

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Municipal Court Room
Monday, October 26, 2015
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 Bill Coburn, Bessie Johnson, Rich Kellum, Ray Kopczynski, and Dick Olsen

Councilors Absent: Councilor Floyd Collins (excused)

BUSINESS FROM THE PUBLIC

None.

FINANCIAL POLICIES REVIEW

Finance Director Stewart Taylor said the City Council reviews and adopts the City's Financial Policies, Investment Policy, and Risk Management Policy on an annual basis. Adoption of the policies will be included on the October 28, 2015, Council Meeting agenda. At this time, Council is asked to give direction regarding any questions or revisions.

Stewart said there are no recommended changes in the Financial Policies this year. He drew attention to the Policy around Debt, noting the Securities Exchange Commission (SEC) had previously identified failings that resulted in Council direction to implement a periodic review of all the securities and ensure that the City is current on filings due with those instruments. He reported that the periodic review was adopted administratively in March and staff feels confident the issues raised by the SEC have been addressed. He said that a review by Standard & Poor's in January resulted in a rating increase for the City that was of benefit in issuing bonds for the police and fire facilities.

Councilor Dick Olsen asked how high the City's rating could potentially go. Taylor said the current rating is about as high as the City can get with our demographics. The rating represents the community's ability to pay.

In response to an inquiry from Councilor Ray Kopczynski, Taylor briefly discussed the PERS liability.

Sally Walton, Government Portfolio Advisors (GPA), was asked to provide a market update and discuss the Investment Policy, which sets parameters for investment of available cash not needed to meet current obligations. Walton said the interest rate was expected to increase last September but that did not happen due in part to economic slowdown overseas. The two-year Treasury note is unchanged from last year. Going forward, market consensus seems to be for a rate hike in 2016. Walton provided information about the City's portfolio and returns. With regard to the Investment Policy, GPA is recommending to separate certificates of deposit and bank deposits into individual line items, and to clarify the ratings limit on corporate and municipal bonds to AA- for Standard & Poor's and Aa3 for Moody's Investors Services.

Steve Uerling, Barker Uerlings Insurance, distributed and reviewed the City's Risk Management Report, dated October 26, 2015 (see agenda file). The report included a Schedule of Property and Liability Insurance, and information regarding premiums, deductibles, and losses in Property, Tort Liability, Automobile Liability, and Automobile Damage, both Citywide and by Department.

Kopczynski asked if the reduced amount of earthquake insurance will be sufficient to cover the new police and fire buildings. Uerlings explained that the previous insurance carrier, which had insured the City at \$100 million, pulled out of Oregon. Travelers now provides earthquake coverage and the City of Albany currently has \$50 million in coverage. Cities in the City/County Pool have a \$10 million limit per city and a total of \$150 million. In the event of major damage, some cities will get cents on the dollar. Corvallis and Albany are the only two cities he insures that have the full \$50 million coverage. The modeling showed damage in a 500-year event was about \$32 million so the City should be covered even with the new facilities. Taylor noted that Uerlings has encouraged a reassessment of City properties.

HIGHWAY 20 SHEEP CREEK BRIDGE UPDATE

Jerry Wolcott, Oregon Department of Transportation (ODOT), gave a presentation on US20: Sheep Creek Bridge Phases 1 & 2 (see agenda file). The presentation included information regarding a large slide in the area of Sheep Creek Bridge on Highway 20 east of Sweet Home and a two-phase solution. Phase 1 will utilize a "picket fence" project to redirect and reduce the slide activity. Phase 2 will involve a lengthy process to fix the bridge: close the road, demolish the east end of the bridge, remove dirt under the east end, refill with rock, rebuild the bridge, pave,

stripe, and reopen the road. The project is estimated to take six to eight weeks and is scheduled to occur during the construction weather window of August and September 2016, after the Oregon Jamboree.

Wolcott reviewed detour routes and traffic volumes, consideration and issues associated with a detour structure, and efforts to shorten the highway closure, including contractor pre-qualification and incentives/disincentives per day for early/late. The project is still under development and ODOT will look for any way possible to shorten the closure time. Other potential risks are that El Nino could delay the start of Phase 2 or activate a landslide before the fixes can be completed, in which case, full replacement would take about a year; and fire or fire danger could delay completion. ODOT is trying to get this information out early and he asked for help in spreading the word. Brief discussion followed regarding the project and the timeline.

ARE WE READY FOR THE BIG ONE?

City Manager Wes Hare referenced a recent New Yorker article which laid out what a large earthquake could do in terms of damage to communities on the West Coast. He said this has been talked about for years, and steps have been taken from time to time to address the issue: the School District received grant money to upgrade Central Elementary; we have used Central Albany Revitalization Area (CARA) money to help with seismic upgrades; and new projects are required to meet Code. He said this is a tough call for policy makers because we have gotten along this far without a catastrophic event which lulls people into a sense of complacency and makes them feel there are other priorities, yet the consequences of inaction can be quite horrible as seen in other places. An earthquake in Pakistan in 2005 killed close to 100,000 people, 17,000 of which were children in their schools. In contrast, legislation in California in the 1930s required schools to be earthquake resistant and there has not been a child injured in an earthquake in a school in California despite that state having had earthquakes of comparable intensity to the one that occurred in Pakistan. There has been internal discussion and the management team agreed it would be a good time to update City Council on these issues.

Emergency Management Specialist Darrel Tedisch said the City's updated Hazard Analysis shows earthquake as fifth of the six high-priority items primarily because of the amount of destruction that could occur. Snow storms and ice storms are first and second priority, primarily because of snow and ice a couple of years ago and the impact it had on the community, and the others are high winds and river floods.

Tedisch said the article in the New Yorker July 2015 edition was followed by other information on earthquakes in the region, including an Oregon Public Broadcasting series that talked about how bad the infrastructure is in Oregon and possible impacts if there was a large quake; blogger Hasso Hering's article that summarized some of the problems and impacts; a meeting of the Corvallis City Club attended by over 100 people and three presenters which looked specifically at the downtown buildings and what could be expected to occur; an editorial in the *Albany Democrat-Herald* about preparedness and what steps citizens could take to be prepared; and an American Geosciences Institute Webinar: "Communicating Cascadia's Earthquake Risk," a key point of which is that those on the I-5 corridor could experience a long shake, damage, and disruptions including lack of fuel, lack of natural gas, downed utilities, food shortages, and liquefaction.

Tedisch said in his experience, the community expects that government will be quick to respond, have a handle on the action to be taken, and be able to provide relief to the community. In reality, most of that could not be done. In evaluating critical facilities, it was found they will in most cases be damaged. City Hall was built in 1996 at a higher level, and it can be expected that the ceiling will fall and windows will break but from a stand and use standpoint, it should be okay. In looking at power, the Police Department gets backup power from the Linn County Sheriff's Department. Two-way power was put into the sewer plant and, depending on what remains, we could have power there. There are generators at most places that would be considered critical but, again, fuel will be a concern.

Interim Public Works Operations Director Chris Bailey added that it's likely the City won't have water or sewer for weeks if there is a big event. There may be some rudimentary water making ability if everything holds up but distribution could be a huge problem. There are a lot of unknowns and it is just not expected that the City will have a lot of water available for people.

Tedisch reviewed past staff training and exercises, and he said the City will participate in the state's full-scale exercise in June 2016. As a community, we are doing very well; however, the City doesn't have the resources to be able to provide fuel, water, food, and even potentially a shelter for 500 people. He said the community is encouraged to be prepared with 14 to 21 days worth of supplies.

Olsen asked if there is a list of supplies that people should have. Tedisch said there is a lot of information on line and a County intern will be undertaking an effort to encourage people to be prepared and come up with a standardized list of what they should have available in their homes.

Hare said it would be a good idea to include this as part of the conversation when talking about facilities, spending priorities, and ways we can help the school district. He said we don't want our kids in a place where they are vulnerable and, frankly, that is the way it is now in most of our schools.

CHANNEL 28 PROGRAMMING

Assistant City Manager/Chief Information Officer Jorge Salinas said Council had previously asked staff to look at usage for Channel 28 and to add information about the schedule. Channel 28 now shows when Council meetings are scheduled; however, there are not additional videos to add to the schedule. Comcast doesn't provide usage information about Channel 28, but staff has monitored stats from the YouTube channel. Salinas distributed and reviewed information regarding the past six month's usage and the top videos viewed (see agenda file). The total viewing time for the top ten events was 18,000 minutes or 304 hours, which is about 1.7 hours per day. The City doesn't have the ability to produce content nor the funds to buy content for the channel.

Councilor Bessie Johnson asked if staff looked at what other cities do. Public Information Officer/Management Assistant Marilyn Smith said other cities and counties Albany's size tend to use content that someone else produced. Unless it is a city of at least 100,000 population, there is not the staff or equipment to produce content. She noted that cable viewership is dropping across the country because videos can be viewed without subscribing to cable. In discussion, it was noted that videos from others would need to be in the right format and they would need to be reviewed for content. Hare added that staff can handle Channel 28 programming as it currently exists but, short of dedicating funds for that purpose, there is not much more that can be done.

PUBLIC SAFETY FACILITIES PROJECT UPDATE

Engineering Manager Staci Belcastro said applications for both the police and fire buildings have been submitted and deemed complete. Staff is working on the report and notice for the November 16, 2015, public hearing at the Planning Commission. The Edward Jones building is being offered up for auction to move the building. A contract has been awarded to a firm out of Eugene to demolish Richards Cleaners.

Fire Chief John Bradner said it was not feasible to move or refurbish the Ralston building. A company has been retained to dismantle the building and provide back some of the reclaimed wood which can then be used in construction of the new station. He said staff has been working with tenants Edward Jones and Richards Cleaners on their move dates to ensure they are not without a place of business.

COUNCILOR COMMENTS

Konopa commended staff for their work on the Simpson Trail area. She went on a Gator with the Police Department as they went along the trail and walked down mini-trails that led to homeless campsites. Eleven sites had been shut down and there was a huge amount of garbage, clothing, and waste. She said it takes a lot of time between Police, Parks Maintenance, and Public Works staff to patrol, shut down, and clean up these sites and stay on top of that situation.

CITY MANAGER REPORT

Hare said he was asked by Portland State University to talk to some international students and faculty about the City's e-government efforts and the services offered electronically. It was a good meeting and that same group will visit on Thursday to see how it works first-hand. He has also been asked to participate in a national webinar by the Alliance for Innovation related to the City's electronic services.

ADJOURNMENT

There being no other business, the meeting was adjourned at 5:55 p.m.

Respectfully submitted,

Reviewed by,

Teresa Nix
Administrative Assistant

Wes Hare
City Manager