



NOTICE OF PUBLIC MEETING
CITY OF ALBANY
CITY COUNCIL
 Council Chambers
 333 Broadalbin Street SW
 Wednesday, October 28, 2015
 7:15 p.m.

OUR MISSION IS
*"Providing quality public services
 for a better Albany community."*

OUR VISION IS
*"A vital and diversified community
 that promotes a high quality of life,
 great neighborhoods, balanced
 economic growth, and quality public
 services."*

AGENDA

Rules of Conduct for Public Meetings

1. No person shall be disorderly, abusive, or disruptive of the orderly conduct of the meeting.
2. Persons shall not testify without first receiving recognition from the presiding officer and stating their full name and residence address.
3. No person shall present irrelevant, immaterial, or repetitious testimony or evidence.
4. There shall be no audience demonstrations such as applause, cheering, display of signs, or other conduct disruptive of the meeting.

1. CALL TO ORDER
 2. PLEDGE OF ALLEGIANCE TO THE FLAG
 3. ROLL CALL
 4. PROCLAMATION
 - a. Extra Mile Day. [Page 3]
 Action: _____
 5. SCHEDULED BUSINESS
 - a. Business from the Public
 - b. Second Reading of Ordinance
 - 1) Amending Albany Municipal Code Chapter 2.27, Community Development Commission. [Pages 4-6]
 Action: _____ ORD. NO. _____
 - c. First Reading of Ordinance
 - 1) Levying assessments against property specially benefited by sewer connections and the assessment of sewer and transportation system development charges for property described as Tax Lot 01010, Parcel 11S03W18B, and site address 353 29th Avenue SW. [Pages 7-9]
 Action: _____ ORD. NO. _____
 - d. Adoption of Resolutions
 - 1) Approving an exemption from the competitive bidding process and authorizing the purchase of Zoll Defibrillators through National Purchasing Partners. [Pages 10-23]
 Action: _____ RES. NO. _____
 - 2) Appropriating funds for the purchase of a replacement Type 6 Fire Engine. [Pages 24-25]
 Action: _____ RES. NO. _____
 - 3) Approving an Extended Property Tax Abatement Agreement with SnoTemp Cold Storage. [Pages 26-29]
 Action: _____ RES. NO. _____
 - e. Adoption of Consent Calendar
 - 1) Approval of Minutes
 - a) August 18, 2015, Joint Albany City Council and Benton County Board of Commissioners minutes. [Pages 30-35]
 - b) August 24, 2015, Work Session minutes. [Pages 36-38]
 - c) September 21, 2015, Work Session minutes. [Pages 39-42]
 - 2) Readopting an Investment Policy and repealing Resolution No. 6374. [Pages 43-56] RES. NO. _____
 - 3) Readopting the Risk Management Policy and repealing Resolution No. 6375. [Pages 57-63]
 RES. NO. _____
 - 4) Readopting Financial Policies and repealing Resolution No. 6376. [Pages 64-70] RES. NO. _____
 - 5) Declaration and disposal of surplus personal property. [Page 71]
 RES. NO. _____
- Action: _____

6. BUSINESS FROM THE COUNCIL
7. RECESS TO EXECUTIVE SESSION TO DISCUSS REAL PROPERTY TRANSACTIONS IN ACCORDANCE WITH ORS 192.660 (2)(e)
8. RECONVENE
9. NEXT MEETING DATE: Work Session: November 2, 2015
Regular Session: November 4, 2015
10. ADJOURNMENT

PROCLAMATION

EXTRA MILE DAY

November 1, 2015

WHEREAS, Albany is a community which acknowledges that a special vibrancy exists within the entire community when its individual citizens collectively “go the extra mile” in personal effort, volunteerism, and service; and

WHEREAS, Albany is a community which encourages its citizens to maximize their personal contribution to the community by giving of themselves wholeheartedly and with total effort, commitment, and conviction to their individual ambitions, family, friends, and community; and

WHEREAS, Albany is a community which chooses to shine a light on and celebrate individuals and organizations within its community who “go the extra mile” in order to make a difference and lift up fellow members of their community; and

WHEREAS, Albany acknowledges the mission of Extra Mile America to create 550 Extra Mile cities in America and is proud to support “Extra Mile Day” on November 1, 2015.

NOW, THEREFORE, I, Sharon Konopa, Mayor of the City of Albany, do hereby proclaim November 1, 2015, to be

Extra Mile Day

and urge each individual in the community to take time on this day to not only “go the extra mile” in his or her own life, but to also acknowledge all those who are inspirational in their efforts and commitment to make their organizations, families, community, country, or world a better place.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Albany to be affixed this 28th day of October 2015.

Sharon Konopa, Mayor



TO: Albany City Council

VIA: Wes Hare, City Manager
Jeff Blaine, P.E., Public Works Engineering and Community Development Director *JB*

FROM: Bob Richardson, Planning Manager *BR*
Anne Catlin, Planner III *ac*

DATE: October 21, 2015, for the October 28, 2015, City Council Meeting

SUBJECT: Amendments to the Community Development Commission

RELATES TO STRATEGIC PLAN THEME: • GREAT NEIGHBORHOODS

Action Requested:

Staff recommends that the City Council adopt the attached ordinance that would amend AMC Chapter 2.27, Community Development Commission (CDC), giving the Mayor the ability to appoint replacement members and fill Commission vacancies with City Council ratification.

Discussion:

The City Council held the first reading of this ordinance on October 14, 2015. During the same meeting, a motion for a second reading of the ordinance did not receive a unanimous vote. As a result, this item is on the October 28, 2015, agenda for consideration of a second reading and adoption of the proposed ordinance.

The CDC was created by Ordinance 5822 in 2013 to assist with oversight and management of Albany's Community Development Block Grant programs. Currently, AMC 2.27.030 states that the City Council will appoint replacement members and fill vacancies of this ten-member commission.

During the September 21, 2015, Work Session, Mayor Konopa explained the challenges Council would have interviewing CDC applicants and meeting Commission composition requirements with the current procedure. To overcome them, Mayor Konopa recommended that the City Council amend AMC 2.27.030 to allow the Mayor to appoint new members and fill vacancies with Council ratification.

The Council accepted Mayor Konopa's recommendation and directed staff to prepare draft amendments to the AMC Chapter 2.27, Community Development Commission, for Council consideration. Proposed amendments are shown in the attached ordinance.

Budget Impact:

None.

ALC:rk
Attachment

ORDINANCE NO. _____

AN ORDINANCE AMENDING ALBANY MUNICIPAL CODE CHAPTER 2.27, COMMUNITY DEVELOPMENT COMMISSION.

WHEREAS, the City of Albany created the Community Development Commission on September 11, 2013, by Ordinance No. 5822 to provide recommendations regarding Albany's Community Development Block Grant programs and policies;

NOW, THEREFORE, THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: The Albany Municipal Code Chapter 2.27 is hereby amended to read as follows:

2.27.010 Creation of Community Development Commission. The Community Development Commission for the City of Albany is created pursuant to provisions of this chapter.

2.27.020 Purpose. The Community Development Commission is established to review and recommend housing, neighborhood revitalization, and community development policies, actions and programs to the City Council that could be supported primarily with Community Development Block Grant (CDBG) funding provided by HUD.

2.27.030 Terms of Office and ~~Initial Appointments~~. The initial membership of the Community Development Commission shall be established by the Mayor and approved by the City Council. Four of the initially appointed members shall serve a three-year term, three of the initially appointed members shall serve a two-year term, and three of the initially appointed members shall serve for a one-year term. Initial terms of appointment will be staggered according to the alphabetical order of the appointee's surname, beginning with three-year terms for those closest to the beginning of the alphabet. Thereafter, as the terms expire, the ~~Council~~ Mayor shall appoint replacement members **with City Council ratification. Members shall be appointed** for three-year terms or until their successors are appointed and qualified. All members of the Community Development Commission will serve at the pleasure of the Council and may be removed from their position by the Council at any time without cause. Any vacancies in the Commission shall be filled **by the Mayor and through ratified**~~ation~~ by the City Council. Members shall serve without compensation.

2.27.040 Community Development Commission Composition. All Community Development Commissioners shall have their principal residence within the jurisdictional limits of the City of Albany. The City Council shall endeavor to ensure low- and moderate-income persons and minorities are represented on the Commission. The Commission shall consist of at least ten (10) members **deemed by the Council to have backgrounds** as follows:

- (a) Three at-large members from the general public
- (b) One representative from the financial industry
- (c) One representative from the housing industry
- (d) One representative with experience in economic development
- (e) One representative from the social services or affordable housing ~~agency~~ industries
- (f) One representative from the Human Relations Commission
- (g) One representative from the Planning Commission
- (h) One representative from the City Council

2.27.050 Duties and Responsibilities. The Community Development Commission shall have the following responsibilities related to the City's CDBG program and other programs as directed by the City Council:

- (a) Review and consider policy, programming and funding recommendations to the City Council regarding the City's needs related to community development and affordable housing that primarily benefit low- and moderate-income, minority, and special needs populations.
- (b) Review and make recommendations regarding City applications for federal, state or other funding sources related to the purpose of the Commission as the Council may direct including the five-year Consolidated Plan, Annual Action Plan and any substantial amendments proposed to those plans.
- (c) Review the Consolidated Annual Performance Evaluation Report (CAPER) each year to examine the performance of the projects funded in whole or in part with CDBG funds.
- (d) Review proposals for funding from CDBG funds, and make recommendations to the Council for final action.
- (e) Serve as the review and appeal body for CDBG housing loan and grant programs.
- (f) Monitor and evaluate planning, programming, and implementation of housing and community development activities related to the City's CDBG programs.

2.27.060 Procedures. The Community Development Commission shall elect a chair and a vice chair **at its first meeting of each year.** A majority of the members shall constitute a quorum. The Commission shall keep minutes of its proceedings which shall be kept on file in the office of the City Recorder. The Commission's meeting shall be open to the public and held within the corporate limits of the city of Albany subject to customary state and City requirements for public access and notice. The Commission shall meet at least quarterly and at such other times as the Commission shall determine useful to the conduct of its business.

Passed by the Council: _____

Approved by the Mayor: _____

Effective Date: _____

Mayor

ATTEST:

City Clerk

ORDINANCE NO. _____

AN ORDINANCE TO LEVY ASSESSMENTS AGAINST PROPERTY SPECIALLY BENEFITED BY SEWER CONNECTIONS AND THE ASSESSMENT OF SEWER AND TRANSPORTATION SYSTEM DEVELOPMENT CHARGES FOR PROPERTY DESCRIBED AS TAX LOT 01010, OF PARCEL 11S 03W 18B, AND SITE ADDRESS 353 SW 29th AVE; AND DECLARING AN EMERGENCY.

WHEREAS, the Sewer System Development Charge, as referred to in this ordinance, is to provide sewer connections to serve the structures on this property; and

WHEREAS, the Transportation System Development Charge is intended to assess charges for future expansion or capacity increases to the system, and is aimed at providing additional levels of service to the existing road network; and

WHEREAS, these charges will be assessed on the property described as Tax Lot 01010, of Parcel number 11S 03W 18B 01010, and site address 353 SW 29th AVE. (See attached "Exhibit A")

NOW THEREFORE, THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: The Sewer and Transportation System Development Charges and the assessments for the same will be levied according to the provisions of Albany Municipal Code, Chapter 15.16.

Section 2: The total cost of the Sewer and Transportation System Development Charges is \$38,922.76

(See attached assessment sheet and "Exhibit A")

Section 3: The City Recorder is hereby directed to enter a statement of the assessments as provided above in the docket of the City liens and give notice thereof as provided by law.

Section 4: Emergency Clause. In as much as this ordinance is necessary for the immediate preservation of the public peace, health, and safety of the City of Albany, or to facilitate the prompt and timely completion of important City business, an emergency is hereby declared to exist; and this Ordinance shall take effect and be in full force and effect when signed by the Mayor.

Passed by the Council: _____

Approved by the Mayor: _____

Effective Date: _____

Mayor

ATTEST:

City Clerk

Owner of Record

Property Description

Assessment Description

AART PROPERTIES, LLC
353 SW 29TH AVE
Albany, OR 97322

353 SW 29th AVE
Albany, OR 97322
11S 03W 18B 01010

Sewer SDC
Amount: \$5,772.00
Acct # ssrc2015-0002-000

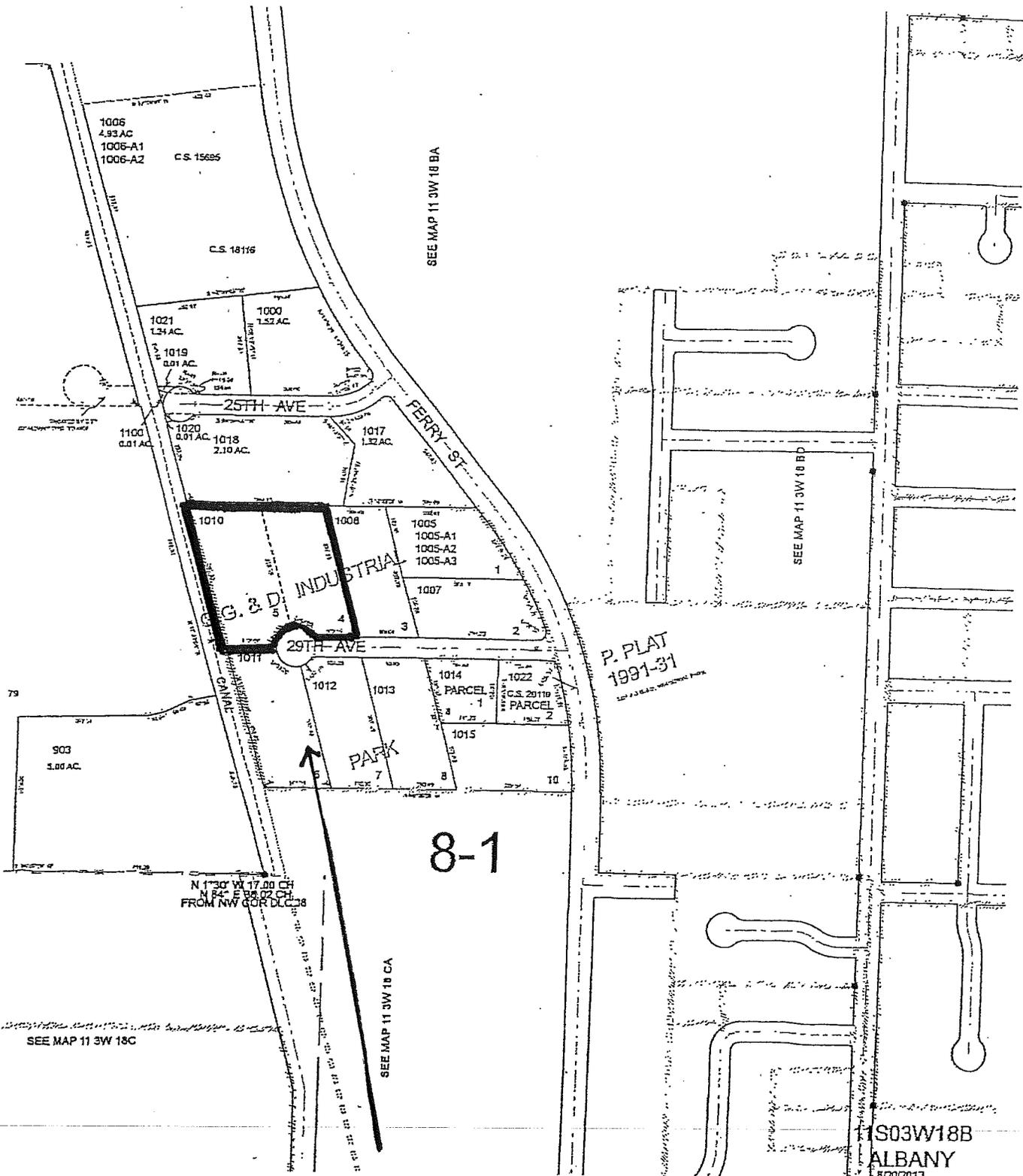
AART PROPERTIES, LLC
353 SW 29TH AVE
Albany, OR 97322

353 SW 29th AVE
Albany, OR 97322
11S 03W 18B 01010

Transportation SDC
Amount: \$33,150.76
Acct # stsd2015-0002-000

Report Total: \$38,922.76

"Exhibit A"



Tax Lot 1010



TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: John R. Bradner, Fire Chief *JRB*
DATE: October 22, 2015, for the October 28, 2015, City Council Meeting
SUBJECT: Exemption from Competitive Bidding Requirements to Purchase Heart Monitor/Defibrillators

RELATES TO STRATEGIC PLAN THEME: ● A Safe City

Action Requested:

Approval for exemption from the competitive bidding requirements to purchase six Zoll X-Series Heart Monitor/Defibrillators through a contract with the League of Oregon Cities, the lead contracting agency for National Purchasing Partners (NPP).

Discussion:

The replacement schedule for Fire Department medic unit heart monitor/defibrillators is seven years for frontline and seven years for backup. The current monitors will meet their replacement age this fiscal year. Once replaced, those monitors will be moved to the engines for advanced life support use and backup. The monitors currently on the engines are those that were replaced seven years ago and are no longer serviceable.

The new Zoll X-Series monitor/defibrillators are the same brand as the monitors being moved to the engines, which will provide familiarity and interoperability. The Zoll brand has proven to be durable and reliable, and the new monitors are smaller, lighter, EMS specific, and Bluetooth technology to interface with the ambulance charting program.

Zoll is providing a trade-in value of \$9,000 for the six oldest monitors that are being taken out of service.

The League of Oregon Cities, conducted a formal, competitive Request for Proposals (RFP) for Automatic Electronic Defibrillators and Clinical Defibrillators that included cooperative language for members of LOC and NPP. The contract was awarded to Zoll Medical Corporation, with a condition that the Master Price Agreement's price, terms, and conditions could be assigned to NPP members that enter into an Intergovernmental Cooperative Purchasing Agreement. The City of Albany has a membership with NPP and is eligible for this, exempting the City from the competitive bidding requirements.

Budget Impact:

\$186,900 - Equipment Replacement Fund

JB:ljh
Attachments 2



**GUIDELINES
2010 READY**

ZOLL Medical Corporation

Worldwide Headquarters
269 Mill Rd
Chelmsford, Massachusetts 01824-4105
(978) 421-9655 Main
(800) 348-9011
(978) 421-0015 Customer Support
FEDERAL ID#: 04-2711626

TO: Albany Fire Department

PO Box 490
Albany, OR 97321

Attn: **Mark Bambach - EMS Chief**

email: mark.bambach@cityofalbany.net

Tel: 541-917-7613

QUOTATION 199559 V:2

DATE: September 16, 2015

TERMS: Net 30 Days

FOB: Shipping Point

FREIGHT: Free Freight

ITEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE
1	601-2231011-01	<p>X Series @ Manual Monitor/Defibrillator \$14,995 with 4 trace tri-mode display monitor/ defibrillator/ printer, comes with Real CPR Help®, advisory algorithm, advanced communications package (Wi-Fi, Bluetooth, USB cellular modem capable) USB data transfer capable and large 6.5"(16.5cm) diagonal screen, full 12 ECG lead view with both dynamic and static 12-lead mode display.</p> <p>Accessories Included:</p> <ul style="list-style-type: none"> • Six (6) foot 3- Lead ECG cable • MFC cable • MFC CPR connector • A/C power adapter/ battery charger • A/C power cord • One (1) roll printer paper • 6.6 Ah Li-ion battery • Carry case • Declaration of Conformity • Operator's Manual • Quick Reference Guide <p>• One (1)-year EMS warranty</p> <p>Advanced Options: Real CPR Help Expansion Pack \$995 CPR Dashboard quantitative depth and rate in real time, release indicator, interruption timer, perfusion performance indicator (PPI) • See - Thru CPR artifact filtering</p> <p>ZOLL Noninvasive Pacing Technology: \$2,550</p> <p>Masimo Pulse Oximetry</p>	3	\$40,020.00	\$32,816.40	\$98,449.20 *

This quote is made subject to ZOLL's standard commercial terms and conditions (ZOLL T's + C's) which accompany this quote. Any purchase order (P.O.) issued in response to this quotation will be deemed to incorporate ZOLL T's + C's. Any modification of the ZOLL T's + C's must be set forth or referenced in the customer's P.O. No commercial terms or conditions shall apply to the sale of goods or services governed by this quote and the customer's P.O unless set forth in or referenced by either document.

Page 1 Subtotal

\$98,449.20

1. DELIVERY WILL BE MADE 60-90 DAYS AFTER RECEIPT OF ACCEPTED PURCHASE ORDER.
2. PRICES QUOTED ARE VALID FOR 60 DAYS.
3. APPLICABLE TAX ADDITIONAL.
4. ALL PURCHASE ORDERS ARE SUBJECT TO CREDIT APPROVAL BEFORE ACCEPTABLE BY ZOLL.
5. FAX PURCHASE ORDER AND QUOTATION TO ZOLL CUSTOMER SUPPORT AT 978-421-0015 OR EMAIL TO ESALES@ZOLL.COM.
6. ALL DISCOUNTS OFF LIST PRICE ARE CONTINGENT UPON PAYMENT WITHIN AGREED UPON TERMS.
7. PLACE YOUR ACCESSORY ORDERS ONLINE BY VISITING www.zollwebstore.com.

Jonathan Erickson
EMS Territory Manager
509-863-6279



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ITEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE
		SP02 & SpCO \$4,540 <ul style="list-style-type: none"> • Signal Extraction Technology (SET) • Rainbow SET (for SpCO & SpMet) NIBP Welch Allyn includes: \$3495 <ul style="list-style-type: none"> • Smartcuff 10 foot Dual Lumen hose • SureBP Reusable Adult Medium Cuff End Tidal Carbon Dioxide monitoring (ETCO2) \$4,995 Oridion Microstream Technology: Order required Microstream tubing sets separately Interpretative 12- Lead ECG: \$8,450 <ul style="list-style-type: none"> • 12-Lead one step ECG cable- includes 4- Lead limb lead cable and removable precordial 6- Lead set 				
2	8000-0341	SpO2/SpCO/SpMet Rainbow Resuable Patient Cable: Connects to Single Use Sensors (4 ft)	3	\$245.00	\$168.75	\$506.25 *
3	8000-000371	SpO2/SpCO/SpMet Rainbow DCI Adult Reusable Sensor with connector (3 ft)	3	\$845.00	\$340.30	\$1,020.90 *

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Page 2 Subtotal

\$99,976.35

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ITEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE
4	601-2221011-01	<p>X Series ® Manual Monitor/Defibrillator \$14,995 with 4 trace tri-mode display monitor/ defibrillator/ printer, comes with Real CPR Help®, advisory algorithm, advanced communications package (Wi-Fi, Bluetooth, USB cellular modem capable) USB data transfer capable and large 6.5"(16.5cm) diagonal screen, full 12 ECG lead view with both dynamic and static 12-lead mode display.</p> <p>Accessories Included:</p> <ul style="list-style-type: none"> • Six (6) foot 3- Lead ECG cable • MFC cable • MFC CPR connector • A/C power adapter/ battery charger • A/C power cord • One (1) roll printer paper • 6.6 Ah Li-ion battery • Carry case • Declaration of Conformity • Operator's Manual • Quick Reference Guide <p>• One (1)-year EMS warranty</p> <p>Advanced Options: Real CPR Help Expansion Pack \$ 995 CPR Dashboard quantitative depth and rate in real time, release indicator, interruption timer, perfusion performance indicator (PPI) • See - Thru CPR artifact filtering</p> <p>ZOLL Noninvasive Pacing Technology: \$2,550</p> <p>Masimo Pulse Oximetry</p>	3	\$37,275.00	\$30,565.50	\$91,696.50 *

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Page 3 **Subtotal** **\$191,672.85**

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ITEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE
		SP02 \$1,795 • Signal Extraction Technology (SET) • Rainbow SET NIBP Welch Allyn includes: \$3,495 • Smartcuff 10 foot Dual Lumen hose • SureBP Reusable Adult Medium Cuff End Tidal Carbon Dioxide monitoring (ETCO2) Oridion Microstream Technology: \$4,995 Order required Microstream tubing sets separately Interpretative 12- Lead ECG: \$8,450 • 12-Lead one step ECG cable- includes 4- Lead limb lead cable and removable precordial 6- Lead set				
5	8000-0294	SpO2 LNCS Adult Reusable Sensor (1 each)	3	\$295.00	\$221.25	\$663.75 *
6	8000-0330	SpO2 Rainbow Reusable Patient Cable: Connects to LNCS Single Use and Reusable Sensors (4 ft)	3	\$295.00	\$221.25	\$663.75 *
7	8000-0580-01	Six hour rechargeable Smart battery	6	\$495.00	\$420.75	\$2,524.50 *
8	8300-0250-01	SurePower Charger Adapter	4	\$295.00	\$82.45	\$329.80 *

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Page 4 Subtotal

\$195,854.65

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TO: Albany Fire Department

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Attn: **Mark Bambach - EMS Chief**

email: mark.bambach@cityofalbany.net

Tel: 541-917-7613

QUOTATION 199559 V:2

DATE: September 16, 2015

TERMS: Net 30 Days

FOB: Shipping Point

FREIGHT: Free Freight

ITEM	MODEL NUMBER	DESCRIPTION	QTY.	UNIT PRICE	DISC PRICE	TOTAL PRICE
9	4001-9930	ZOLL M-Series Biphasic w/Pacing + 3 parameters (includes CCT) Trade-In	6		(\$1,500.00)	(\$9,000.00) **
<p>*Reflects National Purchasing Partners (NPP) Contract Pricing.</p> <p>**Trade-In Value valid if all units purchased are in good operational and cosmetic condition, and include all standard accessories such as paddles, cables, etc. Customer assumes responsibility for shipping trade-in equipment to ZOLL Chelmsford within 60 days of receipt of new equipment. Customer agrees to pay cash value for trade-in equipment not shipped to ZOLL on a timely basis.</p>						

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TOTAL \$186,854.65

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Jonathan Erickson
EMS Territory Manager
509-863-6279

ZOLL QUOTATION GENERAL TERMS & CONDITIONS

1. ACCEPTANCE. This Quotation constitutes an offer by ZOLL Medical Corporation to sell to the Customer the equipment (including a license to use certain software) listed in this Quotation and described in the specifications either attached to or referred to in this Quotation (hereinafter referred to as Equipment). Any acceptance of such offer is expressly limited to the terms of this Quotation, including these General Terms and Conditions. Acceptance shall be so limited to this Quotation notwithstanding (i) any conflicting written or oral representations made by ZOLL Medical Corporation or any agent or employee of ZOLL Medical Corporation or (ii) receipt or acknowledgement by ZOLL Medical Corporation of any purchase order, specification, or other document issued by the Customer. Any such document shall be wholly inapplicable to any sale made pursuant to this Quotation, and shall not be binding in any way on ZOLL Medical Corporation.

Acceptance of this Quotation by the Customer shall create an agreement between ZOLL Medical Corporation and the Customer (hereinafter referred to as the "Contract") the terms and conditions of which are expressly limited to the provisions of this Quotation including these Terms and Conditions. No waiver change or modification of any of the provisions of this Quotation or the Contract shall be binding on ZOLL Medical Corporation unless such waiver, change or modification (i) is made in writing (ii) expressly states that it is a waiver, change or modification of this Quotation or the Contract and (iii) is signed by an authorized representative of ZOLL Medical Corporation.

2. DELIVERY AND RISK OF LOSS. Unless otherwise stated, all deliveries shall be F.O.B. ZOLL Medical Corporation's facility. Risk of loss or damage to the Equipment shall pass to the Customer upon delivery of the Equipment to the carrier.

3. TERMS OF PAYMENT. Unless otherwise stated in its Quotation payment by Customer is due thirty (30) days after the ship date appearing on ZOLL Medical Corporation invoice. Any amounts payable hereunder which remain unpaid after the date shall be subject to a late charge equal to 1.5% per month from the due date until such amount is paid.

4. CREDIT APPROVAL. All shipments and deliveries shall at all times be subject to the approval of credit by ZOLL Medical Corporation. ZOLL Medical Corporation may at any time decline to make any shipment or delivery except upon receipt of payment or security or upon terms regarding credit or security satisfactory to ZOLL Medical Corporation.

5. TAXES & FEES. The pricing quoted in its Quotation do not include sales use, excise, or other similar taxes or any duties or customs charges, or any order processing fees. The Customer shall pay in addition for the prices quoted the amount of any present or future sales, excise or other similar tax or customs duty or charge applicable to the sale or use of the Equipment sold hereunder (except any tax based on the net income of ZOLL Medical Corporation), and any order processing fees that ZOLL may apply from time to time. In lieu thereof the Customer may provide ZOLL Medical Corporation with a tax exemption certificate acceptable to the taxing authorities.

6. WARRANTY. (a) ZOLL Medical Corporation warrants to the Customer that from the earlier of the date of installation or thirty (30) days after the date of shipment from ZOLL Medical Corporation's facility, the Equipment (other than accessories and electrodes) will be free from defects in material and workmanship under normal use and service for the period noted on the reverse side. Accessories and electrodes shall be warranted for ninety (90) days from the date of shipment. During such period ZOLL Medical Corporation will at no charge to the Customer either repair or replace (at ZOLL Medical Corporation's sole option) any part of the Equipment found by ZOLL Medical Corporation to be defective in material or workmanship. If ZOLL Medical Corporation's inspection detects no defects in material or workmanship, ZOLL Medical Corporation's regular service charges shall apply. (b) ZOLL Medical Corporation shall not be responsible for any Equipment defect failure of the Equipment to perform any specified function, or any other nonconformance of the Equipment caused by or attributable to (i) any modification of the Equipment by the Customer, unless such modification is made with the prior written approval of ZOLL Medical Corporation; (ii) the use of the Equipment with any associated or complementary equipment accessory or software not specified by ZOLL Medical Corporation, or (iii) any misuse or abuse of the Equipment; (iv) exposure of the Equipment to conditions beyond the environmental, power or operating constraints specified by ZOLL Medical Corporation, or (v) installation or wiring of the Equipment other than in accordance with ZOLL Medical Corporation's instructions. (c) Warranty does not cover items subject to normal wear and burnout during use, including but not limited to lamps, fuses, batteries, cables and accessories. (d) The foregoing warranty does not apply to software included as part of the Equipment (including software embodied in read-only memory known as "firmware"). (e) The foregoing warranty constitutes the exclusive remedy of the Customer and the exclusive liability of ZOLL Medical Corporation for any breach of any warranty related to the Equipment supplied hereunder. THE WARRANTY SET FORTH HEREIN IS EXCLUSIVE AND ZOLL MEDICAL CORPORATION EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES WHETHER WRITTEN, ORAL, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

7. SOFTWARE LICENSE. (a) All software (the "Software" which term shall include firmware) included as part of the Equipment is licensed to Customer pursuant to a nonexclusive limited license on the terms hereinafter set forth. (b) Customer may not copy, distribute, modify, translate or adapt the Software, and may not disassemble or reverse compile the Software, or seek in any manner to discover, disclose or use any proprietary algorithms, techniques or other confidential information contained therein. (c) All rights in the Software remain the product of ZOLL Medical Corporation, and Customer shall have no right or interest therein except as expressly provided herein. (d) Customer's right to use the Software may be terminated by ZOLL Medical Corporation in the event of any failure to comply with terms of this quotation. (e) Customer may transfer the license conferred hereby only in connection with a transfer of the Equipment and may not retain any copies of the Software following such transfer. (f) ZOLL Medical Corporation warrants that the read-only memory or other media on which the Software is recorded will be free from defects in materials and workmanship for the period and on terms set forth in section 6. (g) Customer understands that the Software is a complex and sophisticated software product and no assurance can be given that operation of the Software will be uninterrupted or error-free, or that the Software will meet Customer's requirements. Except as set forth in section 7(f), ZOLL MEDICAL CORPORATION MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SOFTWARE AND IN PARTICULAR DISCLAIMS ANY IMPLIED WARRANTIES OR MERCHANTABILITY OR FITNESS OF A PARTICULAR PURPOSE WITH RESPECT THERETO. Customer's exclusive remedy for any breach of warranty or defect relating to the Software shall be the repair or replacement of any defective read-only memory or other media so that it correctly reproduces the Software. This License applies only to ZOLL Medical Corporation Software.

8. DELAYS IN DELIVERY. ZOLL Medical Corporation shall not be liable for any delay in the delivery of any part of the Equipment if such delay is due to any cause beyond the control of the ZOLL Medical Corporation including, but not limited to acts of God, fires, epidemics, floods, riots, wars, sabotage, labor disputes, governmental actions, inability to obtain materials, components, manufacturing facilities or transportation or any other cause beyond the control of ZOLL Medical Corporation. In addition ZOLL Medical Corporation shall not be liable for any delay in delivery caused by failure of the Customer to provide any necessary information in a timely manner. In the event of any such delay, the date of shipment or performance hereunder shall be extended to the period equal to the time lost by reason of such delay. In the event of such delay ZOLL Medical Corporation may allocate available Equipment among its Customers on any reasonable and equitable basis. The delivery dates set forth in this Quotation are approximate only and ZOLL Medical Corporation shall not be liable for or shall the Contract be breached by, any delivery by ZOLL Medical Corporation within a reasonable time after such dates.

9. LIMITATIONS OF LIABILITY. IN NO EVENT SHALL ZOLL MEDICAL CORPORATION BE LIABLE FOR INDIRECT SPECIAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ZOLL MEDICAL CORPORATION PERFORMANCE OR FAILURE TO PERFORM PURSUANT TO THIS QUOTATION OR THE CONTRACT OR THE FURNISHING, PERFORMANCE, OR USE OF ANY EQUIPMENT OR SOFTWARE SOLD HERETO, WHETHER DUE TO A BREACH OF CONTRACT, BREACH OF WARRANTY, THE NEGLIGENCE OF ZOLL MEDICAL CORPORATION OR OTHERWISE.

10. PATENT INDEMNITY. ZOLL Medical Corporation shall at its own expense defend any suit that may be instituted against the Customer for alleged infringement of any United States patents or copyrights related to the parts of the Equipment or the Software manufactured by ZOLL Medical Corporation, provided that (i) such alleged infringement consists only in the use of such Equipment or the Software by itself and not as a part of or in combination with any other devices or parts, (ii) the Customer gives ZOLL Medical Corporation immediate notice in writing of any such suit and permits ZOLL Medical Corporation through counsel of its choice, to answer the charge of infringement and defend such suit, and (iii) the Customer gives ZOLL Medical Corporation all requested information, assistance and authority at ZOLL Medical Corporation's expense, to enable ZOLL Medical Corporation to defend such suit.

In the case of a final award of damages for infringement in any such suit, ZOLL Medical Corporation will pay such award, but it shall not be responsible for any settlement made without its written consent.

Section 10 states ZOLL Medical Corporation's total responsibility and liability's, and the Customer's sole remedy for any actual or alleged infringement of any patent by the Equipment or the Software or any part thereof provided hereunder. In no event shall ZOLL Medical Corporation be liable for any indirect, special, or consequential damages resulting from any such infringement.

11. CLAIMS FOR SHORTAGE. Each shipment of Equipment shall be promptly examined by the Customer upon receipt thereof. The Customer shall inform ZOLL Medical Corporation of any shortage in any shipment within ten (10) days of receipt of Equipment. If no such shortage is reported within ten (10) day period, the shipment shall be conclusively deemed to have been complete.

12. RETURNS AND CANCELLATION. (a) The Customer shall obtain authorization from ZOLL Medical Corporation prior to returning any of the Equipment. (b) The Customer receives authorization from ZOLL Medical Corporation to return a product for credit, the Customer shall be subject to a restocking charge of twenty percent (20%) of the original list purchase price, but not less than \$50.00 per product. (c) Any such change in delivery caused by the Customer that causes a delivery date greater than six (6) months from the Customer's original order date shall constitute a new order for the affected Equipment in determining the appropriate list price.

13. APPLICABLE LAW. This Quotation and the Contract shall be governed by the substantive laws of the Commonwealth of Massachusetts without regard to any choice of law provisions thereof.

14. COMPLIANCE WITH LAWS. (a) ZOLL Medical Corporation represents that all goods and services delivered pursuant to the Contract will be produced and supplied in compliance with all applicable state and federal laws and regulations, including the requirements of the Fair Labor Standards Act of 1938, as amended. (b) The Customer shall be responsible for compliance with any federal, state and local laws and regulations applicable to the installation or use of the Equipment furnished hereunder, and will obtain any permits required for such installation and use.

15. NON-WAIVER OF DEFAULT. In the event of any default by the Customer, ZOLL Medical Corporation may decline to make further shipments or render any further warranty or other services without in any way affecting its right under such order. If despite any default by Customer, ZOLL Medical Corporation elects to continue to make shipments its action shall not constitute a waiver of any default by the Customer or in any way affect ZOLL Medical Corporation's legal remedies regarding any such default. No claim or right arising out of a breach of the Agreement by the Customer can be discharged in whole or in part by waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by ZOLL Medical Corporation.

16. ASSIGNMENT. This Quotation, and the Contract, may not be assigned by the Customer without the prior written consent of ZOLL Medical Corporation, and any assignment without such consent shall be null and void.

17. TITLE TO PRODUCTS. Title to right of possession of the products sold hereunder shall remain with ZOLL Medical Corporation until ZOLL Medical Corporation delivers the Equipment to the carrier and agrees to do all acts necessary to perfect and maintain such right and title in ZOLL Medical Corporation. Failure of the Customer to pay the purchase price for any product when due shall give ZOLL Medical Corporation the right, without liability to repossess the Equipment, with or without notice, and to avail itself of any remedy provided by law.

18. EQUAL EMPLOYMENT OPPORTUNITY / AFFIRMATIVE ACTION.

VETERAN'S EMPLOYMENT - If this order is subject to Executive Order 11710 and the rules, regulations, or orders of the Secretary of Labor issued thereunder the contract clause as set forth at 41 CFR 60-250.4 is hereby included as part of this order.

EMPLOYMENT OF HANDICAPPED - If this order is subject to Section 503 of the Rehabilitation Act of 1973, as amended and the rules, regulations or orders of the Secretary of Labor as issued thereunder, the contract clause at 41 CFR 60-741.7 is hereby included as part of this order.

EQUAL OPPORTUNITY EMPLOYMENT - If this order is subject to the provisions of Executive Order 11246, as amended, and the rules, regulations or orders of the Secretary of Labor issued thereunder, the contract clause set forth at 41 CFR 60-1.4 (a) and 60-1.4 (b) are hereby included as a part of this order and Seller agrees to comply with the reporting requirements set forth at 41 CFR 60-1.7 and the affirmative action compliance program requirements set forth at 41 CFR 60-1.40.

19. VALIDITY OF QUOTATION. This Quotation shall be valid and subject to acceptance by the Customer, in accordance with the terms of Section 1 hereof for the period set forth on the face hereof. After such period, the acceptance of this Quotation shall not be binding upon ZOLL Medical Corporation and shall not create a contract, unless such acceptance is acknowledged and accepted by ZOLL Medical Corporation by a writing signed by an authorized representative of ZOLL Medical Corporation.

20. GENERAL. Any Contract resulting from this Quotation shall be governed by and interpreted in accordance with the laws of the Commonwealth of Massachusetts. This constitutes the entire agreement between Buyer and Supplier with respect to the purchase and sale of the Products described in the face hereof, and only representations or statements contained herein shall be binding upon Supplier as a warranty or otherwise. Acceptance or acquiescence in the course of performance rendered pursuant hereto shall not be relevant to determine the meaning of this writing even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity for objection. No addition to or modification of any of the terms and conditions specified herein shall be binding upon Supplier unless made in writing and signed by a duly authorized representative of Supplier. The terms and conditions specified shall prevail notwithstanding any variance from the terms and conditions of any order or other form submitted by Buyer for the Products set forth on the face of this Agreement. To the extent that this writing may be treated as an acceptance of Buyer's prior offer, such acceptance is expressly made conditional on assent by Buyer to the terms hereof, and, without limitation, acceptance of the goods by Buyer to the terms hereof, and, without limitation, acceptance of the goods by Buyer shall constitute such assent. All cancellations and reschedules require a minimum of thirty (30) days notice.

RESOLUTION NO. _____

A RESOLUTION APPROVING EXEMPTION FROM THE COMPETITIVE BIDDING REQUIREMENTS THROUGH A CONTRACT WITH THE LEAGUE OF OREGON CITIES, THE LEAD CONTRACTING AGENCY FOR NATIONAL PURCHASING PARTNERS (NPP), AND ZOLL MEDICAL CORPORATION; ISSUING A NOTICE OF INTENT TO AWARD CONTRACT WITH ZOLL MEDICAL CORPORATION; AND AUTHORIZING THE FIRE CHIEF TO ENTER INTO A CONTRACT WITH ZOLL MEDICAL CORPORATION NOT TO EXCEED \$186,900 TO PURCHASE SIX X-SERIES MONITOR/DEFIBRILLATORS.

WHEREAS, National Purchasing Partners (NPP), Seattle, Washington, is a cooperative purchasing organization offering a portfolio of competitively bid, and publicly-awarded contracts to its members locally and nationally; and

WHEREAS, Oregon Revised Statutes 279A.220 and Oregon Administrative Rules 137-046-0400 to 480 allow local governments access to competitively bid contracts using interstate cooperative procurements for the purchase of goods and services; and

WHEREAS, the City Council approved a request for membership with NPP at the October 9, 2013, City Council meeting; and

WHEREAS, NPP, through its Lead Contracting Agency, the League of Oregon Cities, conducted a formal, competitive Request for Proposals (RFP) for Automatic Electronic Defibrillators and Clinical Defibrillators (RFP No. 520), that included cooperative language for members of LOC and NPP to use; and

WHEREAS, a contract was awarded to Zoll Medical Corporation on July 23, 2012, with a condition that the Master Price Agreement's price, terms, and conditions could be assigned to NPP members that enter into a Intergovernmental Cooperative Purchasing Agreement (Exhibit A) with LOC; and

WHEREAS, the Master Price Agreement includes specifications for X-Series Monitor/Defibrillators; and

WHEREAS, purchasing X-Series Monitor/Defibrillators from a competitively bid, cooperative contract would not reduce competition or give favoritism, and provides the best available pricing for the equipment; and

WHEREAS, the Fire Department is prepared to issue a Notice of Intent to Award to purchase six X-Series Monitor/Defibrillators to Zoll Medical Corporation; and

WHEREAS, the Notice of Intent has to be advertised seven days prior to awarding the purchase; and

WHEREAS, if the City does not receive any formal protests to the Notice of Intent to Award, the Fire Chief may award the purchase of six X-Series Monitor/Defibrillators to Zoll Medical Corporation.

NOW, THEREFORE, BE IT RESOLVED that the Albany City Council authorizes the Fire Department an exemption from the competitive bidding process for the purchase of six X-Series Monitor/Defibrillators through an existing contact between the League of Oregon Cities, the Lead Contracting Agency for NPP, and Zoll Medical Corporation; and an Intergovernmental Cooperative Purchasing Agreement (Exhibit A) with the City of Albany; and

BE IT FURTHER RESOLVED that the Albany City Council authorizes the Fire Department to issue a Notice of Intent to Award Contract with Zoll Medical Corporation; and

BE IT FURTHER RESOLVED that the Albany City Council authorizes the Fire Chief to enter into a contract not to exceed \$186,900 with Zoll Medical Corporation to purchase six X-Series Monitor/Defibrillators, subject to no formal protests during the seven-day Notice of Intent to Award Contract.

DATED AND EFFECTIVE THIS 28TH DAY OF OCTOBER 2015.

Mayor

ATTEST:

City Clerk

Exhibit A

National Purchasing Partners

Member Intergovernmental Cooperative Purchasing Agreement

This Intergovernmental Agreement (Agreement) by and between government entities that execute a Lead Contracting Agency Authorization ("Lead Contracting Agency(ies)") to be supplemented and made a part hereof and participating National Purchasing Partners ("NPP") government entity members ("Participating Agencies") including members of FireRescue GPO and Public Safety GPO, that agree to the terms and conditions of this Agreement. All NPP Lead Contracting Agencies and Participating Agencies shall be considered as "parties" to this agreement.

WHEREAS, upon completion of a formal competitive solicitation and selection process, the Lead Contracting Agencies have entered into Master Price Agreements with one or more Vendors to provide goods and services, often based on national sales volume projections;

WHEREAS, NPP, created by a nonprofit medical center, provides group purchasing marketing and administrative support for governmental entities within the membership. NPP's marketing and administrative services are free to its membership, which includes participating public entities and non-profit institutions throughout the United States and Canada.

WHEREAS, NPP has instituted a cooperative purchasing program under which member Participating Agencies may reciprocally utilize competitively solicited Vendor Contracts through the inclusion of the membership in Lead Contracting Agency bid Solicitation and Master Price Agreements;

WHEREAS, the Master Price Agreements provide that all members of NPP may purchase goods and services on the same terms, conditions and pricing as the Lead Contracting Agency, subject to applicable local and state laws of the Participating Agencies;

WHEREAS, the parties agree to comply with the requirements of the Intergovernmental Cooperation Act as may be applicable to the local and state laws of the Participating Agencies;

WHEREAS, the parties desire to conserve and leverage resources, and to improve the efficiency and economy of the procurement process while reducing solicitation and procurement costs;

WHEREAS, the parties are authorized and eligible to contract with governmental bodies and Vendors to perform governmental functions and services, including the purchase of goods and services; and

WHEREAS, the parties desire to contract with Vendors under the terms of the Master Price Agreements open to all Participating Agencies;

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1: LEGAL AUTHORITY

Each Party represents and warrants that it is eligible to participate in this Agreement because it is a local government or non-profit corporation created and operated to provide one or more governmental functions and possesses adequate legal authority to enter into this Agreement.

ARTICLE 2: APPLICABLE LAWS

The procurement of goods and services subject to this Agreement shall be conducted in accordance with and subject to the relevant statutes, ordinances, rules, and regulations that govern each party's procurement policies. It is the responsibility of each party to ensure it has met all applicable solicitation and procurement requirements, both in state law and local policy.

ARTICLE 3: USE OF BID, PROPOSAL OR PRICE AGREEMENT

- a. Each party will facilitate the cooperative procurement of goods and services.
- b. The procuring party shall be responsible for the ordering of goods and services under this Agreement. A non-procuring party shall not be liable in any fashion for any violation by a procuring party, and the procuring party shall hold non-procuring parties harmless from any liability that may arise from action or inaction of the procuring party.
- c. The procuring party shall not use this agreement as a method for obtaining additional concessions or reduced prices for similar goods and services outside the scope of the Master Price Agreements and NPP.
- d. The exercise of any rights or remedies by the procuring party shall be the exclusive obligation of such procuring party.
- e. The cooperative use of bids, proposals or price agreements obtained by a party to this Agreement shall be in accordance with the terms and conditions of the bid, proposal or price agreement, except as modified where otherwise allowed or required by applicable law, and does not relieve the party of its other bid requirements under state law or local policies.

ARTICLE 4: PAYMENT OBLIGATIONS

The procuring party will make timely payments to Vendors for goods and services received in accordance with the terms and conditions of the procurement. Payment for goods and services, inspections and acceptance of goods and services ordered by the procuring party shall be the exclusive obligation of such procuring party. Disputes between procuring party and Vendor shall be resolved in accordance with the law and venue rules of the state of the procuring party.

ARTICLE 5: COMMENCEMENT DATE

This Agreement shall take effect after execution of the "Lead Contracting Agency Endorsement and Authorization" or "Participating Agency Endorsement and Authorization," as applicable.

ARTICLE 6: TERMINATION OF AGREEMENT

This Agreement shall remain in effect until terminated by a party giving 30 days written notice to the Lead Contract Agency.

ARTICLE 7: ENTIRE AGREEMENT

This Agreement and any attachments, as provided herein, constitute the complete Agreement between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

ARTICLE 8: CHANGES AND AMENDMENTS

This Agreement may be amended only by a written amendment executed by all parties, except that any alterations, additions, or deletions of this Agreement which are required by changes in Federal and State law or regulations are automatically incorporated into this Agreement without written amendment hereto and shall become effective on the date designated by such law or regulation.

ARTICLE 9: SEVERABILITY

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

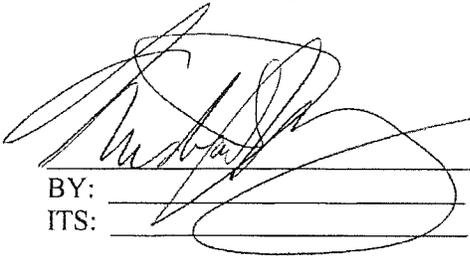
THIS INSTRUMENT HAS BEEN EXECUTED IN TWO OR MORE ORIGINALS BY EXECUTION AND ATTACHMENT OF EACH "LEAD CONTRACTING AGENCY ENDORSEMENT AND AUTHORIZATION" OR "PARTICIPATING AGENCY ENDORSEMENT AND AUTHORIZATION," AS APPLICABLE. ONCE EXECUTED, IT IS THE RESPONSIBILITY OF EACH PARTY TO FILE THIS AGREEMENT WITH THE PROPER AGENCY IF REQUIRED BY LOCAL OR STATE LAW.

**LEAD CONTRACTING AGENCY
ENDORSEMENT AND AUTHORIZATION**

The undersigned acknowledges, on behalf of League of Oregon Cities (Lead Contracting Agency) that he/she has read and agrees to the general terms and conditions set forth in the enclosed Member Intergovernmental Cooperative Purchasing Agreement regulating use of the Master Price Agreements and purchase of goods and services that from time to time are made available by Lead Contracting Agencies to Participating Agencies locally, regionally, and nationally through NPP. Copies of Master Price Agreements and any amendments thereto made available by Lead Contracting Agencies will be provided to Participating Agencies and NPP to facilitate use by Participating Agencies.

The undersigned understands that the purchase of goods and services under the provisions of the Member Intergovernmental Cooperative Purchasing Agreement is at the absolute discretion of the Participating Agencies.

The undersigned affirms that he/she is an agent of League of Oregon Cities and is duly authorized to sign this Lead Contracting Agency Endorsement and Authorization.


BY: _____
ITS: _____

Date: 4.3.14

Lead Contracting Agency Contact Information:

Contact Person: SUSAN MUIR
Address: 1201 COURT ST NE SUITE 200
SALEM, OR 97301
Telephone No.: 503.588.6550
Email: SMUIR@ORCITIES.ORG

**PARTICIPATING AGENCY
ENDORSEMENT AND AUTHORIZATION**

The undersigned acknowledges, on behalf of _____ (Participating Agency) that he/she has read and agrees to the general terms and conditions set forth in the enclosed Member Intergovernmental Cooperative Purchasing Agreement regulating use of the Master Price Agreements and purchase of goods and services that from time to time are made available by Lead Contracting Agencies to Participating Agencies locally, regionally, and nationally through NPP.

The undersigned further acknowledges that the purchase of goods and services under the provisions of the Member Intergovernmental Cooperative Purchasing Agreement is at the absolute discretion of the Participating Agency and that neither the Lead Contracting Agency nor NPP shall be held liable for any costs or damages incurred by or as a result of the actions of the Vendor or any other Participating Agency. Upon award of contract, the Vendor shall deal directly with the Participating Agency concerning the placement of orders, disputes, invoicing and payment.

The undersigned affirms that he/she is an agent of _____ and is duly authorized to sign this Participating Agency Endorsement and Authorization.*

_____ Date: _____
BY: _____
ITS: _____

Participating Agency Contact Information:

Contact Person: _____
Address: _____

Telephone No.: _____

Email: _____

* In addition to execution of this Member Intergovernmental Cooperative Purchasing Agreement, all Participating Agencies must be registered members of NPP and/or FireRescue GPO in order to access NPP competitively bid contracts. Registration is fast and free. Go to www.nppgovernment.com or contact a customer service representative at 1-877-329-8847 or customerservice@nppgovernment.com.



TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: John R. Bradner, Fire Chief *JR B*
DATE: October 22, 2015, for the October 28, 2015, City Council Meeting
SUBJECT: Appropriate Funds for Purchase of Replacement Type 6 Fire Engine
RELATES TO STRATEGIC PLAN THEME: ● A Safety City

Action Requested:

Appropriate \$118,200 from the 2015-16 General Fund beginning balance to Equipment Replacement for purchasing a Type 6 Engine.

Discussion:

The Fire Department is purchasing a new Type 6 Engine (Ford F550 Brush Unit) with a 400-gallon suppression water tank and the capacity to tow the emergency services boat. This unit will replace one of two brush units that was removed from service due to irreparable mechanical issues and the inability to respond as an emergency response vehicle.

The new vehicle is being purchased from a Ford dealer, based on the lowest of three written quotes. The slide-in suppression system is being purchased through the General Service Administration (GSA) Advantage system. GSA Advantage is an online government purchasing and ordering service created by the federal government that allows local and state government to participate in cooperative purchasing. The Fire Department has an extensive history of purchasing, at a cost savings, wildland firefighting equipment through GSA.

The Fire Department also intends to purchase a second new Type 6 Engine upon the sale of the 1998 ladder truck (replaced and removed from service in September 2014) to replace the remaining brush unit. This brush unit is a 1998 Ford F350 used to fight off-road brush and grass fires and to tow the boat for emergency response. The vehicle has a 200-gallon water suppression tank, but when used to tow the boat, the water has to be drained to 90 gallons in order to not exceed the weight limit for the chassis. Once replaced, the Fire Department will retain this vehicle as a non-emergency utility truck.

Budget Impact:

The total budget for the Type 6 Engine and required equipment is \$125,000. A portion of the funding, approximately \$6,800, is budgeted through Equipment Replacement. The remaining \$118,200 is coming from the General Fund beginning balance.

JB:ljh
Attachment

RESOLUTION NO. _____

A RESOLUTION APPROPRIATING FUNDS FOR FISCAL YEAR 2015-16 FOR THE PURCHASE OF AND EQUIPPING A TYPE 6 FIRE ENGINE.

WHEREAS, the Fire Department requires two Type 6 Engines (brush units) in its emergency services vehicle fleet; and

WHEREAS, the Fire Department removed one of two brush units from service due to irreparable mechanical issues and the inability to respond as an emergency response vehicle; and

WHEREAS, the Fire Department will purchase and equip a new Type 6 Engine in the form of a Ford F550 Brush Unit to replace the brush unit removed from service; and

WHEREAS, funding in the amount of \$118,200 is required from the General Fund beginning balance to purchase the Type 6 Engine.

NOW, THEREFORE, BE IT RESOLVED, the beginning fund balance portion of the funding for the purchase of a new Type 6 Fire Engine is hereby appropriated as follows:

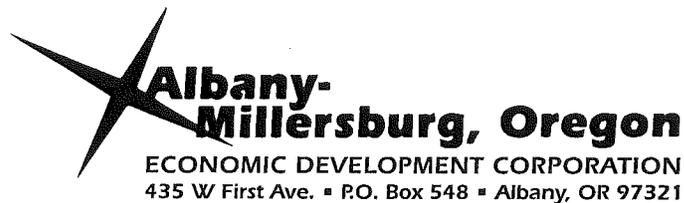
	<u>Debit</u>	<u>Credit</u>
100-10-1002-49905		\$118,200
100-10-1003-91205	\$118,200	
217-10-1010-49015		\$118,200
217-10-1010-70005	\$118,200	

DATED AND EFFECTIVE THIS 28TH DAY OF OCTOBER 2015.

Mayor

ATTEST:

City Clerk



Memo

Date: October 15, 2015

To: South Santiam Enterprise Zone Co-Sponsors
Roger Nyquist Linn County
Kate Porche City of Albany
Gary Marks City of Lebanon
Barbara Castillo City of Millersburg

From: John Pascone, President

Subject: SnoTemp Cold Storage
For Extended Abatement Agreement

SnoTemp Cold Storage is planning an additional \$15 million project at the Albany site. They have completed an Enterprise Zone Authorization Application dated August 10, 2015.

Under regular enterprise zone exemption rules the company is required to add 10% to their workforce, the exemption is 3 years. The company is required to add 2 new employees and plans on hiring a new supervisor and a chief engineer in addition to warehouse staff.

For companies that agree to hire and pay wages and benefits in excess of 150% of Linn County's Average Annual Wage, the firm can qualify for an additional 2 years.

Attached is a draft resolution which needs to be passed by each co-sponsor. The zone manager (me) and the county assessor's representative (Mark Wilkinson) cannot officially approve the company's application until the extended resolution is approved by the co-sponsors.

Please contact me if you have any questions. When you have the matter scheduled let me know and if desired, I can attend to present it on behalf of the company.

Thank you,

John

RESOLUTION NO. _____

A RESOLUTION APPROVING AN EXTENDED PROPERTY TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF ALBANY, A COSPONSOR OF THE SOUTH SANTIAM ENTERPRISE ZONE, AND SNOTEMP COLD STORAGE

WHEREAS, SnoTemp Cold Storage is expanding and investing in plant construction and equipment; and

WHEREAS, SnoTemp Cold Storage intends to add two new employees; and

WHEREAS, SnoTemp Cold Storage anticipates providing average pay and benefits to these employees equal to or greater than 150 percent of the Linn County average, as required under ORS 285C.160; and

WHEREAS, SnoTemp Cold Storage, which is located in the city of Albany, has applied to extend the property tax abatement for which it qualifies through its inclusion in the South Santiam Enterprise Zone; and

WHEREAS, the City of Albany has requested support of this agreement from the other cosponsors of the South Santiam Enterprise Zone; and

WHEREAS, the City of Albany is a cosponsor of the South Santiam Enterprise Zone.

NOW, THEREFORE, BE IT RESOLVED that the Albany City Council, representing the City of Albany, which is a cosponsor of the South Santiam Enterprise Zone, hereby approves the Extended Abatement Agreement attached as Exhibit A.

DATED AND EFFECTIVE THIS 28TH DAY OF OCTOBER 2015.

Mayor

ATTEST:

City Clerk

Agreement for Oregon Enterprise Zone Extended Abatement

AGREEMENT WITH THE SOUTH SANTIAM ENTERPRISE ZONE SPONSORS TO EXTEND PROPERTY TAX EXEMPTION TO FIVE CONSECUTIVE YEARS IN TOTAL FOR CAPITAL INVESTMENT BY SNOTEMP COLD STORAGE.

The sponsors of the South Santiam Enterprise Zone comprising the governing bodies of the Cities of Albany, Lebanon, Millersburg and Linn County (hereinafter "The Zone Sponsor") and SnoTemp Cold Storage (Eugene Freezing; Seneca Properties LLC) (hereinafter "The Firm") do hereby enter into an agreement for extending the period of time in which The Firm shall receive an exemption on its investment in qualified property in the South Santiam Enterprise Zone contingent on certain special requirements, under ORS 285C.160.

The Zone Sponsor and The Firm jointly acknowledge: that subject to submission and approval of an application for authorization and the satisfaction of other requirements under ORS 285C.050 to 285C.250, The Firm is eligible for three years of complete exemption on its qualified property; that nothing in this agreement shall modify or infringe on this three-year exemption or the requirements thereof, and that this agreement becomes null and void if The Firm does not qualify for these three years of the exemption.

The Zone Sponsor extends The Firm's property tax exemption an additional two years on all property that initially qualifies in the South Santiam Enterprise Zone in the assessment year beginning on January 1, 2016 and, thus, sets a total period of exemption of five consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

CONFIRMATION OF STATUTORY PROVISIONS

In order to receive the additional two years of enterprise zone exemption granted herein, The Firm agrees herewith under 285C.160(3)(a)(A) that for each year of the entire exemption period, all of The Firm's new employees shall receive an average level of compensation equal to or greater than 150 percent of the county average annual wage, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 65 (123-065-41##), which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized;
2. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the 2015* Linn County average annual wage rate of \$ 37,382 for which 150 percent equals \$ 56,073.

* Note: 2015 is the year this rate applies; it is published by the Oregon Employment Dept. as Average Annual Wage by County- 2013.

3. Only employees working at jobs filled for the first time after the application for authorization but by December 31 of the first full year of the initial exemption and performed within the current boundaries of the South Santiam Enterprise Zone are counted; and

4. Only full-time, year-round and non-temporary employees engaged a majority of their time in The Firm's eligible operations consistent with ORS 285C.135 & 285C.200(3) are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by The Firm.

LOCAL ADDITIONAL REQUIREMENTS

For The Firm to receive the additional two years of enterprise zone exemption granted herein, The City of Albany, a Zone Sponsor and The Firm agree that no additional requirements in addition to statutory requirements are being requested by The Zone Sponsor under ORS 285C.160(a)(B).

ACCEPTING FOR THE CITY OF ALBANY, A ZONE SPONSOR OF
THE SOUTH SANTIAM ENTERPRISE ZONE:

ACCEPTING FOR SnoTemp Cold Storage (Eugene Freezing; Seneca Properties LLC

The other Zone Sponsors; City of Lebanon, City of Millersburg and Linn County approve this Agreement by passing separate Resolutions. Copies of which are attached.

**MINUTES OF THE SPECIAL MEETING OF THE
BENTON COUNTY BOARD OF COMMISSIONERS AND THE CITY OF
ALBANY CITY COUNCIL**

August 18, 2015

**Board of Commissioner's Building
205 NW 5th Street, Corvallis, Oregon
12:00 p.m., Board Room**

Benton County Board of Commissioners Present:

Jay Dixon, Chair; Annabelle Jaramillo, Commissioner; Anne Schuster, Commissioner

City of Albany City Council Present:

Sharon Konopa, Mayor; Floyd Collins, Dick Olsen, Ward 1; Ray Kopczyński, Ward 2; Bessie Johnson, Rich Kellum, Ward 3

Excused: Bill Coburn, Ward 2

Guests: Jennifer Moody, Albany Democrat-Herald; Hasso Herring

Benton County Staff:

Dennis Aloia, Chief Operating Officer Andrew Monoco, Laurie Starha, Jim Stouder, Josh Wheeler, Public Works; Rick Osborn, Public Information Officer; Kevin Perkins, Recorder; Jeff Powers, Natural Areas and Parks

City of Albany Staff:

Stacy Belcastro, Ron Irish, Public Works; Ed Hodney, Parks and Recreation; Wes Hare, City Manager; Marily Smith, City Manager's Office

Chair Dixon called the meeting to order at 12:00 p.m.

I. Items of Discussion:

A. North Albany Road Project

Wheeler stated that North Albany Road is a County road but it is under the jurisdiction of the City of Albany.

Belcastro reported that paving has begun and striping will follow shortly with the road open by the time school starts next month. The mini-roundabout may be removed later in the project.

Irish stated that part of the project reconstructed the bridge at East Thornton Lake, which created a substantial interruption of traffic. The City made two major changes to the traffic flow during the project: installation of a roundabout at Quarry Road and restriping the intersection of Springhill and Highway 20

- i) Dual left-hand turn lanes at Highway 20 and Springhill Drive*
- ii) Ovalabout at Quarry Road and Springhill Drive*

Irish stated that these two items are a bit of a sticky issue, Springhill and Highway 20 is a unique intersection with it being an intersection governed by the Oregon Department of Transportation (ODOT), with a City signal and a County road intersecting; the decision whether to keep the dual left turn lanes will need to involve all three jurisdictions. ODOT has some safety concerns about the dual turn lanes at that the intersection, which has a history of trucks falling over due to the slope of the road. ODOT has indicated some willingness to examine the request to keep the lanes but they will need some form of an engineering study on the intersection and are likely to require that the truck detour onto Hickory remain. Public reaction about the roundabout has been all across the spectrum while the dual left turn lanes have almost been universally popular.

The Board, Council and Staff discussed the safety and enforcement actions on the detour.

Collins stated that as the Councilor for and representative of North Albany he has received nothing but positive comments about the roundabout; the remaining problems are simply those of education about how to use a roundabout and then the normal learning curve.

Wheeler added that if the oval is retained the County would look for time to expand it into a true roundabout, which would require purchasing more right of way and may take some time to plan and build.

Konopa stated that she favors retaining the oval; it may appear that it was a waste of funds to put it in if it is removed, Johnson concurred.

MOTION: Collins moved to work with Benton County to submit an application for the dual left turn lanes with the truck route on hickory. Kopczyński seconded the motion, which **carried (5-0, Coburn excused)**.

MOTION: Jaramillo moved to direct staff to work with the City of Albany to submit an application for the dual left turn lanes with the truck route on Hickory. Schuster seconded the motion, which **carried (3-0)**.

MOTION: Collins moved to request that Benton County retain the ovalabout and work to create a long term roundabout. Kopczynski seconded the motion, which carried (5-0, Coburn excused).

MOTION: Jaramillo moved to direct staff to retain the ovalabout and work to create a permanent roundabout. Schuster seconded the motion, which carried (3-0).

In response to a question from Wheeler, Collins stated that he would support using City funds that are NOT derived from system development charges (SDC) to fund the work on the ovalabout/roundabout as a matter of equity for the rest of the city population that lives in Linn County.

B. County-City IGA for Road Transfers

Wheeler stated that he and his staff have been working together to review and update the existing intergovernmental agreement (IGA) governing the transfer of streets between the City and County. Due to the increased density of traffic, the County roads in North Albany are functioning more like city roads than typical county roads. The first road that triggered the review was the status of North Albany Road; the other roads they are looking at transferring include Wildwood and West Thornton Drives, but only the approximately 470' portion of West Thornton that is being reconstructed; those three roads would not require any further improvement to be able to transfer to the City, either the improvements have already occurred or are unnecessary. Staff would also look at transferring Valley View Drive east of Crocker Road (after a two-inch overlay is completed) and East Thornton Lakes Drive. From 2016 onward Robinhood Lane, Grandview, Squire Drive and a select others would come under consideration; Gibson Hill Road may need to be improved in phases before it could be transferred.

Staff, the Board and Council discussed the technical details of improving the roads prior to transfer, such as building curbs and gutters, etc.; Collins stated that Gibson Hill is the most frequently complained about road by his constituents. An issue may also arise about differing requirements between transfers to and from Benton County than to and from Linn County. Several Councilors expressed concern over the different requirements in the agreements with each of the Counties and equitable treatment of residents on each side of the river. Funding for a project on the Benton County side of the city may be funded through SDC's that are dominantly derived from projects on the Linn County side of the city.

Hare replied that projects throughout the City are funded in a variety of ways from SDC's, to grants, to local improvement districts (LID). He added that it is not uncommon to reach agreements to adjust standards on specific projects to meet a specific, limited need. He discussed the differences between creating standards in developed areas versus more forested areas, adding that he would not be opposed to working with Linn County to have a separate standard to protect resource lands. The portion of Albany in Linn County does not have as many resource lands as there are in North Albany.

Konopa stated that with the Crocker Lane LID the City may have set a new standard and expectation that they will need to address; part of the conversation revolves around how the Transportation System Plan was developed, which was partially intended to reduce the cost of development, and caused the City to reduce the number of projects underway. In the near future there may not be enough money to build the proper roads needed by the larger developments that are planned or underway. Either the SDC's are going to need to be addressed or the standards changed.

Jaramillo wondered whether the areas in North Albany lend themselves to development of bio swales rather than full curb and gutter systems.

Staff discussed the differences in creating rural and city roads, which already require different amounts of right of way, and therefore it would not be unusual to have separate standards. The City of Albany Public Works staff has a good relationship with staff in Linn County and would anticipate having similar discussions with Linn County staff when the need arises.

Kellum stated that he is concerned by the use of SDC funds that are collected from one area of the City in another area when the new developments and industries are spread all over, it is a question of equity.

Hare stated that if the City's expenditures were analyzed, he believes that the majority of the City funding has been spent in Linn County, which is where the majority of the population resides. The investment on the east side of the river will be substantially more than will need to be made in North Albany.

Staff asked the two governing bodies to provide direction to update the road transfer IGA in light of the concerns raised by City Councilors.

Collins stated that he would like time to review the draft IGA and determine if it meets each agency's goals. He appreciates the staffs' work and would like to have the document returned to the Council at a later date; the Council and Board concurred.

C. North Albany County Park – Open Space Expansion Acreage

Powers provided an update on the work that has been done at North Albany Park in relation to a housing development that has been going on near the park. A purchase of nearby, but not contiguous, land by the County will occur sometime in November or December and then a connection between the park and the newly purchased area will be built. The new purchase allows the City and County to take a broader look at updating the park and incorporating the new 13-acre addition. Both Parks Departments recognize that it is a County park within the city limits and want to work together with as much of the public as possible to incorporate the public's desires and views into the revised plan; the County Health Department would also like to help with the planning and outreach. Powers stated that thanks to Commissioner Schuster, a resident has contacted the County and is working with Powers to look at opportunities for even greater connectivity to the surrounding neighborhoods. In response to a question from Johnson, Powers stated that the Health Department recognizes that there is a gap between the physical activity of previous generations and the activity level of current kids. The County would like to build a paved pathway between several of the lots to create a connection between neighborhoods and a loop trail within the new purchase.

D. Proposed North Albany County Park Master Plan update

Hodney stated that the City will be updating its parks master plan this fall and one item on that update list is for greater integration of the park into the City as a whole; access and programming at the park will be part of those discussions.

E. Jail Bond Support

Dixon reviewed the County's decision to put a bond before the voters in the coming election; he stated that he and Jaramillo have been working for many years to find solutions to the deficiencies of the current jail. He asked the City Council to support the County's efforts as the County supported the City's efforts to build new fire and police stations. In response to a question from Johnson, Dixon stated that the Philomath site was picked due to the costs and the fact that it is the same distance from the Courthouse to the Corvallis Airport Industrial Park.

Konopa stated that the jail has been a consistent topic of conversation at the Willamette Criminal Justice Commission over the years, though a lot of other issues have gotten in the way of moving forward. The current election year looks like a good time to take the bond issue to the voters.

The Board and Council discussed the jail and related concerns such as mental health treatment, programs, and detox facilities.

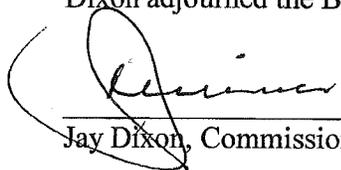
Konopa stated that the City will ask staff develop a resolution in support of the County's efforts and bring it before the Council.

In closing, Collins complimented Benton County Public Works staff for taking the City's grindings and finding a use for those materials, which saves disposal costs for the City and purchase costs for the County.

Wheeler stated that in his time here the relationship between the County and the City of Albany has been very beneficial and productive.

Adjournment

Dixon adjourned the Board meeting at 5:19 p.m.



Jay Dixon, Commissioner



Kevin Perkins, Recorder

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Council Chambers
Monday, August 24, 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 Floyd Collins, Bill Coburn, Bessie Johnson, Rich Kellum, Ray Kopczynski, and Dick Olsen

Councilors Absent: None

BUSINESS FROM THE PUBLIC

None.

STORMWATER DISCUSSIONS NO.4: CURRENT OPERATIONS & MAINTENANCE PRACTICES, FUTURE NEEDS

Interim Public Works Operations Director Chris Bailey said this is the fourth in a series of presentations on stormwater management in Albany. She gave a PowerPoint presentation (see agenda file) which included an overview of Albany's stormwater system, current operating and maintenance practices, typical MS4 Phase II permit requirements, and expectations for future operating and maintenance practices.

Bailey said the stormwater system includes 127 miles of stormwater pipes; 4,202 catch basins/inlets; 2,236 manholes; 70+ miles of open ditches/culverts; and 76 stormwater quality facilities. Receiving waters include Periwinkle, Oak, Cox, and Burkhart Creeks; and the Calapooia and Willamette Rivers. Bailey showed and described manholes and pipes filled with dirt and debris, stormwater quality facilities and ponds, and outfall pipe. She reviewed the stormwater system map, noting the ability to move stormwater is different in different areas of town depending on how development happened and how the system was built. She reviewed differences between storm and sanitary sewer systems, as detailed in the presentation. Bailey gave statistics related to the City's operations and maintenance practices: 50% of storm catch basins are cleaned annually and catch basins that are known to be a problem are also cleaned; 2% of storm pipes are cleaned annually; storm ditches are mowed/cleared; streets are swept on a regular schedule; storm quality facilities are weeded/maintained; stormwater education and outreach is provided; and spill response and cleanup is provided. She reviewed a maintenance pilot project that was done this summer which involved cleaning, camera inspecting, and updating data for 50% of the Oak Creek Watershed; during which, it was found that the condition of some pipe was very bad and some was impassable.

Bailey said the six minimum control measures are: public education and outreach, public involvement and participation, illicit discharge detection and elimination, construction site stormwater control, post-construction stormwater management, and pollution prevention in municipal operations. Staff is currently doing work in all six areas but more work will be required as part of the NPDES MS4 Phase II Stormwater Permit. Typical Phase II Permit requirements include development and approval of a Stormwater Management Program (SWMP). Phase II permits do not currently contain numeric pollutant limits but they do require specific best management practices with measurable goals, implementation dates, and interim milestones for each of the six control measures. Future operations and maintenance activities include increased frequency of system cleaning, improved system mapping, proactive outfall inspections and procedures, defining system maintenance activities, Stormwater Quality Facility maintenance, and monitoring/measuring effectiveness. Current efforts are funded through Street Funds and Sewer Funds. There is no dedicated stormwater funding. Brief discussion followed.

Councilor Floyd Collins requested that Council be provided with the PowerPoint presentation.

Councilor Rich Kellum asked if Bailey would be available to give a presentation to the Kiwanis on this subject, and Bailey said she would.

Councilor Bessie Johnson said the permit requirements are basically unfunded mandates, and she asked what other work the requirements are taking our employees away from. Bailey said the additional work has to be fit in with existing staff who are then not able to spend that time on their primary role. However, even absent the permit requirements, stormwater management is important and Council will be asked to have a discussion about desired level of service, costs, and funding strategies. Johnson said she is glad that Council is hearing about these things now, before the budget cycle begins.

WASTEWATER COLLECTION SYSTEM FACILITY PLAN UPDATE AND FUNDING DISCUSSION

Utility Services Manager Mark Yeager reviewed the written staff report. At a previous Council Work Session, staff presented the Wastewater Collection System Facility Plan which identifies nearly \$82 million in required improvements through build-out of Albany's urban growth boundary. Since that time, based on Council direction, staff has evaluated specific high priority projects for cost savings through construction methods or alternative solutions and developed funding options. The high priority projects list includes about \$34 million of projects. Projects were defined as high priority using three criteria: existing capacity, regulatory compliance, and future capacity needs.

There was a PowerPoint provided for the archived file (see agenda file).

Yeager reviewed the high priority projects and revised project costs, as detailed in Table 3 in the staff memo. He then reviewed a proposed funding strategy for the projects which includes the use of available sewer capital reserves, some System Development Charges (SDC)-r reserves and anticipated increased SDCi revenues, sewer economic development monies, temporarily suspending some programs, and capturing annual utility budget savings. The proposed five-year funding strategy results in some high priority projects remaining unfunded, including the Riverfront Interceptor. An alternative construction plan for the Riverfront Interceptor project includes putting in a wet weather pumping station that would intercept flow upstream and result in about \$5 million reduction in the project cost. In thinking about how to move forward with the Riverfront Interceptor lift station project, funding options that could be considered include long-term debt, increased sewer rates, special funding such as Central Albany Revitalization Area (CARA), and grants/loans.

In response to questions from the Council, Yeager said there is an average of three to four overflows per year on the Riverfront Interceptor; there were six overflows in 2012. The City reports all overflows to the Department of Environmental Quality (DEQ). The DEQ has not been taking enforcement action against communities; however, there is risk that there will be enforcement action in the future. Economic Development Director Kate Porsche thought some level of CARA funding for the Interceptor was defensible and justifiable. If Council is interested in using CARA funds as part of the funding package, staff will bring that back for further consideration.

Collins said the City has a number of outstanding issues coming up and he would like for Council to have a bigger picture policy discussion about how to use the limited resources. He suggested that staff be asked to prepare a staff report that identifies future needs in a comprehensive way so Council can consider all of the issues concurrently. Kellum agreed, noting he previously made the point that Council should prioritize things so the Budget Committee can look at them realistically and holistically.

Konopa asked if any of the Riverfront Interceptor project is SDC eligible. Yeager said there is some portion that is SDCi eligible portion because it is necessary to provide capacity for future development areas. SDCr is more flexible and can be spent on any capital improvement related to the sewer system. Brief discussion followed regarding the Riverfront Interceptor project. Additional discussion followed regarding SDC rates. Yeager said the lengthy process to update the SDC methodology will need to be done at some point. The eligible SDC will be much higher than what is currently being charged, and the challenge will then be to determine what the community can afford.

Councilor Ray Kopczynski said it may be helpful to see how other cities are handling these issues. Yeager said the regulatory system is complex and uncertain. The projected capacity numbers are based on a DEQ standard which is not accepted by the Environmental Protection Agency (EPA). The EPA has a policy standard that says there should be no overflows. There are many issues that communities are wrestling with.

Collins said he wants to put all needs on the table and talk about priorities at a program level, which will also provide a mechanism to help the Council, the Budget Committee, and the community understand the limitations. There was general agreement to ask staff to bring back a proposed process in response to the request.

Assistant Public Works Director/City Engineer Jeff Blaine asked for Council direction on the subset of high priority projects identified in Table 3. Collins said he would support the short term approach in Table 3; however, he thinks the rest of the projects need to fit into bigger picture review. Konopa said she thinks Council should consider updating the SDCs as well. City Manager Wes Hare said he thinks that fits neatly into an overall analysis of future needs and potential resources. If Council chooses to engage a consultant to look at a financial plan, an appropriate part of the work plan might be to look at SDCs. Councilor Bill Coburn said it would be useful to see estimates regarding the impact that higher SDCs would have on growth.

MOTION: Collins moved to move forward with projects laid out in Table 3 of the staff memo. Kopczynski seconded the motion and it passed 6-0.

PUBLIC SAFETY FACILITIES PROJECT UPDATE

Engineering Manager Staci Belcastro said the North Albany Road projects are wrapping up and the road will be reopening tomorrow morning. Brief discussion followed regarding the projects.

Belcastro reported on the neighborhood meetings for the Police and Fire facilities. About 12 people attended the meeting for the Fire facility, and about 50 attended the meeting for the Police facility. Traffic concerns were the main issues at both meetings. For the Fire facility, there were concerns about increased traffic on Fifth and Seventh Avenues related to vacating Sixth Avenue, pedestrian connectivity, and fencing that would tie into adjacent properties. Staff will be meeting with property owners and will try to address the concerns through design. For the Police facility, concerns were expressed about increased traffic on Willetta Street, perimeter fencing, safety, and noise concerns related to sirens and guns. Staff will be meeting with property owners and feel that most of the concerns raised can be addressed with information or through design.

COUNCILOR COMMENTS

City Attorney Jim Delapoer referred to a letter from Frank Moore regarding property that the City purchased for the Fire facility. The previous property owner, Davenport, provided the City with a revocable document which gives permission to Moore to have his garage on the property. The City has discussed options with Moore, including either selling him the land and reserving an easement, or selling him an easement. The City then received a letter from Moore's attorney suggesting that the City give Moore the property through a lot line adjustment. Based on the facts and because this problem was created prior to the City owning the land, Delapoer doesn't think there is a good claim for adverse possession. His suggestion is that the property owner be allowed to use that property under an encroachment permit for no charge. Council agreed that the City Manager will communicate with Moore to see if an encroachment permit will satisfy his needs, and will report back at the next meeting.

Collins said he would like information in a future Work Session related to fire hazards, including what can be done at a local level and what is regulated by the state.

Kellum said a couple of issues came up during the Northwest Art & Air Festival, including balloons flying too close to compressed gas cylinder docks. Staff invited him to attend a debriefing of the event.

CITY MANAGER REPORT

There was no additional report.

ADJOURNMENT

There being no other business, the meeting was adjourned at 6:18 p.m.

Respectfully submitted,

Reviewed by,

Teresa Nix
Administrative Assistant

Wes Hare
City Manager

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Municipal Court Room
Monday, September 21, 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 Rich Kellum, Bill Coburn, Ray Kopczynski, Dick Olsen, and Floyd Collins.

Councilors absent: Bessie Johnson was excused.

BUSINESS FROM THE PUBLIC

There was none.

FLOODPLAIN PROGRAM UPDATES

Planner II Melissa Anderson updated the Council on floodplain management work efforts. She said staff has been working on various projects related to floodplain management. Many of these projects are ongoing, and some may require future Council action. Staff anticipates a number of items will be presented to the City Council over the next year.

Albany participates in the National Flood Insurance Program (NFIP) by adopting, administering and enforcing floodplain management ordinances to reduce future flood damage. In exchange, the NFIP makes federally-backed flood insurance available, which is also required for federally-backed mortgages. The City is currently in good standing with the program.

For citizens residing in the floodplain, one of the issues of most concern is flood insurance rates, which vary based on many risk factors. The City joined the Community Rating System (CRS) program in 1991, and is in good standing as a CRS Class 6 community, which means a 20% discount on flood insurance premiums for residents, business and property owners with property in the special flood hazard area. This discount amounts to an annual savings of approximately \$323 per insurance policy, or \$55,150 for our community. If Albany became a Class 5 community, annual savings would be approximately \$400 per policy and \$70,000 total for the community.

Councilor Ray Kopczynski asked if there is a process for recertification? Anderson said yes, every five years. Albany's next evaluation is next year.

Councilor Rich Kellum asked what factors improve a city's rating. Anderson said increasing standards like No Adverse Impact will help. The North Albany floodplain map study will probably get us points, as will doing better public outreach.

Councilor Dick Olsen asked how often the "base" flood happens. Anderson said it is a 100-year flood. Olsen asked if a city will get a better rating if it doesn't let people build in the floodplain. Anderson said yes, but nearly 50% of Albany's floodplain is already zoned Open Space, which limits development in those areas. The rating takes into account things like storm water management, regulations, outreach projects, and emergency management.

Kellum asked if the storm water management plan helps. Anderson said yes. Albany has standard operating procedures for inspections and cleaning, and we respond to complaints.

Anderson said that the City will be evaluated again for participation and class rating in the CRS program in 2016. The goal is to maintain the Class 6 rating, and, where possible, improve it to Class 5.

The Federal Emergency Management Agency (FEMA) is nearing completion of the federal process to adopt new flood insurance rate maps. A final letter of determination should be issued in February 2016. The City will need to update the Development Code to reference the new flood insurance rate maps for North Albany. Amending the Development Code requires public hearings before the Planning Commission and City Council. This will need to be done before the new flood insurance maps for North Albany become effective, which is estimated to be in August, 2016.

Currently, Albany doesn't have a way to ensure that fill on one property doesn't shift floodwater onto neighboring properties. Many communities have implemented a "No Adverse Impact" (NAI) approach to floodplain management. The NAI approach ensures that development activities of one property owner do not adversely impact other property owners or increase flooding. The City Council began discussing NAI in 2011, and the last Council work session discussion on this topic was in 2013. Following that discussion, Council directed staff to return with sample code language for the Council's review. Staff turnover has delayed this process, but staff will continue this work and return to Council next spring or summer with sample code language as originally directed.

Albany City Council Work Session
September 21, 2015

Councilor Floyd Collins asked if No Adverse Impact means zero. He said it would be hard to prove zero impact. Assistant Public Works Director/City Engineer Jeff Blaine reminded the Council that Public Works discussed the issue of what is acceptable with the Council in 2011 and 2013. Collins thought he remembered a state law requiring no impact parcel-to-parcel. Blaine said there is no written law, but there is case law. City Attorney Jim Delapoer said the common-law doctrine is, if you alter the natural flow and then see damage, you are liable. It's hard to regulate because it requires damage. Collins suggested getting something reasonable in the Development Code so we can be ahead of the curve. Delapoer said when you try to make sure that no one is damaged by another citizen, you must also respect laws prohibiting unreasonable limits on development of property. Kellum asked, if our Community Development Department approves a project that turns out to have an adverse impact, is it the City's fault? Delapoer said situations are almost never that clear. The City can't guarantee good outcomes. The City's responsibility is to not be negligent.

Blaine reminded the Council that floodplain management is about the 100-year floodplain, where a flood is an extreme event. In the last few years, the City has made a number of changes in the development process to deal with property drainage and construction. Delapoer added that if we tried to prevent bad outcomes in all cases, we would assume duties the law has not imposed, and, once you assume duties, you are obligated to perform them.

Anderson said National Oceanic and Atmospheric Administration (NOAA) Fisheries has sued FEMA in Oregon and other states for failing to consult with NOAA when species listed under the Endangered Species Act (ESA) are affected by development in the Special Flood Hazard Area. FEMA administers the NFIP, and must implement it so that listed species like salmon and steelhead are not put at higher risk. NOAA and FEMA must identify measures to ensure that implementing the NFIP will not result in further loss of salmon habitat. The outcome of the consultation process will be a Biological Opinion (BiOp), which will provide specific guidance on what is required to comply with the ESA. The final BiOp is currently under legal review, and is expected to be released in the next month. Based on the result, FEMA may issue new standards for the NFIP, which would trigger requirements for the City to amend the floodplain code. These amendments would be required in order to remain in good standing with the NFIP, which is necessary for residents to qualify for flood insurance and federally backed mortgages. If code amendments are required, public hearings and City Council approval will be necessary for adoption.

Anderson said that Albany is required to have a current Natural Hazard Mitigation Plan (NHMP) in order to qualify for grants and disaster relief funds from FEMA. As part of the NHMP update, city staff has been working with a floodplain management planning committee on an update to the flood hazard section of the NHMP, and on developing a program for public information and insurance promotion. Both projects will be completed this year. The committee gives us additional points in the CRS rating system. The update to the entire NHMP will be presented to Council at the end of this year.

Kellum asked if the Endangered Species Act includes some salmon runs that didn't travel this far up the river before fish ladders were installed. Anderson said she doesn't know the details of what species are considered endangered. She said a lot of negotiating is being done between FEMA and NOAA Fisheries. The first BiOp sounded like a moratorium on development in the Willamette Valley, but it seems to be reaching some kind of balance by now. She's anxious to find out how it will affect us.

COMMUNITY DEVELOPMENT COMMISSION

Konopa said she proposes that the Council change the Ordinance establishing the Community Development Commission (CDC) so the Mayor would make appointments, subject to ratification by the Council. There has been a lot of discussion, but no action has been taken. Three CDC members are now working on expired terms, and three more have terms expiring this year. Currently, the Council makes appointments to the CDC. In order to do that, the Council would need to interview applicants. This will take more staff time and more Council time, and applicants don't want to be interviewed in a public forum. Albany doesn't do that with any other boards and commissions. She asked the Council to bring the issue up in regular session to consider for action.

MOTION: Kellum moved to forward the issue to the Council in regular session. Councilor Bill Coburn seconded the motion, which passed 5-0. The item will come before the City Council at the October 14, 2015 meeting.

PUBLIC SAFETY FACILITIES PROJECT UPDATE

Belcastro said the planning applications for both buildings were submitted last week and are under review. The first public hearing will be November 16 in front of the Planning Commission. If a second hearing is needed, it will be December 7. There will be a public hearing in front of the Council sometime in January 2016. MacKenzie has completed 30% designs, and hazardous materials survey of the fire station property is complete. Demolitions will start sometime after November 1st. Public Works wants all the buildings to be demolished by March 2016.

Kellum said it still doesn't look to him like Edward Jones' new building on Geary will be ready by then. Fire Chief John Bradner said the City has given Edward Jones a two-week extension to occupy their current building. They plan to be out by November 15. Konopa said their new building is moving right along. Hare said the City is willing to work with them. They won't be kicked out. The City has already paid a large amount to buy out their lease. Kellum said that money went to Edward Jones headquarters back east, not to the local broker. Hare said the City's issue has to be what the City needs and what the cost is.

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September 21, 2015

Belcastro said Fire Station 11 will be the last to be demolished. Staff and equipment probably will move in March or April. Public Works will meet with ODOT September 28 to discuss the fire station concept, including the flashing lights, crosswalks, etc. The City is waiting for concurrence on the wetland delineation for the police station property. The concurrence deadline has passed, and we need the delineation in order to get fill permits.

ONE PERCENT FOR ART

Parks & Recreation Director Ed Hodney said he is requesting direction from the Council as to what changes they want to make to the One Percent for Art Ordinance. Collins asked for clarification that the one percent is calculated on the cost of the building only, not the parking lot or site improvements. Engineering Manager Staci Belcastro said that is correct. Kopczynski said he likes the ordinance's provision allowing art bought with the 1% to be located in a different City building. Collins asked if the one percent was in the original budget estimates for the new stations? Belcastro said yes, it was a line item in the bond. Konopa thinks it's creative to have a storm drain as an art facility. Kellum said he is concerned about asking his constituents to pay extra for an art storm drain rather than a standard storm drain.

Olsen said there's not much chance of him or his neighbors actually going to the police station. It's set back from the road, and drivers going 45 miles per hour won't see the art. How many people will see it? Lots of people will see art at the fire station. There's talk of putting a restored steam pumper in the fire station as art. The City has three other historic fire engines. He'd like to see all of them in the building. The first floor is all glass, including a double-door entryway. He would like to see art at the police station as appropriate but thinks the rest of the money should be spent for a really good fire engine display at the fire station. Konopa said there are two questions to answer: first, does the Council want to amend the Ordinance, and second, how do they want to spend that money?

Delapoer said that when the Ordinance was written, the Council wanted to distance itself from choosing the art. Now it seems the Council may want to do the deciding. He asked the Council if they are comfortable with the one-percent commitment, and if they want to control how the money is spent. Coburn said he thinks the Ordinance is poorly written as one-size-fits-all. It looks like the police are trying hard to spend more money than they need for the building. That isn't a good use of public money. He thinks one percent for the City Hall building might have been too low. It has a lot of public space. He thinks the Council should be involved in determining the amount to be spent on art.

Konopa said the campaign for the facilities never promised not to spend money on art. Kellum said the campaign did say the buildings wouldn't be fancy. He agrees with Coburn that the City is trying hard to spend the amount of money the Ordinance allows. Konopa said the available dollars could easily have been spent on pure art. Staff tried to find a balance between artistic appearance and also function, at the Council's direction. Belcastro said the police concept hasn't been entirely developed yet. Some of the "art" features are required whether they are art or not. The seat walls are required for security, whether or not they have seats built in. Storm water treatment is required. The police station will be 30 feet tall and the downspout will be big - maybe big enough to see from the road.

Kopczynski said he would like the Council to have final oversight but not the decision-making responsibility. Olsen asked if the Ordinance says the Council can appoint an "other person or agency" to be responsible. Delapoer said yes; the Council could even appoint themselves. City Manager Wes Hare said the intent of the Ordinance was to use knowledgeable advisors but to recognize that advisors may not choose something acceptable to the community. The Council can review and make the ultimate decision. He advised the Council not to bypass the Arts Commission on the one occasion when the city has a big project.

Hodney said the Arts Commission has already endorsed the two projects brought to them by staff. They won't go back and reevaluate that endorsement unless the Council directs them to do so. Olsen asked if the Arts Commission were directed to spend so much for fire and so much for police? Hodney said yes, because they came as separate proposals. Olsen asked, can we spend more on the fire station and less on the police station? Hodney said the Arts Commission will be willing to reconsider at direction from the Council.

Delapoer said the Ordinance says the Council doesn't have a role in the decision, but in this case they seem to want to make the decision. In order to do that, they can designate the Council as the final decision body. Hodney said the practice for 12 years has been for the Arts Commission to bring recommendations to the Council for the Council's decision. Delapoer suggested that the Council formalize that practice with a motion. Coburn restated his earlier concern. He wants to be able to spend less than the one percent if that is adequate. Konopa said the decision will always come to the Council, and the Council can always choose not to spend the money. Kellum said he thinks that as long as the money is used for something the building needs anyway, then every penny should be spent. He would like to have a goal rather than a rule.

Collins said he's concerned about one percent of cost locked in up front, before we have construction documents. He doesn't want to come up short on the basic facilities because money is committed to art. He would like to see the Ordinance allow the value of donated facilities or art to count toward the one percent. That would also open an opportunity to involve the community. Hodney said this project has to move forward. If the Council wants to pull back from the art budgets on these projects, now is the time. He is hearing concerns that the Council would like to see more flexibility in the Ordinance. He thinks the Arts Commission could provide some draft language but it might take a while.

Chief of Police Mario Lattanzio said delay will affect the police project. Part of the design incorporates the art budget. They have already cut 1000 square feet to get within budget. Konopa said the bond has a 20-year term. Factored over 20 years, the bond amount is about 12 cents per person. Having an attractive project could help improve the whole area of

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SW Pacific and spark reinvestment across the highway. Coburn said a lot of people are probably concerned about the amount of money being spent. Modifying the Ordinance to spend one-half or three-quarters of one percent would still get the money the police station needs. Konopa asked if the Council would modify the Ordinance to please critics or to do what is best for Albany. Kopczynski said he doesn't think one percent can remotely be construed as trying to make a Taj Mahal. He suggested letting the Arts Commission show the Council their recommendations.

Collins said the Arts Commission has spent time with the police on the functional elements of the project. He doesn't want to cut the functional facilities and then put nice but not necessary art there. He commended staff for their approach to find functional enhancements. He suggests using a cap per project, instead of a flat one percent.

Kellum asked, what is the drop-dead decision date? Belcastro said the consultant needs direction now. They've already developed 30% plans, but they haven't developed the storm water features yet. Hare said we know we have to have storm water facilities. What is the cost of the enhanced facilities? Belcastro said roughly \$60,000, including the seat walls with lighting. Lattanzio said that amount doesn't include the art piece, which hasn't been settled on yet. Kellum said his concern is the difference between the cost of the standard feature and the cost of the enhanced feature? Belcastro said the cost of the enhanced storm water facility is roughly \$60,000. Subtracting \$10,000 for the seat walls, which would be required regardless, leaves about \$47,000 for the enhanced facility.

Coburn said he wants to think about the issues, and would rather not make a decision until Councilor Johnson is able to take part. By consensus, the Council agreed to carry the discussion over to the Wednesday, September 23, 2015, regular session.

COUNCILOR COMMENTS

There were none.

CITY MANAGER REPORT

There was no City Manager Report.

ADJOURNMENT

There being no other business, the meeting was adjourned at 5:31 p.m.

Respectfully submitted,

Allison Liesse
Accounting Specialist

Reviewed by,

Stewart Taylor
Finance Director



TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Stewart Taylor, Finance Director
DATE: October 21, 2015, for the October 28, 2015, City Council Meeting
SUBJECT: Investment Policy
RELATES TO STRATEGIC PLAN THEME: ● Effective Government

Action Requested:

By resolution, readopt the Investment Policy and repeal Resolution No. 6374.

Discussion:

The City's investment policy was last reviewed and adopted by the City Council as Resolution No. 6374 on December 10, 2014. Both the current policy and ORS Section 294.135 require the City Council to review the policy on a periodic basis.

Staff has worked closely with the City's Investment Advisor, Government Portfolio Advisors, to review the current policy and to manage the City's investments consistent with the policy.

Two changes are recommended in the current review. The first is to separate certificates of deposit and bank deposits into individual line items and to limit certificates of deposit to 10% and 5% per issuer and bank deposits to 20% and 10%. Separating the two types of deposits will allow greater clarity in reporting. The second is to clarify the ratings limit on corporate and municipal bonds to AA- for Standard & Poor's and Aa3 for Moody's Investors Services.

The City Council received a market update and discussed the proposed policy changes at the work session on October 26, 2015.

Budget Impact:

The Investment Policy sets parameters for the investment of available cash not needed to meet current obligations.

ST:md

Attachments: Memo – Government Portfolio Advisors
Resolution and Policy



Memorandum

To: Stewart Taylor, Finance Director

From: Deanne Woodring, CFA – President Government Portfolio Advisors

Sally Walton Managing Director

Date: 10/14/15

Subject: Investment Policy Review – 2015/2016

ORS 294.135(a) requires local governments investing in securities with maturities longer than 18 months to annually adopt their investment policies. The City re-adopted the Investment Policy in December 2014. The policy is being presented for re-adoption for 2015 to the City Council with no substantial changes and the following revisions:

UPDATES

- 1) GPA is recommending to separate the Certificates of Deposit allocation and the Bank Deposit allocation line items. Recommending that Certificates of deposit are limited to 10% and 5% per issuer and Bank Deposits to 20% and 10% issuer constraint. Separating will provide for clarity in reporting the types of securities.

- 2) GPA is recommending to further clarify the ratings limit on Corporate and Municipal bonds to AA- for S&P and Aa₃ for Moody's. It was listed as AA and Aa, leaving it open for interpretation for true rating.

RESOLUTION NO. _____

A RESOLUTION READOPTING AN INVESTMENT POLICY
AND REPEALING RESOLUTION NO. 6374

WHEREAS, ORS Section 294.135 requires cities to periodically review their written investment policies;
and

WHEREAS, ORS Section 294.135 (1)(a) requires the Oregon Short Term Fund Board (OSTFB) to
review and comment on major policy revisions; and

WHEREAS, the OSTFB has reviewed and commented on the City of Albany Investment Policy and has
found that the statutory policy review requirement has been satisfied; and

WHEREAS, the Government Finance Officers Association (GFOA) and OSTFB have crafted model
investment policies; and

WHEREAS, changes previously suggested by GFOA and OSTFB have been incorporated into the City's
Investment Policy; and

WHEREAS, the City's Investment Advisor, Government Portfolio Advisors (GPA), has recommended
that the policy incorporate language to separate certificates of deposit and bank deposits into individual
line items and to limit certificates of deposit to 10% and 5% per issuer and bank deposits to 20% and
10%; and

WHEREAS, GPA further recommends that the policy clarify the ratings limit on corporate and municipal
bonds to AA- for Standard & Poor's and Aa3 for Moody's Investors Services; and

WHEREAS, the City desires to incorporate the recommended changes.

NOW, THEREFORE, BE IT RESOLVED that the City of Albany City Council adopts Exhibit A as the
Investment Policy for the City of Albany.

BE IT FURTHER RESOLVED that Resolution No. 6374 is hereby repealed.

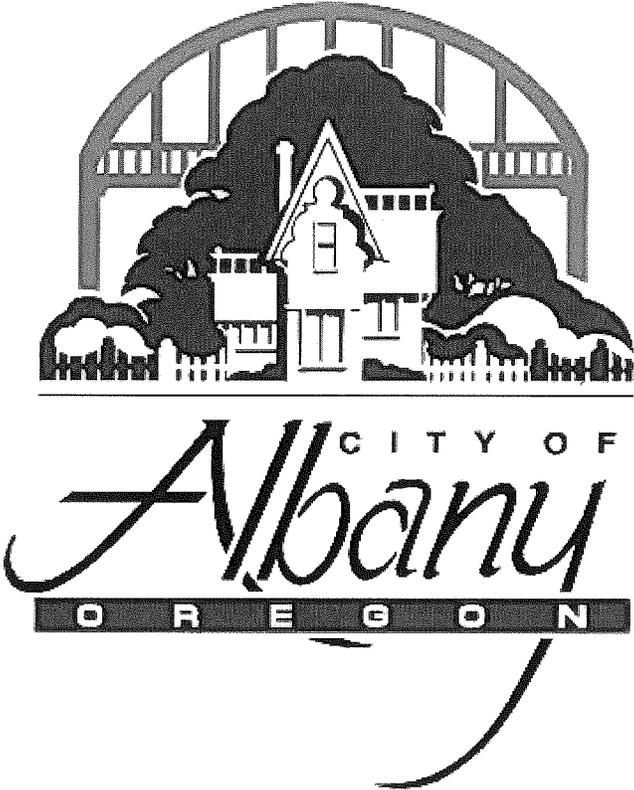
DATED AND EFFECTIVE THIS 28TH DAY OF OCTOBER, 2015.

Mayor

ATTEST:

City Clerk

City of Albany Investment Policy



	<p>City of Albany Finance Policy Policy #: F-06-08-007 Title: Investment Policy</p>	
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I. INTRODUCTION

The City of Albany, (hereinafter referred to as "Albany" or "City") was founded in 1848. Albany is the eleventh largest city in the state of Oregon, and is the county seat of Linn County. Albany has a home rule charter and is a Council-Manager form of government where the full time appointed City Manager administers the day-to-day operations and is the chief administrative officer of the City.

The average monthly balance of funds invested in the City's general portfolio, excluding proceeds from bond issues, is approximately \$60,000,000.00. The highest balances occur when taxes are collected.

II. GOVERNING BODY

It is the policy of the City of Albany that the administration of its funds and the investment of those funds shall be handled with the highest public trust. Investments shall be made in a manner that will assure security of principal. Parameters will be set to limit maturities and increase diversification of the portfolio while meeting the daily cash flow needs of the City and conforming to all applicable state and City requirements governing the investment of public funds. The receipt of a market rate of return will be secondary to safety and liquidity requirements. It is the intent of the City to be in complete compliance with local, state, and federal law. The earnings from investments will be used in a manner that best serves the public trust and interests of the City.

III. SCOPE

This policy applies to activities of the City of Albany with regard to investing the financial assets of all funds. Funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the state of Oregon.

The City commingles its daily cash into one pooled investment fund for investment purposes of efficiency and maximum investment opportunity. The following funds, and any new funds created by the City, unless specifically exempted by the City Council and this policy, are defined in the City's Comprehensive Annual Financial Report:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Permanent Funds

These funds will be invested in compliance with the provisions of all applicable Oregon Revised Statutes (ORS). Investments of any tax-exempt borrowing proceeds and any related Debt Service funds will comply with the arbitrage restrictions in all applicable Internal Revenue Codes.

IV. OBJECTIVES AND STRATEGY

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in the following order of priority:

1. Safety of Principal

- Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- Diversification of the portfolio will include diversification by maturity and market sector and will include the use of multiple broker/dealers for diversification and market coverage.

2. Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements that might be reasonably anticipated.

3. Yield-Return

The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury bill or any other index that most closely matches the average maturity of the portfolio.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms, and the management of banking services.

V. STANDARDS OF CARE

1. Delegation of Investment Authority

- a. Investment Officer. The Finance Director, acting on behalf of the City Council, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Council is responsible for considering the quality and capability of investment advisers and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy, and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio.

- b. Investment Adviser. The City may enter into contracts with external investment management firms on a non-discretionary basis.

If an investment adviser is hired, the adviser will serve as a fiduciary for the City and comply with all requirements of this Investment Policy. Exceptions to the Investment Policy must be disclosed and agreed upon in writing by both parties. The Investment Officer remains the person ultimately responsible for the prudent management of the portfolio.

- c. Staff Designation. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

2. Prudence

The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

3. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees, officers, and their families shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees shall, at all times, comply with the state of Oregon Government Ethics as set forth in ORS 244.

VI. AUTHORIZED FINANCIAL INSTITUTIONS

1. Broker/Dealer Approval Process

The Investment Officer shall maintain a list of all authorized brokers/dealers and financial institutions that are approved for investment purposes or investment dealings. Any firm is eligible to make an application to the City of Albany and upon due consideration and approval will be added to the list. Additions and deletions to the list will be made at the discretion of the Investment Officer.

At the request of the City of Albany, the firms performing investment services shall provide their most recent financial statements or Consolidated Report of Condition for review. Further, there should be in place, proof as to all the necessary credentials and licenses held by employees of the brokers/dealers who will have contact with the City of Albany as specified by, but not necessarily limited to the Financial Industry Regulatory Authority (FINRA), Securities and Exchange Commission (SEC), etc. The Investment Officer shall conduct an annual evaluation of each firm's credit worthiness to determine if it should remain on the list.

All dealers with whom the City transacts business will be provided a copy of this Investment Policy to ensure that they are familiar with the goals and objectives of the investment program.

If the City hires an investment adviser to provide investment management services, the adviser is authorized to transact with its direct dealer relationships on behalf of the City. A list of approved dealers must be submitted to the investment officer prior to transacting business. The investment officer can assign the responsibility of broker/dealer due diligence process to the Adviser, and all

licensing information on the counterparties will be maintained by the Adviser and available upon request.

2. Investment Adviser

An Investment Adviser may be selected through a competitive RFP process and must meet the following criteria:

- a. The investment adviser firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon if assets under management are less than \$100 million.
- b. All investment adviser firm representatives conducting investment transactions on behalf of the City must be registered representatives with FINRA.
- c. All investment adviser firm representatives conducting investment transactions on behalf of the City must be licensed by the state of Oregon. Factors to be considered when hiring an investment advisory firm may include, but are not limited to:
 - i. The firm's major business
 - ii. Ownership and organization of the firm
 - iii. The background and experience of key members of the firm, including the portfolio manager expected to be responsible for the City's account
 - iv. The size of the firm's asset base, and the portion of that base which would be made up by the City's portfolio if the firm were hired
 - v. Management fees
 - vi. Cost analysis of the adviser
 - vii. Performance of the investment advisory firm, net of all fees, versus the Local Government Investment Pool over a given period of time

3. Financial Bank Institutions

All financial banks that provide bank deposits, certificates of deposits or any other deposit of the bank to the City must either be fully covered by the FDIC or the bank must be a participant of the Public Funds Collateralization Program (PFCP). ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the PFCP. Bank depositories are required to pledge collateral against any public fund deposits in excess of deposit insurance amounts. The PFCP provides additional protection for public funds in the event of a bank loss.

4. Competitive Transactions

The Investment Officer will obtain telephone, faxed or emailed quotes before purchasing or selling an investment. The Investment Officer will select the quote which best satisfies the investment objectives of the investment portfolio within the parameters of this policy. The Investment Officer will maintain a written record of each bidding process including the name and prices offered by each participating financial institution.

The investment adviser must provide documentation of competitive pricing execution on each transaction. The adviser will retain documentation and provide upon request.

VII. Safekeeping and Custody, Controls

1. Safekeeping and Custody Securities

The laws of the state and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by the City, an independent third-party financial institution, or the City's designated depository.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The approved broker/dealer or investment adviser shall provide the City with a confirmation ticket listing the specific instrument, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information. The broker/dealer which executes the transaction on the City's behalf shall deliver all securities on a delivery versus payment method to the designated third party trustee at the direction of the Investment Officer.

2. Safekeeping of Funds at Bank Depositories

The City may hold bank deposits or certificates of deposits at banks qualified under ORS 295.

3. Accounting Methods

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

4. Pooling of Funds

Except for cash in certain restricted and special funds, the City will consolidate balances from all funds to maximize investment opportunities. Investment income will be allocated to the various funds based on their respective participation and in accordance with Generally Accepted Accounting Principles.

5. Internal Controls

The City will maintain a structure of internal controls sufficient to assure the safekeeping and security of all investments. All out of compliance situations under this policy will be corrected and brought into compliance as soon as prudently possible.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program that are consistent with this investment policy. Procedures will include reference to safekeeping, wire transfers, banking services contracts, and other investment-related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the Council.

VIII. AUTHORIZED AND SUITABLE INVESTMENTS

1. Authorized Investments

All investments of the City shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS

294.040 (Restriction on investments under ORS 294.035), ORS 294.052 (Definitions; investment by municipality of proceeds of bonds), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for custodial officer), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

2. Suitable Investments

The City will diversify investments across maturities, security types and institutions to avoid incurring unreasonable risks. The City has further defined the eligible types of securities and transactions as follows:

TYPE	DEFINITION
U.S. Treasury Obligation	Direct obligations of the United States Treasury whose payment is guaranteed by the United States. [ORS Section 294.035(3)(a)]
GSE – Agency Obligations	US Government Agencies, Government Sponsored Enterprises (GSEs), Corporations or Instrumentalities of the US Government - Federal Instrumentality Securities include, but are not limited to Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB). [ORS 294.035(3)(a)]
Commercial Paper	Commercial Paper* that is rated A1/P1 and has long term bonds which have a minimum rating of AA- by Standard and Poor's and Aa3 by Moody's. In the case where both rating agencies provide ratings on the corporation, the lowest rating will be used.
Corporate Indebtedness	Corporate indebtedness must be rated on the settlement date Aa3 or better by Moody's Investors Service or AA- or better by S&P [ORS Section 294.035 (3) (B)]. In the case of a split rating, the lower rating will be used.
Local Government Investment Pool	State Treasurer's local short-term investment fund up to the statutory limit per ORS Section 294.810.
Certificates of Deposit/Bank Deposit/Savings Accounts	Time deposit open accounts, certificates of deposit and savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006, or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].
State Obligations	Lawfully issued debt obligations of the agencies and instrumentalities of the State of Oregon and its political subdivisions that have a long-term rating of AA- or an equivalent rating or better or are rated on the settlement

	<p>date by S&P, or Moody's [ORS Section 294.035(3)(b)]. In the case where both rating agencies provide ratings on the municipal bond, the lowest rating will be used.</p> <p>Lawfully issued debt obligations of the State of California, Idaho and Washington and political subdivisions of those states, if the obligations have a long-term rating of AA- or an equivalent rating or better or are rated on the settlement date by S&P or Moody's[ORS Section 294.035(3)(c)]. In the case where both rating agencies provide ratings on the municipal bond, the lowest rating will be used.</p>
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3. Collateralization

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the Public Funds Collateralization Program in accordance with ORS Section 295.018. All depositories must be on the State of Oregon's qualified list. Additional collateral requirements may be required if the Investment Officer deems increased collateral is beneficial to the protection of the monies under the City's management.

IX. INVESTMENT PARAMETERS

1. Diversification

The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over investing in specific instruments, individual financial institutions or maturities.

DIVERSIFICATION CONSTRAINTS ON TOTAL HOLDINGS: LIQUIDITY AND CORE FUNDS*		
Issuer Type	Maximum % Holdings	Maximum Per Issuer Name
US Treasury Obligations	100%	
US Agency (GSE) Securities	100%	33%
Bankers Acceptances	10%	5%
Commercial Paper	10%	5%
Corporate Indebtedness	20%	5%
Certificates of Deposit	10%	5%
Bank Deposits and Savings	20%	10%
Municipal Bonds	10%	5%
Local Government Investment Pool	ORS 294.810 Limit	

2. Investment Maturity

The City will not directly invest in securities maturing more than five (5) years from the date of purchase.

- a. The maximum weighted maturity of the total portfolio shall not exceed 1.5 years. This maximum is established to limit the portfolio to excessive price change exposure.
- b. Liquidity funds will be held in the State Pool or in money market instruments maturing six months and shorter. The liquidity portfolio shall, at a minimum, represent three months budgeted outflows.
- c. Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be only invested in high quality and liquid securities.

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%
WAM (Weighted Average Maturity)	2 years

Reserve or Capital Improvement Project monies may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds

3. Prohibited Investments

The City shall not lend securities nor directly participate in a securities lending or reverse repurchase program. The purchase of derivatives and use of reverse repurchase agreements are specifically prohibited by this policy. The City shall not purchase mortgage-backed securities.

X. POLICY COMPLIANCE AND PERFORMANCE EVALUATION

1. Compliance Report

A compliance report shall be maintained quarterly to document the portfolio versus the investment policy.

2. Compliance Measurement and Adherence

- a. Compliance Measurement: Guideline measurements will use [par/market] value of investments.
- b. Compliance Procedures: If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
- c. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the City Council.
- d. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

- e. As determined on any date that the security is held within the portfolio. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Investment Officer shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Investment Officer will apply the general objectives of Safety, Liquidity, Yield, and Legality to make the decision. If the City has hired the services of an Investment Adviser, the Investment Officer will act on the recommendation of the Adviser.

3. Performance Measurement

The performance of the City of Albany will be measured against the performance of the Local Government Investment Pool, using monthly net yield of both portfolios as the yardstick. Preservation of capital and maintenance of sufficient liquidity will be considered prior to attainment of market return performance. Given these considerations, the City's portfolio should provide a net yield that is equal or better to that attained by the Local Government Investment Pool over interest rate cycles.

Additionally, a market benchmark will be determined that is appropriate for longer term investments based on the City's risk and return profile. The investment adviser will provide return comparisons of the portfolio to the benchmark on a monthly basis. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return. This would include any in-house management of the funds, as well as outside management.

XI. REPORTING REQUIREMENTS

The Investment Officer shall submit quarterly and annual reports to the local governing board containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program. More frequent reports may be provided when market conditions merit or if requested by the governing board.

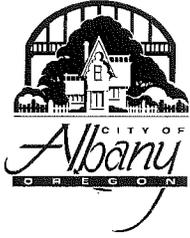
Minimum quarterly reporting requirements for total portfolio:

- Earnings Yield
- Holdings Report (including mark to market)
- Transactions Report
- Weighted Average Maturity or Duration
- Compliance Report

XII. INVESTMENT POLICY ADOPTION BY GOVERNING BOARD

This investment policy will be formally adopted by the Albany City Council. The policy shall be reviewed on an annual basis by the Investment Officer and the Albany City Council. Material revisions to this policy will require a review by the Oregon Short Term Fund Board, pursuant to ORS.

Supersedes: Res No. 6374	Created/Amended by/date: 10-28-2015	Effective Date: 10-28-2015	Reviewed by Council: 10-26-2015
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TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Stewart Taylor, Finance Director
DATE: October 21, 2015, for the October 28, 2015, City Council Meeting
SUBJECT: Risk Management Policy
RELATES TO STRATEGIC PLAN THEME: ● Effective Government

Action Requested:

By resolution, readopt the Risk Management Policy and repeal Resolution No. 6375.

Discussion:

The City's current Risk Management Policy was last reviewed and adopted by the City Council as Resolution No. 6375 on December 10, 2014. The policy requires an annual report and review by the City Council.

Staff has worked closely with the City's Insurance Broker, Barker-Uerlings Insurance, to review the current insurance coverages and the Risk Management Policy. The list of insurance coverage has been updated. No other changes are recommended in this year's review.

The City Council received a claims history review and discussed the current policy at the work session on October 26, 2015.

Budget Impact:

Costs of insurances are in the adopted budget. The Risk Management Policy sets parameters for managing risks and insurance coverage.

ST:md

Attachment: Resolution and Risk Management Policy

RESOLUTION NO. _____

A RESOLUTION READOPTING THE RISK MANAGEMENT POLICY
AND REPEALING RESOLUTION NO. 6375

WHEREAS, the City Council last adopted the Risk Management Policy as Resolution No. 6375 on December 10, 2014; and

WHEREAS, the policy requires an annual report and review by the City Council; and

WHEREAS, at the October 26, 2015, Work Session, the City Council received an annual report from the City's insurance broker, Barker-Uerlings Insurance, and discussed the insurance coverage and language in the policy; and

WHEREAS, the insurance coverage was updated and no other policy changes were recommended.

NOW, THEREFORE, BE IT RESOLVED that the City of Albany City Council adopts Exhibit A as the Risk Management Policy for the City of Albany.

BE IT FURTHER RESOLVED that Resolution No. 6375 is hereby repealed.

DATED AND EFFECTIVE THIS 28TH DAY OF OCTOBER, 2015.

Mayor

ATTEST:

City Clerk

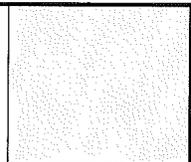
City of Albany Risk Management Policy



CITY OF
Albany
O R E G O N



City of Albany
Finance Policy
Policy #: F-08-08-004
Title: Risk Management



I. POLICY STATEMENT

It is the policy of the City of Albany to proactively identify and manage the inherent risks of providing municipal services. Potential losses will be mitigated through employee safety committees, loss prevention programs, property and liability insurances, workers' compensation, and employee health, life, and disability benefits.

II. GENERAL RESPONSIBILITIES

Each employee of the City is responsible to contribute to a safe environment for all employees and the public. Employees should help identify and correct unsafe conditions and should follow all established safety laws, policies, and practices.

The City Manager and department directors are responsible to protect the City of Albany's assets by identifying and managing risks. Primary objectives include containing costs, minimizing accidents and injuries to employees and the public, reducing the frequency and severity of property loss, and promoting a healthy employee workforce and working environment.

Department directors are responsible for managing the risks of operations in their respective departments. They ensure that effective safety and loss prevention programs are implemented and oversee the investigation of claims and losses.

Department directors coordinate their efforts with the Senior Accountant who acts as the City's Risk Manager. The Risk Manager is responsible for facilitating claims processing and working closely with third party property and liability insurers.

The City Manager may choose to retain professional advisors, consultants, insurers, brokers, and agents of record to assist the City in placing appropriate insurances and developing effective safety and loss prevention programs.

III. SPECIFIC RESPONSIBILITIES

1. **Human Resources Director.**
 - a. Coordinate and promote city-wide safety awareness and employee wellness programs.
 - b. Manage the City's worker's compensation and health insurance programs to contain costs and promote safety and wellness for employees and their families.
2. **Finance Director.**
 - a. Recommend appropriate levels of property and general liability insurance to the City Manager and City Council.
 - b. Coordinate periodic inventories of all property, buildings, equipment, vehicles, and other capital assets and verify that appropriate insurance is in place.
 - c. Maintain policies, bonds, and other legal documentation of insurance.
 - d. Provide an annual report to the City Council showing claims experience and the costs of insurance programs.
3. **Fire Chief.**
 - a. Conduct fire and life safety inspections of City facilities on a periodic basis according to the level of risk in each facility.

- b. Verify that all facilities are in compliance with recognized fire code standards for fire and life safety.
4. **City Attorney.**
- a. Develop templates of contracts and leases which include language to identify and mitigate liability and other potential losses.
 - b. Notify the City Manager of changes in state statutes and common law that affect municipal liability.
 - c. Assist insurers in the investigation and settlement of claims against the City.
 - d. Review insurance and bond contracts.

IV. RETAINING AND TRANSFERING RISK

1. **Reserve Account.**

A Risk Management Fund will be maintained with a working balance of up to \$2,000,000 for unforeseen catastrophic events and major deductibles. Each department will be responsible for claims and deductibles up to \$10,000 per incident resulting from losses in their respective operations.

2. **Insurance Coverages.**

The following minimum policy limits and deductibles will be maintained:

Property/Boiler & Machinery

Limit:	Determined each year by the filed value of insured property.	
Deductibles:	Buildings/Contents	\$10,000
	Boiler & Machinery	\$10,000
	Mobile Equipment	\$10,000
	Earthquake	3% of value
		\$100,000 min
	Limit	\$25,000,000
	Flood	\$100,000
	Limit	\$10,000,000

Tort Liability

Limit:	\$5,000,000
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Auto Liability

Limit:	\$5,000,000
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Auto Physical Damage

Deductibles:	Comprehensive	\$100
	Collision	\$500

Senior Center Trips

Limit:	\$5,250
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3. **Self Insurance.**

The City shall self-insure to the extent it is more cost effective than commercial insurance and does not present unacceptable financial or other risks to the City.

V. ALLOCATION OF INSURANCE COSTS

Departments and programs that have dedicated revenue sources or are independent legal entities will be charged insurance costs specific to the risk exposures of the operations of those departments and programs.

Premiums and related costs for liability insurance, workers' compensation, and property insurance will be allocated to each department based on claims experience and risk exposure. Property insurance costs are allocated according to the specific properties used and operated by each department or program.

VI. CONFIDENTIALITY OF RECORDS

All personally identifiable and confidential information will be maintained in compliance with the Identity Theft Protection Policy, Finance Policy Number F-04-08. All employee medical records and long-term disability claims held by the City will be maintained in separate locked files and access will be controlled through the City Manager and Human Resources Departments.

All police reports will be kept confidential unless the Albany Police Department and/or the City Attorney approve release.

VII. REPORTING PROPERTY/CASUALTY ACCIDENTS AND LOSSES

1. Accidents and losses must be reported promptly and in accordance with prescribed procedures. The benefits of timely reporting include enhanced citizen confidence, better protection of the City's interests, reduced time lost for employees and equipment, and savings realized through prompt settlements.

Reports of general liability claims and automobile accidents should be immediately reported to the Risk Manager. The following information should be included in every report:

- a. Date, time, and location of accident or event
- b. Description of vehicle, equipment, or property involved
- c. Name(s) of person(s) involved
- d. Name(s) of person(s) injured
- e. Description of any medical attention received
- f. Nature of damage/loss and estimated cost
- g. Description of circumstances; diagram of events if possible
- h. Insurance Policy Numbers, Agents, and/or Agencies
- i. Name(s) and addresses of witnesses
- j. Appropriate signatures
- k. Copy of DMV report, if filed
- l. Copy of police report, if filed

In addition, procedures described in Human Resources Policy HR-SF-02-001 (Property Loss/Damage) must be followed.

2. The Risk Manager will process all accident/loss notices, except workers' compensation, and will notify the appropriate insurance company.
3. The Human Resources Department will file workers' compensation accident reports with the appropriate insurance company. Workers' compensation incidents will be processed in accordance with Human Resources Policy HR-SF-03-001 (Reporting On-the-Job Injuries).
4. Accidents of a serious nature and those occurring on weekends or holidays should be called in to the appropriate supervisor and followed up with the proper accident forms and information. The Risk Manager should be notified of the accident on the first day back to work.

5. As required by law, on-the-job injuries to employees that result in overnight hospitalization for treatment (not just observation), must be reported to OR-OSHA within twenty-four (24) hours of the injury. An on-the-job accident that results in the hospitalization of three or more employees, or in a fatality, must be reported to OR-OSHA within eight (8) hours of the accident. In either of these situations, the Human Resources Generalist or Human Resources Director should be notified immediately so they may make notification to OR-OSHA.

VIII. REPORTS TO BE FILED

1. All Property/Casualty claims reports will be filed with the Risk Manager.
2. Minutes of City Council meetings, safety meetings, and all other City committee meetings in which Risk Management policy or procedure decisions are made will be filed as appropriate.
3. Inspection reports when the building inspector or Fire Department inspects City premises will be filed with the Risk Manager or the Fire Department.
4. Long-term disability and life insurance claims and workers' compensation claims and reports will be filed with the Human Resources Department.

IX. RISK MANAGER RECORDS

The Risk Manager shall keep the following records:

1. An inventory of current locations, descriptions, and insurable values of all property/vehicles owned or leased by the City.
2. An insurance register, outlining all coverages in force and including premiums, policy numbers, servicing agents, terms of coverage, and expiration dates.
3. Premium payment and allocation records.
4. Claims filed and pending.
5. Loss records subdivided into property, liability, and other liability claims paid by the insurer under existing insurance policies.
6. Claim recoveries received from third parties who have damaged City property or who are reimbursing for City wages paid.

Supersedes: Res No. 6375	Created/Amended by/date: 10/28/2015	Effective Date: 10/28/2015	Reviewed by Council: 10/26/2015
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TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Stewart Taylor, Finance Director
DATE: October 21, 2015, for the October 28, 2015, City Council Meeting
SUBJECT: Financial Policies

RELATES TO STRATEGIC PLAN THEME: ● Effective Government

RELATES TO: ● Continue recognition from the GFOA for excellence in budgeting and financial reporting.

Action Requested:

By resolution, adopt the updated Financial Policies and repeal Resolution No. 6376.

Discussion:

The City's current Financial Policies were last reviewed and adopted by the City Council as Resolution No. 6376 on December 10, 2014. The policies are reviewed on an annual basis. This year's review was conducted at a work session on October 26, 2015.

Last year's review of the Financial Policies included direction by the City Council for staff to work with bond counsel to develop a continuing disclosure policy and to participate in appropriate training to ensure proper and timely disclosure filings. The council direction was incorporated into the Financial Policies and was implemented during the past year. An administrative policy was adopted on March 1, 2015 and staff participated in continuing disclosure training at the fall conference of the Oregon Government Finance Officers Association.

In January 2015, the City participated in a rating review by Standard & Poor's. Rating reviews are conducted periodically by the rating agencies to identify changes in financial and economic conditions that may cause a change in the City's rating or outlook. The review resulted in an increase in the City's rating from A+ to AA-. Moody's Rating Services last reviewed the City's rating in 2012 and reaffirmed its A+ rating with a stable outlook.

Budget Impact:

The Financial Policies establish parameters for the annual budget and ongoing financial operations.

ST:md

Attachment: Resolution and Financial Policies

RESOLUTION NO. _____

A RESOLUTION READOPTING FINANCIAL POLICIES
AND REPEALING RESOLUTION NO. 6376

WHEREAS, the City's Financial Policies are adopted on an annual basis to clearly define the fiscal environment for the budget process and ongoing financial operations; and

WHEREAS, the policies were last adopted by Resolution No. 6376 on December 10, 2014, following review and discussion by the City Council; and

WHEREAS, this year's review was conducted at a work session on October 26, 2015; and

WHEREAS, the City Council gave direction regarding any changes to the policies and those changes have been incorporated into the attached policies; and

WHEREAS, the Council now desires to adopt the Financial Policies.

NOW, THEREFORE, BE IT RESOLVED that the City of Albany City Council hereby adopts Exhibit A as the Financial Policies for the City of Albany and repeals Resolution No. 6376.

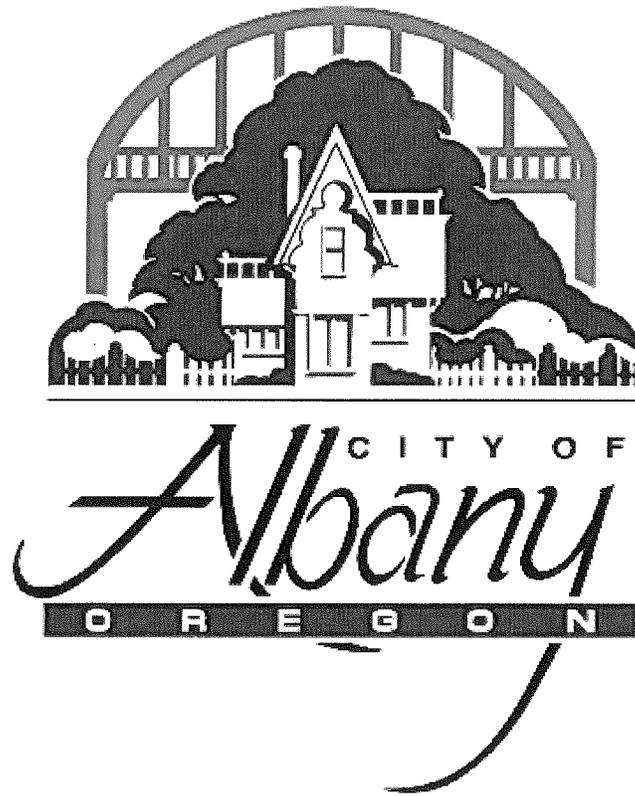
DATED AND EFFECTIVE THIS 28TH DAY OF OCTOBER, 2015.

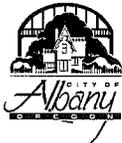
Mayor

ATTEST:

City Clerk

City of Albany Financial Policies



	<p>City of Albany Finance Policy Policy #: F-07-08-006 Title: Financial Policies</p>	
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I. POLICY STATEMENT

It is the policy of the City of Albany to actively manage financial, operational, and budgetary affairs within established guidelines in order to maintain financial stability both now and in the future.

II. GENERAL GUIDELINES

1. The City Manager and department directors are charged with achieving the themes, goals, and objectives adopted by the City Council in the City's Strategic Plan.
2. The implementing document for the Strategic Plan is the annually adopted budget. The adopted budget establishes types and levels of services through both operating and capital budgets. The relationships between the operating and capital budgets will be explicitly recognized and incorporated into the budget process. Resources will be identified to provide designated levels of service, and maintenance or enhancement of related capital and fixed assets.
3. The City will actively measure performance and pursue process improvements to enhance productivity and maximize resources.
4. Adequate reserves will be maintained for all known liabilities, including employee leave balances and explicit post employment benefits.
5. The City will actively seek partnerships with private interests and other government agencies to achieve common policy objectives, share the costs of providing local services, and support favorable legislation at the state and federal levels.
6. The City will seek out, apply for, and effectively administer federal, state, and foundation grants-in-aid that address the City's priorities and objectives.

III. REVENUES

1. The City will actively identify and administer funding sources that create a reliable, equitable and diversified revenue stream to shelter the City from short-term fluctuations in any single revenue source and to maintain desired levels of services.
2. Revenues will be conservatively estimated in the budget process.
3. Target fund balances for operating budgets will range between 5 and 15 percent of operations.
4. The City will consider full cost recovery and comparable rates charged by other municipalities of similar size in establishing rates, fees, and charges.
5. The City will follow an aggressive policy of collecting revenues.
6. Enterprise and internal service funds are intended to be self-supporting.

IV. EXPENDITURES

1. The City will identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.
2. The City will operate on a current funding basis. Expenditures will be monitored on an ongoing basis so as not to exceed current revenues and targeted fund balances.
3. The City Manager will take immediate corrective actions if at any time during a fiscal year revised revenue and expenditure estimates project a year-end deficit. Mitigating actions may include a hiring freeze, expenditure reductions, fee increases,

or use of contingencies. Actions to be avoided include expenditure deferrals into the following fiscal year, short-term loans, and use of one-time revenues to support ongoing operations.

4. Target contingencies for operating budgets will range between 5 and 15 percent of operations.
5. Internal service charges and project accounting should be used when service recipients and parameters of a project can be easily identified. The charges should be based on methodologies that fairly allocate the full cost of services. The Finance Director shall review the methodologies on a periodic basis to verify that they are consistent with federal guidelines and Oregon Local Budget Law.
6. The City Manager will undertake ongoing staff and third-party reviews of City programs to measure efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternatives to in-house service delivery. Programs that are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.

V. CAPITAL IMPROVEMENT PROGRAM (CIP)

1. The City will monitor and periodically assess the City's capital equipment and infrastructure, setting priorities for its renovation and replacement based on needs and available resources.
2. The City will develop a multi-year program for capital improvements that will be reviewed annually in the budget process.
3. Projects in the CIP will be flagged as either funded or unfunded depending on whether or not the forecasted operating budget can support or fund the project. All funded projects are included in the operating budget for the corresponding budget year.
4. The City will maintain its physical assets at a level adequate to protect the City's capital investment and minimize future maintenance and replacement costs. The budget process will provide for review of maintenance and orderly replacement of capital assets from current revenues where possible.

VI. CAPITAL ASSETS

1. Capital assets are non-consumable assets with a purchase price of \$5,000 or greater and a useful life of more than one year.
2. The Finance Department will oversee a physical count/inspection of all capital assets at least on a biennial basis. All additions, deletions, and depreciation of infrastructure will be reported consistent with the requirements of the Government Accounting Standards Board Statement Number 34.
3. Adequate insurance will be maintained on all capital assets.

VII. DEBT

1. The City will generally limit long-term borrowing to capital improvements.
2. The City will follow a policy of full disclosure on every financial report, official statement, and bond prospectus.
3. The City Manager will ensure that continuing disclosure policies and procedures are in place and include the following:
 - a. The City's bond counsel will advise the City in developing appropriate policies and procedures.

- b. The Finance Director is primarily responsible for meeting all post-issuance and continuing disclosure requirements of all bonds issued by the City.
 - c. The Finance Director will participate in timely and appropriate training to be familiar with any changes in continuing disclosure requirements.
 - d. Records will be maintained to substantiate compliance for three years after securities have matured.
 - e. The City will take timely steps to correct any instances of noncompliance.
4. The City will strive to maintain its high bond ratings, currently AA- from Standard & Poor's and A2 from Moody's, and will receive credit ratings on all its bond issues.
 5. General obligation debt will not be used for self-supporting enterprise activities unless the activity provides a community-wide benefit.
 6. The City shall ensure that its general obligation debt margins are within the 3% true cash value limitation as set forth in ORS Section 287.004.
 7. Funding strategies that are necessary to support debt obligations should be implemented prior to debt payments becoming due so that debt obligations can be met from current revenues.
 8. The City will use voter-approved general obligation debt to fund general-purpose public improvements that cannot be financed from current revenues. Special purpose debt including certificates of participation, revenue bonds, and loans will be linked to specific funding sources.

VIII. Grants

1. Community organizations that desire financial support from the City must submit a Community Grant application no later than March 1 in order to be considered for funding in the next budget year. Applications will be reviewed by the department director assigned by the City Manager. Primary consideration will be given to requests that further the goals and objectives in the Strategic Plan. Applications that are approved by the department director and City Manager shall be included in the Proposed Budget to be considered by the Budget Committee and City Council.

Any recipient of a Community Grant shall submit an accounting of how the funds were expended and the benefits achieved as required by City Council Resolution No. 5089. Recipients of grants greater than \$100,000 must also submit an independent review of financial policies and procedures related to the grant proceeds no later than six months following the end of the fiscal year in which the funds were granted.

Notwithstanding the above, community organizations and events funded with transient lodging tax revenues will follow the guidelines set forth in Finance Policy F-12-11-001 as currently adopted or amended.

2. City departments are encouraged to seek grants and other financial support from private, nonprofit, and government agencies that would supplement City resources in meeting adopted goals and objectives. Grants that are available on an annual basis should be included in the proposed budget and do not require further City Council action once the budget is adopted, unless required by the granting agency. The City Manager is responsible to oversee other grant applications. All awarded grants must be accepted and appropriated by resolution of the City Council as required by Oregon Local Government Budget Law (ORS 294.326(3)).

IX. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

1. The Finance Department is responsible to see that all accounting, auditing, and financial reporting comply with prevailing federal, state, and local statutes and regulations including generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).
2. The Finance Department will conduct periodic internal audits of financial procedures such as cash handling, purchasing, and accounts payable to test internal controls and to detect instances of fraud or abuse. The Finance Director shall establish locations and limits for petty cash, purchase cards, and other cash and purchasing procedures consistent with operational needs, GFOA best practices, and Oregon Administrative Rules and Revised Statutes.
3. The City will seek out and contract for the assistance of qualified financial advisors, consultants, and auditors in the management and administration of the City's financial functions.
4. The City Council will be provided monthly financial reports of revenues and expenditures.
5. A complete independent audit will be performed annually.
6. The City will issue annual financial reports in accordance with generally accepted accounting principles (GAAP) as outlined in the Governmental Accounting, Auditing, and Financial Reporting (GAAFR) publication.
7. The City will annually seek the GFOA Certificate of Achievement for Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award.

Supersedes: Res. No. 6376	Created/Amended by/date: 10/28/2015	Effective Date: 10/28/2015	Reviewed by Council: 10/26/2015
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TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: John R. Bradner, Fire Chief *HRB*
DATE: October 22, 2015, for the October 28, 2014, City Council Meeting
SUBJECT: Declaration and Disposal of Surplus Personal Property

RELATES TO STRATEGIC PLAN THEME: ● An Effective Government

Action Requested:

Staff recommends Council declare the structure on City property at 531 Lyon Street SE, Albany, surplus personal property and authorize the Fire Department to dispose of the asset in accordance with Albany Municipal Code 2.66.080, Disposition of Surplus Property.

Discussion:

The Fire Department purchased property (land and improvement) at 531 Lyon Street SE, Albany, and further described as Tax Lot 1001, Map 11S-03W-07BA, in 2013 for the construction of the new fire facility in downtown Albany. The Fire Department requires only the land for the fire facility construction and has received public interest in the building. Finding a purchaser for the building would eliminate the need for demolition.

The structure was built in 1939 and is a two-story, 2,191-square-foot, single tenant office building. The building is occupied and leased by a long-term tenant that will be relocating to another site. The City has posted the property for sale to seek potential interest from an interested person to purchase and remove the structure from the property. The purchaser would be required to remove the structure and leave the site clean and clear by January 2016.

The asset requires Council to declare the personal property as surplus prior to staff disposing of the property. The 2014-2015 assessed improvement value was \$128,630.

Budget Impact:

The proceeds from the sale of the surplus personal property will offset the expenses in the Public Safety Facilities Fund for fire facility construction.

DM