

CITY OF ALBANY
CITY COUNCIL
Council Chambers
Wednesday, January 27, 2016
7:15 p.m.

MINUTES

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE TO THE FLAG

Konopa led the pledge of allegiance to the flag.

ROLL CALL

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

Councilors absent: None.

SCHEDULED BUSINESS

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL

SCHEDULED BUSINESS

Communications

Report from Linn County Expo contractor.

Roger Nyquist, Chair of the Linn County Board of Commissioners and a lifelong Albany resident, thanked the Council for their service; it's not an easy job. He introduced Greg Hansen, independent consultant in marketing and outside sales for the Linn County Expo Center. Nyquist said he has been a Commissioner for 15 years. His charge to the Expo marketing person was always, "make sales calls and book big events," but he never got much of a response. Hansen's response showed that they needed to determine a target market, who to call on, and their own strengths and weaknesses. There are lots of local events occupying portions of the Expo Center, but just ten weekends this year that it is completely free. The Center needs to be able to accommodate local events, but also a big event at the same time. That's why the County has made an offer on the National Guard armory next door to the Expo Center; they want to be able to get big events without displacing the local events that have been running for years.

Nyquist mentioned the reader board sign on the airport property. He thinks the sign could be used better than it is, and is interested in doing something jointly with the City. The sign could be used to get a lot of interest for City events as well as the Expo Center. He said Hansen is a good addition. He asks a lot of questions that others didn't realize needed to be asked. The Expo Center is operating better. He thanked the Council for their participation.

Hansen gave a brief update on events since his last appearance before the Council June 24, 2015. He gave a PowerPoint presentation (see agenda file). The contract signed on May 19 focused on the primary goal of increasing revenue at the Expo Center. In the seven months since then they have developed and started to execute plans to achieve their objectives.

First, they looked at the facility in its current location. Many thousands of vehicles travel north and south on I-5 but most people don't know the Expo Center is there. But its location makes it unique; no other facility in Oregon is on the freeway like this one is. He gave historical and current statistics for uses and events. He said it's necessary to consider the competition. Public, private, and non-profit groups all have venues that compete for non-local business. Even locally there are other choices. The Expo Center needs to focus efforts for success on the long term, to identify groups that will come on a regular basis over years.

Hansen listed target groups based on the Expo Center's history, including animal groups, trade groups, professional associations, franchise businesses, state and federal governments, and event promoters. He said the effort needs multiple partners to be successful. His accomplishments include reaching out to a lot of people and groups to learn about the community. He has identified specific improvements that can be made to facilities and services. They have contacted over 260 entities and bid on a few events.

They have also evaluated facility needs. The Linn County Commissioners have committed \$500,000 to improvements over five years. He recommends they make a facilities master plan. They can't stay static; they

have to be more attractive and competitive. Albany is not near major airports and population centers, so we have to convince people to come here. We have assets like community and recreational opportunities that aren't available in downtown Portland or Seattle, but the facility needs polishing.

Hansen said another goal is to bring in non-tax, non-general fund revenue, sponsorship revenue. Other venues get up to \$500,000 per year in non-county fair and non-tax revenue to support their operation and marketing. That could become a nice complement to existing efforts. His staff will present a plan to the Linn County Commissioners in the near future. They would like to help set up a foundation to receive funds that would be dedicated to the Expo Center.

Councilor Rich Kellum said he thinks the focus isn't so much to get new groups, but to get groups that will stay multiple days. Nyquist said when he became a Linn County Commissioner in 2000, he quickly learned that some goals were incompatible. For example, they had an opportunity to schedule a dog show that would run four to five nights and bring in about \$26,000 to the Expo, but they would have had to kick out two longstanding local events to do that. He does not want to displace local groups just to book major events. Acquiring the Armory will provide a way to ease that conflict.

Councilor Ray Kopczynski praised the Expo Center for a good job doing long-range planning. He asked when Nyquist thinks it will start generating additional revenue. Nyquist said revenue and sales are up already. The Expo has scheduled the County Fairs Association, which is moving from Salem and will book annually starting in October.

Hansen said Mother Earth News is coming back. They have only four regional events around the country. Big groups will book three to five years out, but we have to get on their radar.

Councilor Floyd Collins said the group has done a great job. They know what they have, they have a future focus, and they know what they have to do to make it and keep it competitive, which is further than we were a year and a half ago.

Hansen said they have considered whether they should self-produce events. Most don't because it doesn't pencil out. It also takes three to five years to get going. He has been advised not to by others with more experience. The Expo doesn't want to reinvent the wheel. They want to do what is unique to our area and venue.

University of Oregon Sustainable City Year Program.

Nico Largo, a professor at the University of Oregon and co-director of the Sustainable Cities Initiative, introduced Management Analyst Courtney Griesel, Management Analyst from the City of Springfield, and Megan Banks, program manager of the Sustainable City Year Program (SCYP). He thanked the Council for giving them time to talk about the program. The program works because universities have a knowledge base and students who are doing hypothetical projects, and there are cities around Oregon who need some of this expertise. Putting them together lets the cities benefit from the universities' knowledge and energy, and the students get real-world experience. The students work on real projects that cities are already working on. There are about 500 students available, translating to 40,000 to 60,000 hours of work. They work in many fields, including architecture, planning, law, geography, and arts administration.

Largo referred to two documents: "Sustainable Cities Initiative (SCI)," which describes the program (see agenda file); and another document that included examples from the cities of Redmond, Medford, Springfield, Salem, and Gresham (see agenda file). He explained the benefits of the program to cities, including an expanded range of options and the opportunity for community outreach. He described a project for the City of Salem and one for the City of Redmond.

Griesel said Springfield's staff had a list of projects that had been on staff desks for years. One of the projects was a new library. The University of Oregon brought in a visiting architect, who presented staff with images to engage the community on. The project received more positive dialogue than it had in previous years. The project did move to the side of the desk again for a while, but now that the economy is recovering, they are doing an Request for Proposal (RFP) for design. The work the students did will just about half the cost of the design contract.

Largo displayed a document titled "UO SCYP Proposed Projects with Dedicated Funding" (see agenda file). He said funding for the partnership can come from projects the City wants to get done anyway.

Councilor Bill Coburn asked if Largo saw items on the Council's list that they have done before, things they tried that didn't work, or things they've never done before. Largo said there are some of all those. It's a great list.

Griesel said some of the projects, such as the buildable lands inventory and comprehensive planning, will require staff to work alongside students. Largo said working with the students all the way through is one of the best products of the partnership.

Kopczynski asked how many students are involved in the program. Largo said 500 upperclassmen and graduate students. Kopczynski said it seems like allowing students who need good grounding in their career paths to

practice in communities, involving a lot of staff time, and hopefully benefitting the community. If they are relatively new to the process, doesn't that take time away from City staff? Griesel said there will always be a learning curve with new hires. Springfield has hired some of their SCYP students, who learned through the program some of the basics of working with a City. It's good for long-time employees to go through the process of asking why. It pushes existing staff to reexamine existing assumptions.

Largo said the program has become a national model, and it is successful across the board. He is often told that the student work is "better than we got from the consultants." One benefit to existing employees is the opportunity to work outside the box. He invited the Councilors to contact cities who have worked with the program for their comments.

Kellum said that the City would be training the students, and training takes an inordinate amount of time. He asked how the students would be assigned to projects. Largo said they match an existing course to a project on the list. Each course has a professor who knows what kind of output to expect and how to get there. The students will not be as efficient as staff, but the sheer number of hours they put in on one project makes up for the inefficiency. He reminded the Council that the library project Griesel mentioned saved the City of Springfield around \$110,000 to \$130,000 in schematic design fees. The SCYP needs success as much as the City does, so they are very careful in scoping the projects. That process takes a couple of months, to make sure the list ends up being something the City needs and the program can easily deliver.

Largo said that typically, the Council authorizes staff to engage with the university, not to exceed a certain price. Then the Council can review specific projects. The funds to be used are already allocated to the projects.

Kellum said it is difficult to justify giving a group money when we don't know what we are getting for it. Griesel said in Springfield's contract, they clearly defined the specific projects money would go to, but not the financial threshold in each project. At specific points, they reviewed the project scope with the Council. Largo said the projects on the City's list are the ones the students will be working on. They won't start working until each project's scope has been carefully defined.

Kopczynski asked City Manager Wes Hare where he thought the money would come from, looking ahead into a new budget cycle. Hare said \$203,000 is already allocated to projects on the list. These are projects we've agreed we need to do. They will be in the budget in one form or another.

Coburn said he is in favor of the proposal. He said, if you pencil out all the hours it is less than minimum wage. He asked if there is any concern about the availability of staff to work with the students. Hare said the list was generated by staff. The proposal actually came several years ago, and cities have been competing to join the program. When the proposal first came to the City, it was turned down for lack of money. This year, the management team said yes. We have to do these projects anyway, and this seems to be a relatively inexpensive way to get them done. Staff would not have proposed the projects if they did not feel they had time to do them.

Councilor Dick Olsen said he would like to hear from staff whether they would appreciate the help. Parks and Recreation Director Ed Hodney said he is very much looking forward to this if they move forward. Parks and Recreation works every year with interns, and it re-energizes the department. It helps staff see things in a different way, brings in new ideas, and inspires creativity. That will be the chief value his department gets from the students. A second look, a new look, is valuable.

Planning Manager Bob Richardson said three of the projects on the list came from Planning. Planning has been thinking about how to integrate the GIS system with the historic files and make that information accessible to the public. Planning has the idea, but doesn't know how to put it all together. He thinks this project would really benefit from the students' involvement.

Konopa agreed. She thinks that for the cost, the City would get a large amount of service and time.

Kellum said he thinks the program is about a year away. In some ways it would be of great value, but he is hesitant because the students do not have experience. He asked if this program happens every year. Largo said yes. Kellum said he would prefer to wait a year so that staff can consider other projects as well.

Public Works Engineering and Community Development Director Jeff Blaine said that for his listed project, the Development Resources Center, it is ideas that are being delivered. Three different work groups have been trying to move forward on this project for a couple of years. The project aims at bringing the Public Works and Community Development Departments together at a shared counter, for a development resource center. He thinks they would get better, wider-ranging design ideas to consider than they would get from an architectural firm. The City would get a better product for less cost.

Olsen asked if the City is looking at only one project. Richardson said there are 25 projects in the packet. The spreadsheet shows identified funding sources.

Blaine pointed out an addition error on the spreadsheet. The total should be \$223,000.

MOTION: Coburn moved to direct staff to enter into agreement with the University of Oregon Sustainable Program and Olsen seconded it.

Councilor Floyd Collins said when he worked with kids from Linn-Benton Community College thirty years ago on the Corvallis wastewater facilities; they gained as much from the students and professors as they gave. The students challenged them, and the result was a better facility, worth the effort. He wants to know the dollar amounts and the payoff in tangibles, but he also knows that the to-do pile gets bigger and bigger. A lot of these projects will have direct impacts, some of them long-term. If we can get the conceptual work done on the long-term projects, then when we have the funding we can move forward. He wants to take a chance on it.

Councilor Bessie Johnson said she likes having fewer projects to start with. She appreciates fresh new perspectives. She also wants to take a chance.

Collins said the Council has often talked about the buildable lands inventory. The inventory has diminished, because of new regulations excluding wetlands. What does that do to our holding capacity? If done properly, this project could give us information to take to the legislature to support modifying land-use concepts.

VOTE: The motion passed 5-1 with Kellum voting no.

Business from the Public

Skeet Arasmith, 160 SE 25th Street, Albany, said he wanted to talk about “budget creep.” He gave a written document to the Council (see agenda file). He said that between 20 and 25% of some people’s time in any given department is spent on dealing with budgets. By the time the departments make their presentations the budgets have already been through the wringer. He has been a department head and a supervisor in a city, a water district, and a community college. The normal process for a department head is to count employee costs, then look at the past year’s costs, then evaluate new needs, wants, and expenses. Income for local governments is usually relatively fixed. So how do you find the money for the new things? Options include increasing the tax rate or fees, or reducing costs by deferred maintenance. Deferring maintenance is never a good strategy. Another option is to borrow from a sinking fund. The end of the process is that governments continually look for increases in fees or taxes in order to pay for things. There is another way, and that is to figure out the true costs of doing what we ought to be doing. He will leave his document with the Council and would be happy to come back to a work session if they want to discuss it. City Manager Wes Hare responded to Arasmith’s comments under the City Manager’s Report.

First reading of Ordinance

Directing the correction of a scrivener’s error in Ordinance Number 5864 and declaring an emergency.

The ordinance on the dais was explained by the City Attorney at the January 25, 2016, Work Session, where the Council concurred to add it to this evening’s agenda (see agenda file).

City Attorney Jim Delapoer read the Ordinance for the first time in title only: AN ORDINANCE DIRECTING THE CORRECTION OF A SCRIVENER’S ERROR IN ORDINANCE NO. 5864 AND DECLARING AN EMERGENCY.

MOTION: Coburn moved to have the City Attorney read the Ordinance for a second time in title only. Johnson seconded the motion and it passed 6-0.

Delapoer read the Ordinance for the second time in title only.

MOTION: Coburn moved to adopt the Ordinance and Kopczynski seconded the motion. The motion passed 6-0, and was designated Ordinance No. 5867.

Adoption of Resolutions

Approving an extended property tax abatement agreement for TryEco LLC in the South Santiam Enterprise Zone.

Kopczynski asked for details. John Pascone, of the Albany Millersburg Economic Development Corporation, 435 W. 1st Avenue, said TryEco is a start-up company leasing space on Ferry Street. They make a super-absorbent polymer. They hope to have twenty employees within a few years. They have no employees yet, but they have some investors.

Coburn asked when their product will be on the market. Pascone said they hope to have it on the market and hire six employees this year.

MOTION: Collins moved to adopt the resolution and Olsen seconded it. The motion passed 6-0, and was designated Resolution No. 6475.

Approving the transfer of road jurisdiction from Benton County to the City of Albany.

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

Collins asked Blaine if these transfers were in line with discussions earlier in the year with Benton County. Blaine said yes.

VOTE: A vote was taken on the motion and it passed 6-0, and was designated Resolution No. 6476.

Adoption of Consent Calendar

- 1) Approval of Minutes
 - a) November 4, 2016, Regular Session minutes.

MOTION: Collins moved to adopt the Consent Calendar as presented. Johnson seconded the motion and it passed 6-0.

Award of Bid

ST-15-01, 34th Avenue Traffic Signals.

Coburn recused himself from discussion and voting on the matter.

MOTION: Johnson moved to award the contract in the amount of \$455,532 to EC Company of Albany passed. Kellum seconded the motion.

Konopa asked if the conduit was ever placed in 34th Avenue. Coburn said yes.

VOTE: The motion passed 5-0 with Coburn recused.

Appointments

City Boards, Commission, and Committees.

MOTION: Collins moved to approve the appointments. Olsen seconded the motion and it passed 6-0.

Reports

Reclassification of Library positions.

Library Director Ed Gallagher said the library has had a 40% staff turnover since moving into the new library. These changes will make job duties match classifications.

Collins asked if the budget impact of less than \$10,000 is per year, or for this fiscal year. Gallagher said that is for the period from February 1 through June 30. Collins said that the budget impact for next year would then be double \$10,000. Gallagher said this year's impact is actually closer to \$7,000. There will be a retirement in May, and replacing that person should be a savings of \$12,000 in next year's budget. The total FTEs don't change.

Hare said the library has done a commendable job running a much larger facility with the same staffing level as the old facility. Gallagher does a good job making adjustments and changing staff as needed.

Johnson said the library also does a good job working with Linn Benton Community College to provide classrooms.

MOTION: Johnson moved to authorize the reclassification requests as presented in the staff report. Olsen seconded the motion and it which passed 6-0.

2014-2015 Audit Report.

Kopczynski reported on the annual Audit Committee meeting. A year ago, the City went to a new system to do the accounting. Even with the learning curve staff came through with a great audit report. The only issue that came up was the effect of GASB 68 in future years. That won't affect anything this year.

Konopa asked about hotel audits. Finance Director Stewart Taylor said each year Finance audits the transient lodging tax (TLT) reporting forms for three or four hotels in the community. Each year the audits have been a worthwhile exercise. Sometimes the City finds small errors. This year there is one case where the City and the hotel have not been able to reach a matching number. The City thinks the hotel is overpaying and they don't think so.

MOTION: Kopczynski moved to accept the 2014-2015 Audit report. Johnson seconded the motion and it passed 6-0.

BUSINESS FROM THE COUNCIL

Johnson has had people tell her that there needs to be a portable microphone if there are multiple people at the podium or if they are doing a PowerPoint presentation. Olsen agreed. He also thinks there should be a bigger table to accommodate several presenters.

Hare said the City did order a table, but it arrived damaged. They can try again to use a table. Kellum said there might be some Oregon white oak available and there are people who could build a table if they had a design.

CITY MANAGER REPORT

Temporary Employment Agreement.

Hare said the Council has a copy of the proposed contract, which would save about \$18,000 a year over his continuing to work in regular status until the end of Fiscal Year 2017.

MOTION: Collins moved to authorize the Mayor to sign the contract on behalf of the City. Kellum seconded the motion and it passed 6-0.

Other Items

Hare said Arasmith, in his testimony under Business from the Public, raised a lot of valid points about how budgeting can happen, but that is not the process the City of Albany follows. In Albany, we say, this is how much we have, and this is how much each department will receive. It's usually less than the year before, and the departments have to fit their budgets within that amount. It has been an exercise in trying to fit the goals of the Council and the Strategic Plan into the resources granted by taxpayers.

Hare called the Council's attention to his rough schedule of the search for a new City Manager (see agenda file). The Council needs to decide whether they want to do the recruitment themselves, do it in-house with existing staff, use a professional executive search firm, or go through the Local Government Personnel Institute. The question will come back to the Council for consideration at a future work session.

NEXT MEETING DATE: Work Session: February 8, 2016; and Regular Session: February 10, 2016

ADJOURNMENT

There being no other business, the meeting was adjourned at 9:13 p.m.

Respectfully submitted,

Reviewed by,

Mary A. Dibble, MMC
City Clerk

Stewart Taylor
Finance Director