of the agreement.

Johnson was worried about back up beepers and is pleased that they are not going to be used. She said it seems they have at least tried to find alternatives. Shepard agrees that Robinson Construction made a good faith effort. They are also committing extra resources, for example, by using spotters instead of back up beepers.

Hamilton showed pictures of the site (see agenda file). The primary buffer is 18-20 feet tall. Sound is greatly mitigated by the buffer for those in the Coastal Crossing subdivision. This stockpile exceeds the amount they will need so there will be enough left to provide a buffer throughout the life of the project. There are a series of rock stock piles that the trucks will be traveling through. ODOT says they have to be gone from I-5 by 6:00 a.m. They will be entering and exiting from the construction exit on the east side of the property where the piles are.

Konopa is concerned about the damage to Goldfish Farm Road. Hamilton said they will be making improvements to that road through the Site Improvement (SI) permit.

Collins said this is a clean worksite compared to many he has seen. He said to keep in mind that it is not going to be pristine and will be noisy to some degree because of the nature of the work.

MOTION: Collins moved that the City Council approve Robinson Construction's request to work nights in accordance with the plan and restrictions provided in the Council packet; and that this approval may be terminated at any time upon the recommendation of the City Engineer. Johnson seconded the motion.

Coburn said that from personal experience, turning off beepers and using spotters can be done but it really increases the risk to the workers and is not ideal. Statistically ODOT reports that flaggers or spotters are most at risk for fatalities on worksites each year.

Olsen asked how long it will take to complete the project. Hamilton said the hand-off date is approximately Thanksgiving for Robinson Construction to complete the Walmart store construction and associated public improvements. The night time work should be done about mid-October, but they have asked for Thanksgiving just in case. All construction is dynamic and there could be something unexpected. Hamilton thinks it is a reasonable timeline.

Shepard said the work on the actual site is still regulated by the AMC.

Christman asked, can we distribute a letter to folks in the neighborhood so they know the restrictions that we have placed on Robinson Construction? Shepard said yes, staff can do that.

Rian Tuttle, 21360 SW Amberwood Drive, Hillsboro, is from Robinson Construction. He said they had already done some outreach with neighbors by sharing their work hours during Phase 1, which happened last fall and over the winter. They updated them again when hours changed in the spring. They passed out letters to neighbors and would be happy to do it again.

VOTE: A vote was taken on the motion and it passed 5-0.

Approving application for grant funds from Oregon Department of Fish and Wildlife for Thornton Lake Turtle Management Plan

Parks & Recreation Director Ed Hodney is asking for the authority to apply for a grant to the Oregon Department of Fish and Wildlife (ODFW) in order to do three things: conduct a turtle population study in and around ETLNA; develop a turtle management plan; and improve riparian habitat along the City's stretch of ETLNA. Acquiring the property was done in part to protect natural resources and this grant furthers that objective.

Hodney said the City was alerted after the budget process that ODFW had invited us to submit this proposal. We were advised recently that the proposal looks good and is eligible for funding; they are now asking if we are planning to apply.

Hodney showed a map with red dots (see agenda file). Each dot represents property owners that have decided to join the City on this project. They are interested if there is a current or viable turtle habitat. There have been 24 property owners who want to join in the study so far.

Community Development Director Greg Byrne said that the population study will help to establish a baseline for the City and also the adjacent property owners to pursue their own purposes on their own properties with less burden than we might otherwise be placing on them.

MOTION: Collins moved to authorize the Parks & Recreation Director to apply for grant funds from the Oregon Department of Fish and Wildlife for a Thornton Lake Turtle Management Plan. Olsen seconded the motion and it passed 5-0.

Request for funds from Greater Albany Public Schools

Hare said the Council requested a memo on the subject of the Greater Albany Public Schools (GAPS) request for funds. Hare recommends that the Council give authority to staff to negotiate with GAPS to purchase an interest in the Timber Ridge gym and complete the purchase of Deerfield Park. The two would pay approximately \$500,000 to GAPS and would help them to have resources available. It would also benefit City residents by giving the Parks & Recreation Department the ability to expand their programs, and create savings by purchasing Deerfield Park at a lesser rate than in the current agreement. Staff is asking for Council action to approve the concept; then staff will bring back a firm proposal.

Coburn asked if the City currently maintains Deerfield Park. Hodney said yes; also the lease is \$1,000 a year.

Collins said this fits his requirements to trade assets for cash.

Christman said it is important for folks to know that this is not a new concept. The City has been discussing an extra gym and completing the purchase of Deerfield Park for a long time. Konopa added that the extra gym space was in the Capital Improvement Program.

MOTION: Collins moved to proceed with negotiations for easement rights for space at the Timber Ridge gym and for the purchase of the Deerfield Park property and Christman seconded it.

Johnson asked where the money will come from. Hare said SDCs will be used for the gym and the Council will need to discuss the different sources that can be used for the park.

VOTE: A vote was taken on the motion and it passed 4-1, with Johnson voting no.

BUSINESS FROM THE COUNCIL

Coburn wants to see the City accelerate the process to build a new Police Station. He said, we have the reports and have been talking about it for a long time. He wants to know what a reasonable time frame might be. For him, what is driving the conversation is the economy and the value of construction jobs. For example, the bids for the Fire Station came in much lower than the engineer's estimate. This economy is not turning around and we are seeing lots of public money spent on transportation, universities, and health care. He spoke to an electrical contractor in Nebraska and he said it's the same there. Coburn thinks there is a tremendous opportunity for Albany to build a Police Station at a very affordable price and he would hate to see us miss the opportunity. However, the process takes time and if we wait too long we will catch the economy on the upswing and construction prices will go up.

Hare said that the consultant has been asked for a proposal for the next phase of the Police Station, which would be the cost to build on the site on Pacific Boulevard. After that, the speed at which the project moves forward will be determined by the Council.

Coburn said there are many components, such as if we should do a public safety levy or if we use the PepsiCo settlement funds for the project. Coburn said Collins wants to get the public to weigh in by a vote and he appreciates that point of view, but we have a good opportunity now from a construction-cost standpoint that we should be taking advantage of now.

Christman has also been working on some financing ideas. He thinks we can and should be considering how to fund it while it is being designed. He said, we don't need to know the exact dollar amount in order to discuss funding options. We need to discuss funding sooner rather than later and he thinks it can be done on a parallel track. Hare said, staff can bring back some funding concepts for the Council that would run concurrent with the design phase.

Coburn wants a flowchart type diagram so he knows at what point all the decisions would come together so they can determine when it is too late. Hare will come back with a timeline.

Konopa said this is a good time to invest in the economy. It does help to lower construction costs when the economy is down.

Collins said that he generally agrees with Coburn but still thinks the Council should be considering both public safety facilities.

Johnson said there were four Albany Firefighters in the news. There was a fire in the spring and a four year old boy lost his bed in the blaze. The four Firefighters were putting a bed in the shape of a fire truck together for him.

Collins thinks that our community does not see or understand the many contributions of City employees. He is on the Board of the Boys and Girls Club of Albany and sees what Police Officers and Firefighters do for Albany kids, though it is often unseen by the general public. He described Firefighters feeding hundreds of kids for Thanksgiving. Other City employees help in other ways too.

Hare said that for the Linn Benton Loop, the City is dependent on Business Energy Tax Credit (BETC) funding. BETC allows businesses looking to take advantage of energy efficiencies to purchase credits; but they have to find buyers for this tax credit and they are getting more difficult to find. The City may lose the Saturday Loop service as a result. Hare said there is a consultant looking for more BETC credits for the City. Also, staff accidentally double-counted some federal revenues so those two deficits are working against Loop services levels.

NEXT MEETING DATE: Joint Meeting – City Council & Linn County Commission July 18, 2011
 Work Session July 25, 2011
 Regular Session July 27, 2011

ADJOURNMENT

There being no other business, the meeting was adjourned at 8:52 p.m.

Respectfully submitted,

Reviewed by,

Mary A. Dibble, MMC
Deputy City Clerk

Stewart Taylor
Finance Director