

CITY OF ALBANY
CITY COUNCIL
Council Chambers
Wednesday, May 28, 2014
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 of allegiance to the flag.

ROLL CALL

Councilors present: Councilors Rich Kellum, Bill Coburn, Bessie Johnson, Ray Kopczynski, Dick Olsen, and Floyd Collins.

Councilors absent: None.

SPECIAL PRESENTATIONS

Police Department Lifesaving Award.

Chief Mario Lattanzio introduced Police Officer John Beckwith. Lattanzio described that on February 27, 2014, during a suspicious-circumstances call, Beckwith seized a handgun from a male. The male became agitated, grabbed a large butcher knife from the kitchen, and attempted to stab himself in the chest. Beckwith quickly grabbed the male and the knife, cutting himself in the struggle, but ultimately preventing the male from an attempted suicide. Lattanzio presented Beckwith with a Lifesaving Award plaque, a medal, and Life Saving Award certificate (see agenda file).

Konopa said this was an intense situation. Most people in the community don't realize what the police do to protect citizens. She said, it is a very challenging job and we greatly appreciate our law enforcement. She thanked Beckwith for his service.

2014 Historic Preservation Awards.

Planner II Anne Catlin gave a PowerPoint presentation (see agenda file). Catlin said that May is Preservation Month. They end the month by giving out Preservation Awards for projects in the community that have added value.

Catlin awarded a "2014 Albany Historic Preservation Award" for each of the following projects:

- United Presbyterian Church: For restoring the Povey Brother windows in the sanctuary. The Povey Brothers are famous for their stained glass. Catlin said it was a labor intensive project and thanked the volunteers and Jeff Senders, who worked on the glass.
- Melinda Sorte, 915 Maple Street SW: For rehabilitating a Bungalow fully on the interior and exterior due to water damage.
- Kenneth and Cherie Armstrong, 222 Forth SE: For extensive front porch repairs and new paint colors appropriate for the Queen Anne house that was painted white. They went above and beyond on their grant project. The house is in the Hackleman district and Catlin said it makes a big difference.
- Thad and Shannon Olivetti, 409 First Avenue W: For removing incompatible alterations and restoring integrity to the front façade and interior. It is now a usable space in the downtown.
- Ryan Schumann and Dylan Williams of Althaus LLC: For removing incompatible alterations and rehabilitating one of the oldest houses in Albany, from the 1860-1870s; Catlin said they think it is a Hackleman house. The project is not quite done but when it is, it will be a huge improvement for this block.
- Jomell and Gerald Fritz, 627 Fifth Avenue SE: For saving the fire-damaged Paschal Donley house. The house sat vacant for a few years, gutted, charred inside, and in need of new trusses. Catlin said Landmarks Commissioner Larry Preston pulled together a volunteer team to help the new owners get this project going and to make it affordable. She thanked the Albany Fire Department for their quick response to the fire.

Catlin thanked the Landmarks Advisory Commission (LAC) members and volunteers. The LAC is an important aspect to keeping Albany unique and special.

Konopa thanked the LAC members; they put in a lot of hours reviewing applications for modifications and historic preservation policies. She also thanked Catlin for her hard work with the LAC and all her historic preservation efforts.

Konopa said Jeff Senders is very talented at restoring stained glass. He is a skilled craftsman. She said, we are fortunate to have him in Albany.

SCHEDULED BUSINESS

Business from the Public

Konopa said staff will give a report on Valley View, Crocker Lane, and Bloom Lane and then she will call for business from the public on that agenda item.

Konopa asked if there was anyone in the audience that had an item to discuss other than Bloom Lane. There was none.

Adoption of Resolutions

Directing an Engineer's Report and a Financial Investigation Report be prepared for construction of storm system and full street improvements on Valley View Drive NW from Crocker Lane to 870 Feet west, on Crocker Lane NW from Valley View Drive south 2,150 feet to Meadow Wood Drive, and on Bloom Lane NW from Crocker Lane East 1,015 feet.

Civil Engineer III Gordon Steffensmeier said this resolution directs that an engineering report and financial investigation report be prepared to see what the cost is and what possible assessments the properties might have. He said the Council could still decide to do nothing. This resolution simply gives staff the go ahead to come up with numbers. He described the location.

Councilor Rich Kellum asked if there is an issue with drainage now. Steffensmeier said no, there is nothing wrong with the sewer. The water line is old but not falling apart. A stormdrain is in place and drains a couple subdivisions to the north so it would be easy to tie Bloom Lane into it. Kellum asked, is there something about to fail that requires repair? He said, if not, based on the number of people in the audience and the petition that was included in the agenda packet, he does not support this action.

Councilor Bill Coburn said he does not have a problem with staff putting together the report, but he agrees with Kellum. Coburn would have to see a compelling reason to improve a dead end street that the residents are not interested having improved or paying for.

Councilor Dick Olsen asked staff to review how streets in Albany get paid for. Steffensmeier said the normal process is that a developer wants to build a subdivision; the City approves the plans, which includes streets and utilities; the developer sells the lots; and part of the cost to the new owner is the street, water, and sewer lines. That is the normal process; but if it is an old street it is a little more difficult. Olsen said that in the 1970s they did Local Improvement Districts (LIDs). He said, they are a pain for homeowners, City staff, and the City Council. He asked Steffensmeier to explain how LIDs work. Steffensmeier said staff comes up with an overall cost, which can be paid for partially or wholly with assessments to the property owners, or can use other money if it is identified. Property owners are assessed and there are various payment plans available to pay their share. Olsen said that in the case of residential streets, it is the benefited property owners that pay for their portion versus arterial streets, in which case the City picks up the extra cost, but the benefited property owners still pay their fair share. Olsen said, all the property owners in Albany have paid their fair share for streets.

Councilor Floyd Collins asked if this is a Benton County road. Steffensmeier thinks it is a City street. Public Works Director Mark Shepard said there are different classes, public, private, and a third. It depends on the classification at the time of the annexation. Some of those did transfer to the City; he thinks Bloom Lane is under the City's jurisdiction. Collins asked who converted the street from gravel to oil mat. Steffensmeier thinks the City did the work or paid to have it done.

Shepard gave some history on Bloom Lane. The properties have partitioned off and developed. As those applications come to the City, there are two options: the City can say they can't develop until the street is brought up to urban standards, which would be an extreme burden to one property owner; or, as they did with Bloom Lane, the property owner can sign a petition and waiver so that when the City Council determines that it is timely to make the improvement, those owners have signed away their right to remonstrate against the project. Shepard said that of the 15 properties on Bloom Lane, eight signed petition of waivers so they can't legally remonstrate. If the Council decides they don't want to improve Bloom Lane because they don't want to make the property owners pay, then when another property develops, the City can require that developer to upgrade the road or sign a waiver. However, Shepard asked, if the waivers aren't going to be enforced, then what is the point of obtaining them? There could be a large road improvement that doesn't get paid for. He said, that is the tension and the challenge.

City Manager Wes Hare said he has seen this happen over and over, where a city allows development so people

realize greater value for their property but it means that someone down the road pays for it. But inevitably when the time comes to pay for the road, the people don't recall signing the waivers or they don't think they should have to pay for it. It becomes very difficult to get the road improved. Bloom Lane is a dead end now, but at some point someone will want it fixed and will want the City to explain why it wasn't fixed yet. Hare said, that as Olsen was explaining, most citizens have in one way or another paid for an improved street in front of their house. He said that ultimately it is a City Council policy decision, but to bear in mind that this is a common struggle in other cities as well.

Collins said he walked down Bloom Lane and looked at the proximity of the houses to the mature trees. He said, if we do move ahead with Bloom Lane, we need to do something other than urban standard because of the maximum loading; the Transportation Systems Program (TSP) doesn't call for it to connect to Broadway Street; the landscaping is mature; and the houses are close to the right-of-way (ROW) line. The ROW may be close to their front door. If Bloom Lane is improved he doesn't think it should be urban standard. There are elements of North Albany that are unique because of topography, drainage, and soils. Collins said he agrees with Coburn about moving forward with the engineer's report because it simply defines the scope and cost, but doesn't commit the City Council or property owners at this time. Collins said if the project does move forward, he requests that it be a local street, rural design, not urban design.

Kellum said it appears that the people that live on the street don't want it done. It is a dead end and won't be a through street. If they are going to move forward to see what the project might look like, he thinks an option is to resurface the road. The cost to just resurface should be identified in case the neighborhood wants it.

Olsen said the reason for improved streets is they stand up to the punishment that streets take. Garbage trucks are getting bigger and are highway-type vehicles. There are 2-3 every week using the road. He doesn't think it will last another 50 years with just another layer on it. Olsen said at his house most of road has original paving. The improved road is made to not break up over time. He realizes people don't like change, but he really thinks folks should think twice before saying they don't want to improve the street. The City did this before, on Marion Street, and they worked with trees and were able to keep it close to the original street. If they do the study and find out the cost, they could also consider how to retain the flavor of the street but build it so that it will hold up to heavy vehicles. He supports including Bloom Lane in the engineers report.

City Attorney Jim Delapoe clarified that the decision tonight is simply to go forward with getting the data. Collins asked staff to consider alternative designs for rural streets and to not take out the landscaping. If the City Council approves the engineer's report, then they will study appropriate boundaries, costs, and assessments. It gives the City Council alternatives on how to apportion the cost. A public hearing is then scheduled and folks will be mailed a notice of the hearing. Then they address if the methodology and boundaries are appropriate. If the improvement is made, there would be another public hearing before any assessments are done to determine if the apportionment of the cost is fair. He said, tonight's decision is just to study the feasibility. This action is just to gather data.

Councilor Bessie Johnson said she noticed some of the petition and waivers will expire in 2016. She asked when the Bloom Lane waivers will expire. Steffensmeier said in 2025. Johnson wonders if the people know that they signed the waivers. Steffensmeier said the document shows up in the title report when people sign closing documents. Johnson said, if we wait and do not improve it, then another City Council down the road will have to make the decision and it will cost more.

Councilor Ray Kopczynski said the only reason Bloom Lane is being considered as part of this larger project is because of the potential for savings now versus in 2025. Delapoe said Kopczynski is correct; Bloom Lane is included solely for economy of scale to get a lower price. Also if there is underdeveloped land further down on Bloom Lane and that owner wants a subdivision, they would likely ask the City Council to make the improvements so that those homes would qualify for conventional financing. If that happens there might be a push to do just Bloom Lane with the new addition and there may not be the same economy of scale.

Olsen said it is his understanding that Bloom Lane was originally a gravel road and the City at some point made an agreement with Benton County to trade some paving for Benton County turning the streets over to the City. He thinks Lochner Road also got a partial oil mat. He said now Lochner Road is breaking up and the City is in a quandary about what to do. Shepard said that the Lochner Road and Ellingson Road transfer was part of the Pepsi project. He said, Linn County gave City of Albany \$1 million and in return we took over Ellingson Road and Lochner Road. It did not include Benton County. Benton County did some oil mat for the City as an in-kind service.

Olsen said if conditions get worse and Bloom Lane is breaking up, the City could just do it and then make the people pay for it. He doesn't think the current City Council or City Manager would do that but he can't say what a future Council might do. Shepard said if the improvement is not done now and additional properties partition, there could be more owners with waivers against it. Whereas there are 15-18 properties now, there could be 25 or so for a future Council to deal with.

Collins said he counted three fire hydrants on Bloom Lane. He discussed the topography with ROW and power lines, and wonders how a fire engine would turn around. He thinks it is a public safety issue and needs to be evaluated in terms of existing topography and ROW.

Collins agrees with Delapoer, that they need to consider if there is economy of scale, what is the scope, and if it is deferred to another time what will happen. He thinks the current City Council would consider improving it to less than urban standards, whereas a future Council may not. There are other parts of North Albany with unique characteristics, where the standard cookie-cutter approach doesn't fit. That was part of the public agreement when the annexations occurred. He discussed natural feature offsets and density transfers. He thinks Bloom Lane is representative of an area with natural features and they need to know how to address that for all of North Albany.

Konopa asked Finance Director Stewart Taylor to discuss the financing mechanisms. Taylor said it is a public process involving two public hearings, and results in review of methodology and the assessments. Property owners then have options for methods of payment which is typically a lump sum, or payments over 10 years. State law does allow payments to be extended longer than 10 years but Albany typically finances for 10 years. Payments can be monthly, semiannually, or annually. Collins said there is a provision for seniors for no payment until the property changes owners.

Brian Frazzini, 1904 Bloom Lane, thanked the Council for their time. He said he understands the process and was able to talk to Transportation Systems Analyst Ron Irish. He said Irish did a great job explaining how the process works. Frazzini's concern is if they spend money on the engineer's report, then the Council should be clear on how the property owners on Bloom Lane feel. He put together a letter to the neighbors and went door to door handing them out. He said he was overwhelmed with the response from the neighbors. It was very clear to him that out of all 15 property owners, including those on the corners, no one wants this. The money is an issue, but he was surprised by the number of people that told him the reason they moved to the street is because it had a rural feel. They are concerned about losing the character of the neighborhood. He has been there since 2007; the road is not cracking and there are no pot holes. The seal is in good shape with no significant cracks. It was put down in 2005 and he thinks it will hold up longer. He said it is true that garbage trucks use it but it is a dead end road. There have been emergency vehicles that travel to the end of the road that didn't appear to have issues. He realizes the City Council has a tough decision. He said that if he lived on Gibson Hill and he didn't want to pay to have his road improved, but Council said it benefits the citizens of Albany because it would help everyone, he would understand. But this road only benefits the 15 people that live on it. It doesn't go anywhere, and it works just fine. He said it is hard to justify forcing making people pay for something they don't want and destroying the landscape.

Frazzini said that people have talked about an additional subdivision on Bloom Lane. He said, if you haven't had an opportunity to drive out there, please do. There are 15 houses, two flag lots that are not developed, and a field approved for three houses. There will not be 10-12 home subdivisions going in there. There may be more houses, but likely only 3-5.

Frazzini said he understands Olsen's comment that someone has to pay sometime. He bought his house and the petition and waiver was on the deed, but it was one of 42 papers he signed during closing. This is true for others, too. He said, for families like mine, a \$150-250 for assessment would present a difficult choice. There are a lot of families on the street that would have to make similar choices. His concerns are for the character and feel of the neighborhood and financial concerns. The road is working right now and they don't want it done.

Johnson asked how the storm drainage works. Frazzini said on the north side of the street there is a large storm drain system that gets full during a hard rain. He doesn't have issues with drainage and he didn't hear complaints about it from neighbors when he went door to door.

Konopa said that it is common for folks to not notice the waiver of remonstrance while they are signing closing papers. She has been hearing that same complaint for many years. She said in the late 1990s, 600 folks didn't know they had waivers either when they did the 53rd Avenue improvements. Frazzini said he realizes it is his fault. Konopa said in the homeowner's defense, lots of title companies do not point it out. It is a difficult quandary.

Bill Root, 2634 NW Valley View said that on his street, there is a piece of property on Valley View that the owner wants to donate to Benton County and allow it to be tied into Benton County Park, with the intent of putting trails through. Root said that Jeff Powers, who is head of the trails commission through Benton County, have agreed to put trails through that would tie Valley View to the park; Crocker Lane to the park; and tie Valley View to Crocker Lane. Root said there are lots of people that walk, bicycle, walk dogs, etc. and would like to have a meandering trail through the woods rather than walk on the street.

Root said, if this property on Valley View gets donated to Benton County, one owner would be involved with the LID, which would be Benton County. Root said they have stated to him that that they are skeptical about what will happen with the piece of property. If it is developed to urban standard they could likely refuse to have it donated to them. At that point the developer would have to develop it. Root said the people on Valley View do not want it developed. He spoke to the speeding on Valley View, and if it was developed to urban standard it would encourage more speeding rather than deter it. Also, the rest of Valley View is fully developed and there are not other spots to develop. So if that property would be the only piece on Valley View improved to urban standard and it would not fit the character. Root said that regarding the piece on Crocker Lane, people don't walk on the sidewalks so it would not be a benefit to folks that live there to require sidewalks. Benton County is willing to do trails. Root discussed the sentiments of the neighbors and the intent of Benton County.

Shepard said that staff is proposing Valley View to be a rural section, not an urban section. Crocker Lane would be an urban section. He is not sure the disposition of the Benton County Parks Department, though he knows they have to make a business decision. There have been several iterations to what might happen to the property that abuts Valley View. Initially the owner was going to sell it to Benton County. After discussions about potential costs for improvements, it may be donated. They will need to decide if the cost of the LID outweighs the benefit of getting the property and adding it to their existing parks. Shepard thinks the engineers report would help to answer that question for Benton County. Shepard clarified that a boundary has not been determined; it is possible the properties along the north side of Valley View, along the frontage improvements, could be included in the LID even though they are currently developed. That will be answered in the engineers report.

Kellum asked if there is anything on Crocker Lane or Valley View that is failing. Shepard said the sewer line is fairly new and they have done some work on the water lines. There are no projects listed in the five year CIP.

Olsen said that every street fails eventually. He asked if Shepard had given any thought to how the cost of repairing unimproved streets will be born over time. Shepard said that currently Crocker Lane and Valley View are under Benton County's jurisdiction so if there was a failure it would be their responsibility. They do not have the financial ability to do overlays throughout the entire county, so their response will probably be to just patch it and the condition will likely continue to deteriorate. Discussion followed.

Coburn said they need to have the engineer's report done. He supports the resolution.

Fran Beck, 3230 NW Kingston Way, said their neighborhood is basically at the edge of town. To the north is forest, and to the east is a steep slope. Even though the City will grow it is unlikely it will grow north and east. Kingston Way is a dead end, and there is potential to go through to north if the City annexed in the forest to become more City streets. The other end of Kingston Way is a top of a hill with an escarpment so cannot be made into a sidewalk. The folks that live on Crest Loop wouldn't need a sidewalk on the back side of their properties. Konopa said that none of those streets would be part of the LID.

Beck said that Shepard mentioned the potential for improving the other side of Valley View. Shepard said the properties that front Valley View Drive could be included in the LID to pay for improvements across their frontage. As a homeowner and a dog owner in that corner of the city, Beck said a lot of people value the park. The park is getting encroached on by a family who owns the property to the west who are developing it right now, along with other development. She would be very happy if they could expand North Albany Park since so many of her neighbors use that park. Konopa said they are looking at an off-leash area for dogs at that park.

Jim Clausen, 1403 15th Avenue, said that Hasso Hering wrote in his blog about how Albany's budget didn't include the costs to repair a road that needs to be repaired in south Albany. He said he finds it interesting that a road that needs repair isn't getting it, while they are considering forcing a road to be done by people who don't want it improved, just to make it more urban. He thinks it is collectivist thinking.

MOTION: Coburn moved to adopt the resolution and Kopczynski seconded the motion.

Kellum said he lives on Commercial Way. Bloom Lane is in better shape on the surface. He thinks Commercial Way should be fixed.

VOTE: A vote was taken on the motion and it passed 6-0 and was designated Resolution No. 6325.

Directing the use of litigation settlement proceeds for development of a Request for Proposals to prepare a conceptual design for a police station.

Konopa pointed out that there is a replacement page for the agenda packet on the dais (see agenda file).

Public Safety Facilities Review Committee (PSFRC) Co-chairs Dave Burright and Frank Morse gave an update about the RFP for the police facility.

Morse said he appreciates City staff and the opportunity to work on this project. He said when he talked to Collins he had no appreciation of the time, depth, and effort it would entail, but it has been rewarding due to the support of staff and the dedication of the Committee members. He said they have tried not to leave stones unturned and have gone into depth on issues.

Morse said the direction they are proposing is different than the original plan to put the police facility on Pacific Boulevard. He said, the question posed to the Police Chief and his staff was, all things being equal, where would you prefer to reside? Morse said, the response was, where we are now, if we could expand. So they explored it further and looked at a cost analysis based on the best estimate staff had of the market values. The three adjacent parcels would provide marginally greater acreage than the Pacific Boulevard site. The result of the cost analysis was that if all three parcels were developed it would cost an additional \$1 million. The general consensus of the Committee was that over time, if there is a way to make it happen, it is the preferred location. There is some mitigation that could occur and that is why they are requesting that this RFP first goes through a needs assessment and program review, to see if for a 20 year horizon they would have the ability to expand if

they could secure all three parcels. The question is, would 3.19 acres be sufficient, and could they leave the third parcel undeveloped to save roughly \$600,000 of the \$1 million by not doing some demolition and leaving those houses on the tax roll.

Morse said that at the last PSFRC they asked staff to bring back RFPs so the Committee could look at them and see if they are consistent with their recommendations to the City Council. They are working on the Fire facility RFP and spent some time on the Police facility RFP, and from that discussion came an idea that is different than what was originally considered. Rather than going through the screening process and selecting an architect or design firm to fulfill the requirements of the RFP, they thought about opening it up, doing the screening, selecting three firms, and then all three would be required to perform the tasks identified in the RFP. Morse said, we would pay for that service, for \$40,000 each. The RFP fixed cost would be \$120,000 compared to negotiating with one firm, which is an unknown cost. The Committee thought it was a creative way to come up with better ideas at less cost, so they are pursuing that with staff. It is a work in progress. At the June 10, 2014, PSFRC meeting they will look at the details of the language and revisit the wisdom of that concept.

Burright said that no one on the Committee has a crystal ball but when they discussed some things that may have lead to defeat of the proposal in November 2013: one of the things that many of them heard over and over was why the Police Station was moving and why can't they stay where they are at. That is one of the reasons for this other idea. Also, he said, the Police Chief was asked, everything else being equal, where would you prefer to be? Burright said, he understands that idea as well; there is a benefit to having the Police Department immediately adjacent to the jail and the Sheriff. The question is, can they can make it work. So they delved deeper to find out. The concept of staying at the present site has lots of unknowns, but the recommendation before the Council is that the Committee believes it is important that the Council make an effort to negotiate with the property owners on those three parcels and see if they can reach an agreement that is fair for everyone and stays within a reasonable budget. If that can't happen, then they are thankful to have the Pacific Boulevard site, because it provides an excellent fallback position. If they stay at the present site, their proposal is that the Pacific Boulevard site be sold to help offset some of the costs. They need to proceed with the negotiations with the property owners rapidly because they need to know what the site is before RFP responders can do design development. Burright said, if it works, great; if not, then the fallback is Pacific Boulevard.

Burright said another important piece of the recommendation is to apply to ODOT for access on the Pacific Boulevard site. Even if they sell it later it is an advantage to have that worked out with ODOT. He also pointed out that it has been suggested that if they need more land at the current location to use the vacant land behind the jail; that is railroad property and they are not interested in selling.

Burright said the credit for the concept of using the RFP for competition between three firms goes to PSFRC member Bill Ryals. Burright said that personally he was initially skeptical, but the more they talked about it, the more intrigued he became. The RFP is still a work in process but he thinks the possible benefits are well worth it. They would have the opportunity to have three firms present their best idea for Phase 1 of the RFP and it would include their costs estimates. It would be work products that the City would own; the City could negotiate a price for their first choice and if that doesn't work, the City could go to number two. It is not a traditional RFP but has a lot of possibilities and the costs savings to taxpayers could be significant, because it forces the firms to be competitive on costs.

Collins asked, when negotiating with the property owners, if they do not have willing sellers, have you discussed the potential of eminent domain; and if the property exceeded \$2.1 million for all three options, would it be deemed no longer "all things equal"? Morse said there was some discussion about that and one comment was that if it came to that, they would let the Council decide. Morse said his preference is that as this information develops and they understand what all the costs are, if it is close or looks reasonable, that the Committee have a chance to evaluate that in light of all the work they have done. They have put a lot of effort into this and if they can tie up the property, they have the opportunity to look at the true costs that will come out of the RFPs. Ultimately, the options to hold the property shouldn't be excessive. If things fall apart then they have a backup with Pacific Boulevard. Morse doesn't think the Committee would not recommend using eminent domain. Burright said he asked the PSRFC that question and they said they wouldn't take it off the table; they would leave it to the Council as part of the negotiating process.

Collins said this recommendation is slightly different than what they did for the Fire facility, in which they used the programming document to define the functions in the building, and what they are asking for here is to reevaluate the size of the facility. Burright said yes; the programming document talks about spaces and sizes, and there have been changes that impact that, particularly with APD. Lattanzio and Hinrichs have been working with the Committee on that. The percentage of population increase in the City that was used to formulate those plans and estimate the number of employees may be lower than was anticipated. They recognize there are some spaces that may not need to be there. They decided it needed to be updated and staff is working on it. They are going back to the firm that prepared it and for a low fee are having them update it. It would be done prior to the RFPs going out and would not be part of the RFP.

Collins thanked Burright and Morse for their work. He has confidence in the efforts of two co-chairs in pulling together the variety of people on the Committee for input to bring a lot of good ideas to the table. The long-term objective is to have proper public safety facilities in this community. Morse said they are very committed to that.

Morse said that as the RFPs take shape the Committee wants to stay engaged in that process. When the designs are put out to the community they want to participate as advocates for this process for the public input. When the RFP is completed they will reconvene and consider all the data and make a final recommendation to the Council. They will stay with this project until it is complete. They have not yet considered the funding equation; they will discuss it at their June 10, 2014, meeting. The final recommendation for funding will come after the costs have been estimated through the RFP process.

Kellum asked, in deliberating the pros and cons, did you consider the cost savings of not driving back and forth to the jail? Burright said there was no dollar figure assigned, but the point was made that it is different having the jail separate from the courts, because every prisoner is moved back and forth in that scenario and it is a huge issue. Ideally, the jail should be across the street from the courts. There is a similar connection with APD but it is nowhere as large since most of the arrests come from the streets.

Kellum said, regarding the acquisition of properties, in his opinion at least, there is a difference in taking away someone's house where they have raised their kids and taking away someone's investment property. He does think the condemnation possibility should be left open, especially for investment property. Morse said they are also sensitive to the relocation of those being displaced. They don't have a specific recommendation other than asking the Council to be sensitive and to provide some measure of assistance to those people. The timing could also be addressed in negotiations; for example people that live on the third parcel could be allowed to stay in their homes for some period of time. Sensitivity to relocation issues is important to the Committee.

Olsen agrees with Kellum; he does not support condemnation for homeowners, though rental property is a different issue. Also, he said it seems that they are switching plans midstream, and he is concerned. He thinks it is premature to be asking for design money. Morse said the concept is a sequence, in that they explore the possibility of acquiring the properties at a price in a fairly short period of time. Morse asked Delapoer what the time frame was. Discussion followed about the RFP and property acquisition dates, which are on parallel tracks and should both come together by mid-August. If the property acquisition is not solid by then, they would know to focus on Pacific Boulevard. Delapoer said the first step involves the vendor selection based on their qualifications; choosing the site would be the second step. So there is time, but there would be an issue if they have to use eminent domain. They are hoping to have willing sellers at reasonable prices.

Olsen thinks this might drag on. He asked if the Committee has considered splitting the two facilities since the Fire Station location is set and the Police Station location is not. They could take the two facilities to the voters separately. Morse said they do not have plans for that. If it can't be done fairly rapidly, then they may have to switch to the Pacific Boulevard site. They are also aware that the cost of construction continues to rise so they can't delay for very long. The Committee has not recommended protracted development of the Police Station. They have a short window; if it doesn't happen in that amount of time, then they would focus on Pacific Boulevard. Discussion followed.

Burright said that assuming they have to go out for a General Obligation (GO) bond, they won't make the November election anyway. The next opportunity is May, but that might be tight. Discussion followed about the best time to go to the voters and if the facilities should be presented separately or together. Konopa said that in her experience of managing the public safety levy campaigns for many years, if they separate them, the Police Department won't pass on its own. The Fire Department is the sellable part for the Police Station. Unfortunately, too many people in the community don't support a Police Station. If they go next May, it will likely be a low voter turnout. She suggested they also look at when the bond will be retiring, since the property taxes would decrease. The timing is important because how a new bond would impact taxes is key to making it sellable to the voters.

Morse said the Committee has not discussed it, but his preference is to send the two facilities together because they can use one financing mechanism. He said this Committee can be the bridge to the community. He said that APD looks fine on the outside but when you go inside and look around, it is woefully inadequate for today's needs and extremely inadequate for the future; something has to be done. There is no question as to the need for a new Police facility by any Committee member.

Burright said that there are a lot of misconceptions in the public about the building itself, like suggesting the addition of a second or third story. They talked with the architect that designed the building and learned that the existing foundation and walls are not designed to go up. It could be gutted, remodeled, and added onto, though. He thinks getting the designs will answer the public's questions about the options.

Konopa said that there are many who don't value public services and law enforcement like they should. It will be a challenge to reach those people.

Coburn said he understands that the process is that the RFP responses will be evaluated to determine the qualifications of the responders; they will select three, and pay them \$40,000 each to develop conceptual drawings. He asked if that is correct, because that is not what the resolution says. Concurrently, they will be seeing if there are property owners willing to sell; and if not, then they will default to the Pacific Boulevard site. The resolution speaks to spending the litigation settlement funds and the step for seeking qualifications, but not for picking the design; he asked if his understanding is that is correct. Hare said the original thought was that the Council would authorize funds to issue the RFP and the funds would be used to pay for that work they are

asking for in the RFP. The language in the resolution still works but the process has morphed into a two-step process where they will first look at the qualifications, and select three. The money being authorized in the resolution is to do that work. Coburn thinks the \$120,000 number and any other costs should be in the resolution.

Delapoer said, you are simply asking if you can use settlement funds to secure the conceptual designs for the Police Station. He said, you could add the \$120,000 to the resolution if you are willing to go through that process, but if not you can't put in a dollar amount because in the ordinary process you select a qualified architect and then you negotiate the price. The current system under state law gives the architect no incentive to be particularly cost effective. The alternative proposal picks a finite amount of money and seeks to get three good proposals for that amount of money. They can add the \$120,000 to the resolution so long as they are willing to go with the new process. Hare noted that the Council has already approved using settlement funds for the Fire Department RFP; this would be a similar authorization. Discussion followed. Hare verified that the Committee decided to spend \$120,000 each for Police and Fire. Delapoer said that money buys six renderings total for the two facilities. The Fire Department expenditure was already approved.

Coburn says the resolution is not clear. It should include more information that states the intent to send out an RFP; that they will select three they think are qualified; and that those three will be paid \$40,000 each to develop and prepare a conceptual plan for APD. He said there are too many loose ends and he feels like he is being asked to write a blank check. Taylor gave background on the two resolutions prepared for the RFPs; the Fire Station resolution was previously adopted by the City Council and the Police is before the Council tonight. Engineering is currently incurring staff time costs in preparation of the RFPs. Typically they will capture those costs as part of the project. It has been at Taylor's insistence that when they are applying or dedicating litigation funds for any purpose, that they have direction from the Council to do so. They came to the City Council at his initiative because they are using City staff time to develop the RFPs. In order for him to establish the line item project costs in the Budget, he prefers that the City Council approve the funding source. As Coburn is describing, from the discussion the Committee had last night, the direction that is being proposed for the Police Station has expanded beyond the scope of the resolution. Taylor said that maybe they do need a separate resolution if they are going to talk about a dollar amount for specific purposes.

Delapoer suggests that to resolve Coburn's concern they could have an understanding that the RFPs would be reviewed and approved by the Council before they go out, since while they are being reviewed by Committee, the Committee has no legal standing to issue RFPs. He said, this way you get to see the RFPs; you decide the money; and if you are comfortable, you can direct staff to send them out or make changes. The Committee makes the recommendations but the Council makes the decision. The only clear way to issue the RFPs is if the Council is comfortable with them and will include the amount. Coburn is comfortable with Delapoer's recommendation. He thinks Taylor made a good point that the concept presented tonight to pick three architects for the Police facility was not part of the Fire Station process. Delapoer said there is no question that the Council should be the body to issue the RFP. He said, you will be making the decision about how much to spend at a later date; all this resolution does is to give Taylor the ability to start charging a line item for the staff time that is being incurred. He said, if you don't go this route you will go the traditional route where you select an architect and then negotiate what a proposed design will cost.

Johnson doesn't want to tie the hands of the Committee, for example having a discussion about the timing of the election. She doesn't want the public to have the perception that the Council is stepping in too soon. Burright thanked Johnson for her comments and said to not worry about that. They appreciate the Council's hands-off approach. They know they are making the recommendation and the Council will make the final decision.

Kopczynski is concerned that the process being proposed means that two of the three firms will walk away with \$40,000; he is not sure why that is an advantage. He asked, why spend the extra \$80,000? Burright said that a traditional RFP process has three phases. At the end of first phase they would have schematic drawings and other documents that voters would need in order to make a decision. The next two phases would be construction, etc. Burright said, the traditional way means they send a representative to pitch their firm and all we end up with is really just our best guess about whether it is the right firm or not; after we pick them, then we decide how much we will pay them and if we don't like what we get, it is too late. He said, it is hard to un-ring the bell because they are assured to do Phase 2 and 3. Kopczynski said, this proposed process gets us three Phase I products for the price we would have paid using the traditional way. Burright said yes. Morse pointed out that the \$40,000 won't pay for the cost of drawings so the responder will need to decide if they want to risk investing time and money by responding.

Hare said, to Morse's comment about risk, this would be a great scheme where architects are hungry for projects. He has heard that architects are busy right now so there may not be any willing to do it, and if there were, they may or may not have the experience. It may or may not work. Morse said there is debate about how hungry architectural firms are right now. He said, on the flipside, they might end up with smaller firms that would do a tremendous job, whereas if they were competing with the bigger firms in a traditional RFPs process they may not even try. For example, the firm that did the Scio Fire Station was a very small firm from Eugene and it was very impressive. This design competition could also see a smaller architect partner working with a large construction firm.

Collins likes this approach. It provides flexibility and will have a better deliverable to the public. As to Coburn's concern about the resolution, since the resolution for the Fire Department was similar and parallel, he supports the Council's approval of this one for Police. He said, when they come back after reviewing the draft RFP, they could do another resolution that incorporates the authorization for the funding. That keeps it parallel and simple.

Delapoer cautioned the Council. He said it is a creative way to do this but it is outside the statutory box. The statutory box says they select someone based on qualifications, and then after the selection they negotiate the price. Many of the virtues they have been discussing tonight are not what the architects' lobby had in mind when they got the laws passed. He was asked at the Committee if he thought it was legal and defensible. He doesn't think it will be challenged, but he is informing the Council of the possibility of challenge because it is not the established path and there is no case law. They aren't taking that step tonight, but because it has been discussed so much Delapoer said he needs to caution them that it is still legally uncertain. Collins said he is willing to take that risk.

MOTION: Collins moved to adopt the resolution and Kopczynski seconded the motion. The motion passed 6-0 and was designated Resolution No. 6326.

Authorizing the Finance Director to sign a contract with Government Portfolio Advisors, LLC, for professional investment advisory services for five years beginning in June 2014.

Taylor said that the City went through an RFP process for investment advisory services. The City has had a contract for the last six years with Davidson Fixed Income Management. They have had some internal changes so the City went through a competitive process and received two proposals from very qualified firms. Taylor said, the city of Corvallis participated in the review of the RFPs and selection process and intends to use the cooperative purchasing language in our contract to negotiate a similar contract for Corvallis.

MOTION: Kopczynski moved to adopt the resolution and Collins seconded it. The motion passed 6-0 and was designated Resolution No. 6327.

Adoption of Consent Calendar

- 1) Approval of Minutes
- 2) March 26, 2014, City Council Regular Session.
- 3) Approving liquor licenses for:
 - a) Misty Meadows Winery, Inc., 2031 Meadow Wood Drive NW.
 - b) Albany Historic Carousel and Museum, 503 First Avenue NW.
 - c) The Flinn Steakhouse, 222 First Avenue West.
- 4) Approving annual liquor license renewals.

Kellum asked that item 3) b) be removed for discussion.

MOTION: Johnson moved to adopt the Consent Calendar as presented with Item 3) b) removed for discussion. Kellum seconded the motion and it passed 6-0.

Regarding item 3) b), Kellum asked if it is a one-time fundraising event, or ongoing. Coburn said that a vineyard offered to label their wine with the Carousel theme so the Carousel could sell the wine as a fundraiser. They had an auction so two people could buy the privilege, and one person bought both because they have two animals. The bottles will be sold at the Carousel as an ongoing fundraiser.

MOTION: Kellum moved to adopt Item 3) b). Johnson seconded the motion and it passed 6-0.

Award of Bid

SS-14-02, 2014 Pipe Bursting Projects.

Shepard said this involves two projects, pipe bursting and open trench replacement. Pipe bursting is less expensive and less intrusive to the streets and backyards. They do the open trench in places that do not lend themselves to lining or pipe bursting. The two projects were combined into one project for economy of scale. They are slightly over budget by \$25,000, though if the contingency is removed they are over by about \$7,000. The overage is driven by a change in the scope of the open trench; rather than replace it where it exists now, they moved it to the street because of the impact to backyards during construction and for continued access for maintenance purposes.

MOTION: Collins moved to award the contract in the amount of \$176,975 to Canby excavating. Kopczynski seconded the motion and it passed 6-0.

BUSINESS FROM THE COUNCIL

Collins said he ran the numbers on the bid and it comes out to about \$240 a foot. He recalls that it used to be \$3 in his days, which shows how construction costs have changed. It reflects the cost of sewers and the backlog of sewer systems in Albany. It is a financial burden for infrastructure. Kellum said there are also changing sets of rules that they have to deal with.

Discussion followed about the meetings on Monday, June 2, 2014, at 5:15 p.m. and 7:00 p.m.

To the discussion about construction costs going up, Coburn thinks it is more seasonal than economic recovery, though it is both. As evidence, the number of hours electricians are working in this area are down from last year. In the Portland area, the work at Intel has been driving that whole economy. Now that Intel has finished their buildings there is concern about the ripple effect. Late fall or early winter usually produces better bids. While it is true that construction costs are increasing, he doesn't think that the projects should be rushed to get to the voters.

Olsen said ODOT presented information about the I-5 Environmental Assessment. He thought ODOT's plan for Airport Road was awful. He asked if they have to get final approval on the plan. Shepard said the Council would have to agree to amend the TSP to be consistent with the plan that ODOT puts forward with their Environmental Assessment (EA). If the Council does not approve an amendment of the TSP, then ODOT's EA cannot be adopted through their process because the TSP and their plan must line up and currently they do not. Discussion followed about using pork chops and cul-de-sacs on Airport Road.

NEXT MEETING DATE: Work Session June 9, 2014
 Regular Session June 11, 2014

ADJOURNMENT

There being no other business, the meeting was adjourned at 9:47 p.m.

Respectfully submitted,

Reviewed by,

Mary A. Dibble, MMC
City Clerk

Wes Hare
City Manager