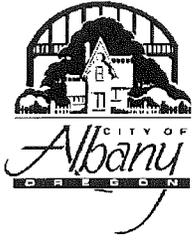


NOTICE OF PUBLIC MEETING
CITY OF ALBANY
CITY COUNCIL
Council Chambers
333 Broadalbin Street SW
Wednesday, July 27, 2016
7:15 p.m.



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. SCHEDULED BUSINESS

a. Communication

- 1) Accepting Wendy Ezell's resignation from the Planning Commission. [Page 3]

Action: _____

b. Business from the Public

c. Reconsideration of Ordinance

- 1) Amending Albany Municipal Code 2.04.060 concerning voting abstentions at City Council meetings and declaring an emergency. [Pages 4-7]

Action: _____ ORD. NO. _____

d. Second Reading of Ordinance

- 1) Imposing a three percent tax on the sale of marijuana items by a marijuana retailer and referring ordinance. [Pages 8-9]

Action: _____ ORD. NO. _____

e. Adoption of Resolutions

- 1) Approving referral to the electors of the city of Albany the question of imposing a tax on the sale of marijuana items by a marijuana retailer within the city. [Pages 10-14]

Action: _____ RES. NO. _____

- 2) Approving referral to the electors of the city of Albany the question of banning recreational marijuana producers, recreational marijuana processors, recreational marijuana wholesalers, and recreational marijuana retailers within the city. [Pages 15-19]

Action: _____ RES. NO. _____

f. Adoption of Consent Calendar

- 1) Approval of Minutes
 - a) May 23, 2016, Work Session minutes. [Pages 20-24]
 - b) May 25, 2016, Regular Session minutes. [Pages 25-28]
 - c) June 6, 2016, Work Session minutes. [Pages 29-32]
 - d) June 8, 2016, Regular Session minutes. [Pages 33-38]

- 2) Annual liquor license renewals. [Page 39]

Action: _____

g. Award of Contract

1) Professional services agreement for Albany Municipal Airport projects. [Page 40]

Action: _____

h. Report

1) Marijuana time, place, and manner regulations. [Verbal]

Action: _____

5. BUSINESS FROM THE COUNCIL

6. NEXT MEETING DATE: Work Sessions: Monday, August 1, 2016; and Monday, August 8, 2016
Regular Session: Wednesday, August 10, 2016

7. ADJOURNMENT

City of Albany Web site: www.cityofalbany.net

Hyde, Laura

From: sharonkonopa@juno.com
Sent: Friday, July 15, 2016 12:18 PM
To: Hyde, Laura; Roten, Holly
Subject: Fw: RESIGNATION FROM CITY PLANNING COMMISSIONER

From: WENDY H. E. <wendyezell@hotmail.com>
Sent: Friday, July 15, 2016 11:28 AM
To: sharonkonopa@juno.com; Kutschera, Rachel
Subject: RESIGNATION FROM CITY PLANNING COMMISSIONER

Dear Sharon:

Thank you for the opportunity to work with the Planning Commissioners and the City Government.

I have taken a small position in Newport and will be traveling there often.

I have truly enjoyed working with all of your Staff and everyone involved in making this a wonderful City to live in. So much has happened here within the last four years. I am so amazed and very proud to live here.

I hope to see you at other functions throughout the years.

I would also like to recommend Will Sheppy as one of your Commissioners. He is a wonderful inspiration.

Sincerely,

Wendy Ezell 
Cell & Text (541) 974-7067

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ORDINANCE NO. _____

AN ORDINANCE AMENDING AMC 2.04.060 CONCERNING VOTING ~~ABSTENSIONS~~
ABSTENTIONS AT CITY COUNCIL MEETINGS, AND DECLARING AN EMERGENCY.

WHEREAS, Section 14 of the Albany Charter authorizes and directs the City Council to, "...adopt rules for the government of its members and proceedings;" and

WHEREAS, pursuant to the aforesaid charter authority, the City Council has adopted rules set forth at Chapter 2.04 of the Albany Municipal Code; and

WHEREAS, from time to time it is appropriate to review and revise Council's rules to deal with unforeseen circumstances and/or as necessary to promote the timely and efficient conduct of City business; and

WHEREAS, Section 18 of the Albany Charter provides, in part, that the Mayor shall have no vote, except in the case of a tie vote of the Councilors then voting and, Section 20 of the Albany Charter requires the concurrence of four members of the Council to decide any question before the Council; and

WHEREAS, given that Section 7 of the Albany Charter provides that the Mayor is also a member of the Council, the procedure historically employed by the City Council, in the event of a 3-3 tie vote is to then have the Mayor vote to break the tie as he or she determines to be in the best interest of the City. This procedure is necessary to allow the efficient and timely conduct of City business when four members of the Council agree on an item of City business; and

WHEREAS, the efficient and timely operation of the Council and the fundamental democratic ~~principal~~ **principle** of majority rule is frustrated if and when a member of the Council abstains and thereby prevents a 3-3 tie that would otherwise allow the Mayor to break the tie and the matter to be decided by four votes as called for in the Charter; and

WHEREAS, an abstention in the foregoing circumstance prevents the Mayor from voting and thereby frustrates the purpose and intent of the Charter, prevents the efficient and timely conduct of City business, leaves important pending City decisions unresolved, and frustrates the democratic ~~principal~~ **principle** of majority rule; and

WHEREAS, this amendment to AMC 2.04.060 is called for to address and remedy the foregoing concerns.

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

Section 1 : AMC 2.04.060 is amended to read as follows:

2.04.060 Voting Abstentions

Unless a member of the Council states that he/she is not voting, his/her silence shall be recorded as an affirmative vote. **If In a member circumstance where the full Council states that he/she is not voting, his/her present and where a motion, properly before the Council, fails for want of the concurrence of four City Councilors, an abstention shall be deemed a vote is not against the motion. In all other circumstances, an announced abstention shall not be considered, either for or against the proposition.** Following any the vote, the City Clerk shall announce the vote count. If the Recorder's count is disputed by any Council member, a roll call shall be taken to decide the issue.

Section 6: 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

MOTION: Councilor Rich Kellum moved to adopt the ordinance and Johnson seconded it. The motion passed 4-1 with Councilor Dick Olsen voting no and Councilor Ray Kopczynski abstaining, and was designated Ordinance No. 5862.

First Reading of Ordinances

Amending Albany Municipal Code 2.04.060, Voting

Delapoer read the ordinance a first time in title only: AN ORDINANCE AMENDING AMC 2.04.060 CONCERNING VOTING ABSTENTIONS AT CITY COUNCIL MEETINGS, AND DECLARING AN EMERGENCY.

Kellum said this is an important item and he would like to give it additional consideration before taking action. Johnson agreed; she would like for Council to think about it and not make this change on a whim.

The ordinance will be brought back for a second reading at the January 13, 2016, meeting.

Repealing Chapter 10.16 of the Albany Municipal Code, In-Lieu-Of Assessments for the North Albany Sanitary Sewer Basin

Delapoer read the ordinance a first time in title only: AN ORDINANCE REPEALING CHAPTER 10.16 OF THE ALBANY MUNICIPAL CODE IN ITS ENTIRETY.

MOTION: Councilor Floyd Collins moved to have the ordinance read a second time in title only. Kellum seconded the motion, and it passed 6-0.

Delapoer read the ordinance a second time in title only.

MOTION: Collins moved to adopt the ordinance and Kopczynski seconded it. The motion passed 6-0 and was designated Ordinance No. 5863.

Adoption of Resolutions

Forgoing a water rate increase for calendar year 2016 and reaffirming rates in Resolution No. 6411

Public Works Engineering and Community Development Director Jeff Blaine reviewed the written staff report. For each of the last four years, staff has provided details about the water utility and the City has implemented a series of rate increases building toward an annual capital investment of about \$1.5 million, hoping to achieve that target by 2017. The first obligation is to pay off debts, the second is to fund ongoing operating and maintenance activities, and whatever funds are left are allocated towards capital projects. Last year, a 2 percent rate increase was implemented and staff anticipated that a rate increase of 4 percent could be required to meet the 2017 target. Fortunately, revenues were high enough and operations staff have done a great job of controlling costs; therefore, staff now recommends that Council forego a water rate increase for this calendar year.

Motion: Johnson moved to adopt the resolution and Kellum seconded it. The motion passed 6-0 and was designated Resolution No. 6469.

Modifying Council Policy that established a Capital Recovery Policy for public water and sewer lines that are constructed by private property owners or developers

Blaine reviewed the written staff report. He said Capital Recovery Agreements are the primary tool used to facilitate one developer reimbursing another for past investments that are benefitting their property, and connection fees are used to complete that reimbursement. Using a whiteboard, he showed an example of a development scenario where Property A, as part of a subdivision land use approval, covers the cost of extending utilities to and through their property. That developer can enter into a Capital Recovery Agreement with the City so that when a property on the other side of the street wants to develop, they pay a connection fee calculated by the length of frontage along the utility, which is then reimbursed to Developer A.

Blaine reviewed proposed changes to the Capital Reimbursement Policy for Water, Sewer, Streets, and Storm Drain Facilities, as detailed in meeting packets. The recommendation amends the current Council policy to recognize that in-lieu-of assessments have been replaced by connection fees, that street and stormwater drainage costs can be included in Capital Recovery Agreements, and that the terms of the agreements should be extended from 10 to 20 years.

Olsen said he wants to have the discussion about the use of the Armory money before the next election.

Collins said he would like to see some information about the hangars and about airport users before the next discussion.

Konopa said after the property transaction is complete, this item will be scheduled for a future work session.

Collins asked if the Airport Master Plan has been completed. Bailey said the plan should be completed this spring. It will include recommendations for future improvements.

The Mayor called for a short recess.

The Council recessed for a break at 9:42 p.m.

The Council reconvened at 9:52 p.m.

Second Reading of Ordinance

Amending Albany Municipal Code 2.04.060, Voting.

Kidd read the ordinance for a second time in title only. The Council took no further action on this item.

First Reading of Ordinance

Amending Albany Municipal Code 2.25, Albany Human Relations Commission.

Kidd read the ordinance for the first time in title only.

MOTION: Coburn moved to have the ordinance read a second time in title only. Kopczynski seconded the motion and it passed 6-0.

Kidd read the ordinance for the second time in title only.

MOTION: Coburn moved to adopt the ordinance and Kopczynski seconded it.

Kellum suggested looking at what the Human Relations Commission is supposed to do. He thinks sometimes they are not a committee for the Council so much as a committee for themselves. Bringing someone to the Council with a plight was not their original job.

Konopa said the Council can ask the Commission to make a report to the Council.

VOTE: A vote was taken on the motion and it passed 6-0 and was designated Ordinance No. 5866.

Adoption of Resolution

Approving an Intergovernmental Agreement with Lebanon and Tangent Fire Districts for a shared medic unit.

Bradner said the number of emergency responses has skyrocketed in the last five years. The Albany Fire Department (AFD) is answering more calls with fewer firefighters than five years ago. On January 3, 2016, the Department answered 48 calls, and 38 on January 4, 2016. On their busiest day in 2010, they answered 31 calls. They've seen an increase in work-related injuries and in overtime for covering injured workers' shifts.

Bradner said the Lebanon, Albany, and Tangent departments have been discussing how to collaborate. They have an agreement to jointly staff this shared unit to respond to medical calls only. The unit will be based in Tangent, where it can easily assist in Albany or Lebanon.

Johnson asked what kind of calls account for the increase. Bradner said the increase is across the board. Medical calls are consistently about 85% of the total. Discussion followed about priority response. Johnson said she thinks police and fire are the City's major responsibility. She thinks we need to consider more public safety staff in the next budget year.

Olsen asked if Albany and Lebanon share a boundary for ambulance calls. Bradner said yes, and Albany shares a common boundary with Tangent, too.

Bradner said Amanda Jergins came late to the meeting tonight. He gave her the Civilian Lifesaving Award in the hall. Olsen asked if Bradner would ask her to come back another time to be recognized by the Council. Bradner said he will.

Collins mentioned the aging population and the new assisted living centers in Albany. He asked what kind of call volume comes from those facilities. Bradner said Bonaventure averages about one call a week. The department

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF ALBANY IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER AND REFERRING ORDINANCE

WHEREAS, ORS 475B.345 provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the Albany City Council wants to impose a tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

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

SECTION 1. Title 3, Revenue and Finance of the Albany Municipal Code hereby adds a new Chapter 3.06 entitled "Marijuana Tax," establishing a tax on the sale of marijuana and marijuana-infused products as follows:

SECTION 3.06. Purpose.

For the purposes of this Chapter, every person who sells recreational marijuana or marijuana-infused products in the City of Albany is exercising a taxable privilege. The purpose of this Chapter is to impose a tax upon the retail sale of marijuana and marijuana-infused products.

SECTION 3.06.020. Definitions.

When not clearly otherwise indicated by the context, the following words and phrases as used in this chapter shall have the following meanings:

Marijuana item has the meaning given that term in ORS 475B.015(16).

Marijuana retailer means a person who sells marijuana items to a consumer in this state.

Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

SECTION 3.06.030 Tax Imposed. As described in ORS 475B.345 the City of Albany hereby imposes a tax of three percent (3%) on the retail sale price of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the City.

SECTION 3.06.040 Collection of Tax. The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs and remitted by each marijuana retailer that engages in the retail sale of marijuana items.

SECTION 2. This ordinance shall be referred to the electors of Albany at the next statewide general election on Tuesday, November 8, 2016.

SECTION 3. Repeal of AMC 3.05: Upon approval of this measure by the electors of the City of Albany at the next general election on Tuesday, November 8, 2016, AMC 3.05 shall be repealed.

SECTION 4. If marijuana sales are banned by act of the City Council or act of the voters, then the tax rate shall be set at zero (0) percent for the duration of the ban. Upon conclusion of the ban, a new tax rate may be imposed as provided for under this section.

Passed by Council:

Approved by Mayor:

ATTEST:

Effective Date: _____

City Clerk

Mayor

RESOLUTION NO. _____

A RESOLUTION APPROVING REFERAL TO THE ELECTORS OF THE CITY OF ALBANY THE QUESTION OF IMPOSING A TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER WITHIN THE CITY

RECITALS:

WHEREAS, section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the city of Albany city council adopted Ordinance _____, which imposes a tax at a rate of three percent (3%) on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

NOW, THEREFORE, THE CITY OF ALBANY RESOLVES AS FOLLOWS:

MEASURE. A measure election is hereby called for the purpose of submitting to the electors of the city of Albany a measure imposing a tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city, a copy of which is attached hereto as "Exhibit 1," and incorporated herein by reference.

ELECTION CONDUCTED BY MAIL. The measure election shall be held in the city of Albany on November 8, 2016. As required by ORS 254.465, the measure election shall be conducted by mail by the County Clerks of Linn and Benton County, according to the procedures adopted by the Oregon Secretary of State.

DELEGATION. The city of Albany authorizes the City Manager, or the City Manager's designee, to act on behalf of the city and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

PREPARATION OF BALLOT TITLE. The ballot title for the measure set for as "Exhibit 2" to this resolution is hereby adopted.

NOTICE OF BALLOT TITLE AND RIGHT TO APPEAL. Upon receiving the ballot title for this measure, the City Recorder shall publish in the next available edition of a newspaper of general circulation in the city a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

EXPLANATORY STATEMENT. The explanatory statement for the measure, which is attached hereto as "Exhibit 3," and incorporated herein by reference, is hereby approved.

FILING WITH COUNTY ELECTIONS OFFICE. The City Recorder shall deliver the Notice of Measure Election to the county clerks for Linn and Benton County for inclusion on the ballot for the November 8, 2016 election.

DATED AND EFFECTIVE THIS _____ DAY OF _____, 2016.

ATTEST:

City Clerk

Mayor

EXHIBIT 1

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF ALBANY IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER AND REFERRING ORDINANCE

WHEREAS, ORS 475B.345 provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the Albany City Council wants to impose a tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

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

SECTION 1. Title 3, Revenue and Finance of the Albany Municipal Code hereby adds a new Chapter 3.06 entitled "Marijuana Tax," establishing a tax on the sale of marijuana and marijuana-infused products as follows:

SECTION 3.06. Purpose.

For the purposes of this Chapter, every person who sells recreational marijuana or marijuana-infused products in the City of Albany is exercising a taxable privilege. The purpose of this Chapter is to impose a tax upon the retail sale of marijuana and marijuana-infused products.

SECTION 3.06.020. Definitions.

When not clearly otherwise indicated by the context, the following words and phrases as used in this chapter shall have the following meanings:

Marijuana item has the meaning given that term in ORS 475B.015(16).

Marijuana retailer means a person who sells marijuana items to a consumer in this state.

Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

SECTION 3.06.030 Tax Imposed. As described in ORS 475B.345 the City of Albany hereby imposes a tax of three percent (3%) on the retail sale price of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the City.

SECTION 3.06.040 Collection of Tax. The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs and remitted by each marijuana retailer that engages in the retail sale of marijuana items.

SECTION 2. This ordinance shall be referred to the electors of Albany at the next statewide general election on Tuesday, November 8, 2016.

SECTION 3. Repeal of AMC 3.05: Upon approval of this measure by the electors of the City of Albany at the next general election on Tuesday, November 8, 2016, AMC 3.05 shall be repealed.

SECTION 4. If marijuana sales are banned by act of the City Council or act of the voters, then the tax rate shall be set at zero (0) percent for the duration of the ban. Upon conclusion of the ban, a new tax rate may be imposed as provided for under this section.

Passed by Council:

Approved by Mayor:

ATTEST:

Effective Date: _____

City Clerk

Mayor

EXHIBIT 2

BALLOT TITLE

Imposes city tax on marijuana retailer's sale of marijuana items.

QUESTION

Shall Albany impose a tax on the sale of marijuana items by a marijuana retailer within City limits?

SUMMARY

Under state law, a city council may adopt an ordinance to be referred to the voters of the city imposing up to a three percent tax on the sale of marijuana items in the city by a licensed marijuana retailer.

Approval of this measure would impose a tax, set by resolution of the City Council and not to exceed three (3) percent, on the sale of marijuana items in the city by a marijuana retailer. The tax would be collected at the point of sale and remitted by the marijuana retailer.

Under state law, a city that adopts an ordinance prohibiting the establishment of a medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer may not impose a tax on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. This measure would allow a tax rate above zero (0) percent only if the measure proposing to prohibit the establishment of any of those marijuana entities does not pass by a majority of votes.

EXHIBIT 3

EXPLANATORY STATEMENT

Approval of this measure would impose a tax on the sale of marijuana items by a marijuana retailer within the city. There are no restrictions on how the city may use the revenues generated by this tax. However, the tax will become operative only if the ballot measure prohibiting the establishment of certain marijuana registrants and licensees fails.

Under Measure 91, adopted by Oregon voters in November 2014 and amended by the Legislature in 2015, the Oregon Liquor Control Commission must license the retail sale of recreational marijuana. The 2015 Legislation provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items (which include marijuana concentrates, extracts, edibles, and other products intended for human consumption and use) by retail licensees in the city, but the council must refer that ordinance to the voters at a statewide general election. The Albany City Council has adopted an ordinance imposing a tax on the sale of marijuana items by a retail licensee in the city, and, as a result, has referred this measure to the voters.

However, this tax will become operative only if the ballot measure prohibiting the establishment of certain marijuana registrants and licensees fails. Under state law, a city that adopts an ordinance that prohibits the establishment in the area subject to the jurisdiction of the city of a medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer may not impose a tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. As a result, if the voters pass a prohibition ordinance, this tax will not become operative, even if it also receives a majority of votes.

RESOLUTION NO. _____

A RESOLUTION APPROVING REFERRAL TO THE ELECTORS OF THE CITY OF ALBANY THE QUESTION OF BANNING RECREATIONAL MARIJUANA PRODUCERS, RECREATIONAL MARIJUANA PROCESSORS, RECREATIONAL MARIJUANA WHOLESALERS, AND RECREATIONAL MARIJUANA RETAILERS WITHIN THE CITY

RECITALS:

WHEREAS, ORS 475B.800 provides that a City Council may adopt an ordinance to be referred to the electors of the City prohibiting the establishment of certain state-registered and state-licensed marijuana businesses in the area subject to the jurisdiction of the City;

WHEREAS, the Albany City Council adopted Ordinance 5862, which prohibits the establishment and business of recreational marijuana producers, recreational marijuana processors, recreational marijuana wholesalers and recreational marijuana retailers in the area subject to the jurisdiction of the City. A copy of the Ordinance is attached hereto and incorporated by reference herein as Exhibit 1;

NOW, THEREFORE, THE CITY OF ALBANY RESOLVES AS FOLLOWS:

MEASURE. A measure election is hereby called for the purpose of submitting to the electors of the City of Albany a measure prohibiting the establishment of certain marijuana activities in the area subject to the jurisdiction of the City. The ballot title for the measure set forth as Exhibit 2 to this Resolution is hereby adopted.

ELECTION CONDUCTED BY MAIL. The measure election shall be held in the City of Albany on November 8, 2016. As required by ORS 254.465, the measure election shall be conducted by mail by the county clerks of Linn and Benton counties, according to the procedures adopted by the Oregon Secretary of State.

DELEGATION. The City of Albany authorizes the City Manager or the City Manager's designee to act on behalf of the City and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

NOTICE OF BALLOT TITLE AND RIGHT TO APPEAL. Upon receiving the ballot title for this measure, the City Elections Officer shall publish in the next available edition of a newspaper of general circulation in the city a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

EXPLANATORY STATEMENT. The explanatory statement for the measure, which is attached hereto as Exhibit 3, and incorporated herein by reference, is hereby approved.

FILING WITH COUNTY ELECTIONS OFFICE. The City Elections Officer shall deliver the Notice of Measure Election to the county clerks for Linn and Benton counties for inclusion on the ballot for the November 8, 2016 General Election.

DATED AND EFFECTIVE THIS _____ DAY OF _____, 2016.

ATTEST:

Mayor

City Clerk

EXHIBIT 1

ORDINANCE NO. 5862

AN ORDINANCE OF THE CITY OF ALBANY DECLARING A BAN ON RECREATIONAL MARIJUANA PRODUCERS, RECREATIONAL MARIJUANA PROCESSORS, RECREATIONAL MARIJUANA WHOLESALERS, AND/OR RECREATIONAL MARIJUANA RETAILERS; REFERRING ORDINANCE; AND DECLARING AN EMERGENCY.

WHEREAS, the Oregon Medical Marijuana Act, as amended by House Bill 3400 (2015) provides that the Oregon Health Authority will register medical marijuana processing sites and medical marijuana dispensaries; and

WHEREAS, Measure 91, which the voters adopted in November 2014, directs the Oregon Liquor Control Commission to license the production, processing, wholesale, and retail sale of recreational marijuana; and

WHEREAS, Section 134 of HB 3400 provides that a city council may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of certain state-registered and state-licensed marijuana businesses in the area subject to the jurisdiction of the city; and

WHEREAS, the Albany City Council wants to refer the question of whether to prohibit recreational marijuana producers, processors, wholesalers, and/or retailers to the voters of Albany.

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

DEFINITIONS:

Marijuana means the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

Marijuana processing site means an entity registered with the Oregon Health Authority to process marijuana.

Marijuana processor means an entity licensed by the Oregon Liquor Control Commission to process marijuana.

Marijuana producer means an entity licensed by the Oregon Liquor Control Commission to manufacture, plant, cultivate, grow, or harvest marijuana.

Marijuana retailer means an entity licensed by the Oregon Liquor Control Commission to sell marijuana items to a consumer in this state.

Marijuana wholesaler means an entity licensed by the Oregon Liquor Control Commission to purchase items in this state for resale to a person other than a consumer.

Medical marijuana dispensary means an entity registered with the Oregon Health Authority to transfer marijuana.

EXHIBIT 1

BAN DECLARED: As described in Section 134 of House Bill 3400 (2015), the City of Albany hereby prohibits the establishment and operation of the following in the area subject to the jurisdiction of the city.

- (a) Marijuana producers;
- (b) Marijuana processors;
- (c) Marijuana wholesalers;
- (d) Marijuana retailers.

EXCEPTION. The prohibition set out in this ordinance does not apply to a marijuana processing site or medical marijuana dispensary that meets the conditions set out in subsections 6 or 7 of Section 134, Section 136, or Section 137 of House Bill 3400 (2015).

REFERRAL. This ordinance shall be referred to the electors of the city of Albany at the next statewide general election on Tuesday, November 8, 2016.

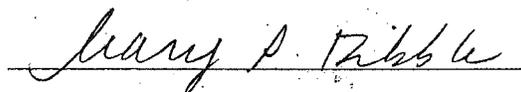
EMERGENCY. In as much as this ordinance is necessary for the immediate preservation of the public peace, health, and safety of the City of Albany, or to facilitate the prompt and timely completion of important City business, an emergency is hereby declared to exist; and this Ordinance shall take effect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

Passed by Council: Dec 7, 2015

Approved by Mayor: Dec 7, 2015

ATTEST:

Effective Date: Dec 7, 2015



City Clerk



Mayor

EXHIBIT 2

BALLOT TITLE

Prohibits certain marijuana registrants and/or licensees in Albany.

QUESTION

Shall the City of Albany prohibit recreational marijuana producers, processors, wholesalers, and retailers within the City limits?

SUMMARY

State law allows operation of registered medical marijuana processors, medical marijuana dispensaries and licensed recreational marijuana producers, processors, wholesalers, and retailers. State law provides that a City Council may adopt an ordinance to be referred to the voters to prohibit the establishment of any of those registered or licensed activities.

Approval of this measure would prohibit the establishment of recreational marijuana producers, processors, wholesalers, and retailers within the area subject to the jurisdiction of the City. If approved, this measure will have no impact on medical marijuana processors or medical marijuana dispensaries located in Albany.

If this measure is approved, the City will be ineligible to receive distributions of state marijuana tax revenues and will be unable to impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated.

EXHIBIT 3

EXPLANATORY STATEMENT

Approval of this measure would prohibit the establishment of certain marijuana activities within the City.

ORS 475B.400 to 475B.525 provides that the Oregon Health Authority will register medical marijuana processors and medical marijuana dispensaries. Medical marijuana processors compound or convert marijuana into concentrates, extracts, edible products, and other products intended for human consumption and use. Medical marijuana dispensaries facilitate the transfer of marijuana and marijuana products between patients, caregivers, processors, and growers. ORS 475B.005 to 475B.399 provides that the Oregon Liquor Control Commission will license recreational marijuana producers (those who manufacture, plant, cultivate, grow or harvest marijuana), processors, wholesalers, and retailers.

A City Council may adopt an ordinance prohibiting the establishment of any of those entities within the City, but the Council must refer the ordinance to the voters at a statewide general election. The Albany City Council has adopted an ordinance prohibiting the establishment of recreational marijuana producers, processors, wholesalers, and retailers within the City and, as a result, has referred this measure to the voters.

If approved, this measure would prohibit recreational marijuana producers, processors, wholesalers, and/or retailers within the City. Medical marijuana processors and medical marijuana dispensaries can continue operating in the City even if this measure is approved.

Approval of this measure has revenue impacts. Currently, ten percent of state marijuana tax revenues will be distributed to cities to assist local law enforcement in performing their duties under ORS 475B.760 (2). If approved, this measure would make the City ineligible to receive distributions of state marijuana tax revenues.

Currently, under ORS 475B.345, a City may impose up to a three percent tax on the sale of marijuana items by a marijuana retailer in the City. However, a City that adopts an ordinance prohibiting the establishment of medical marijuana processors, medical marijuana dispensaries, or recreational marijuana producers, processors, wholesalers, or retailers may not impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. Approval of this measure would therefore prevent the City from imposing a local tax on those activities.

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Council Chambers
Monday, May 23, 2016
4:00 p.m.

MINUTES

CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 4:00 p.m.

ROLL CALL

Councilors Present: Councilors Bill Coburn, Bessie Johnson, Rich Kellum, Ray Kopczynski, and Dick Olsen

Councilors Absent: Floyd Collins (excused)

BUSINESS FROM THE PUBLIC

None.

GOVERNMENT TECHNOLOGY AWARD

Rebecca Friedman, *Government Technology* magazine, said that for the past 15 years, the magazine has awarded its "Top 25 Doers, Dreamers & Drivers" award to people within the public sector who are innovators in information technology. This year, based efforts to expand citizen services, one of the awardees selected is Assistant City Manager/Chief Information Officer Jorge Salinas. Other award winners include President Obama and his technology team. When an offer was made to present this award to Salinas tomorrow at the Oregon Digital Government Summit, he made it clear that this was absolutely a team effort and he asked that the award be presented at this meeting.

Salinas asked the Information Technology (IT) team members to come forward, and he accepted the award on behalf of them all. There was a round of applause and Konopa expressed appreciation to Salinas and the IT team.

SPRING HILL DRIVE TRAFFIC-CALMING OPTIONS

Public Works Engineering & Community Development Director Jeff Blaine noted that during the North Albany Road project, there was a temporary roundabout at Quarry Road and Springhill Drive, and that when it came out at the end of construction, Council requested that Benton County staff look at other options for traffic calming on Springhill Drive.

Laurie Starha, Benton County Public Works Engineering/Survey Program Manager, distributed and reviewed a report regarding Speeds on Springhill Drive (see agenda file). She explained that in January and February of this year, Benton County performed a detailed speed study along the corridor of Springhill Drive from Highway 20 to just past the city limits. In summary, the data showed an 85th percentile speed of 50 mph for drivers coming in to town at the transition to a 40 mph limit, and then slowing to about 44 mph by the time they reach Quarry Road. The goal was to look at options to encourage drivers to reduce their speed closer to the posted speed limit. The most effective option would be to add speed feedback reader signs by Springhill Golf Course for traffic coming into town on Springhill Drive; the cost of this option, about \$5,500, is not budgeted but Benton County would be open to partnering with the City of Albany on that option. The second option would be to add rumble strips across the roadway where the speed change occurs; however, it would be important to check with the golf course first because of noise concerns. The third option would be to add transverse speed bars across the outer lanes, which provides the impression of narrowing and typically results in reduced speeds. In addition, it was noted that the 40 mph postings are widely spaced in both directions on Springhill Drive and that additional signs could be posted along with any other options that are decided upon.

Councilor Ray Kopczynski said an option included in the report but not mentioned during the presentation is Longitudinal Channelizers. Starha said those posts on the center line were initially considered but there were concerns that they would divert drivers closer to the shoulder where there are walkers, joggers, and bicyclists.

Councilor Rich Kellum asked how far noise from rumble strips typically travels. Starha said she was unsure since rumble strips are used in only a few rural locations in the County. They can be quite loud, especially since there are trucks using Springhill Drive, and it would not be advisable to install them near homes.

Konopa commented that rumble strips put in with the mini-roundabout were not received favorably by residents who could hear the vibrating in their homes. She said people travel very fast on Springhill Drive and she feels that something needs to be done to help with that situation.

Councilor Bill Coburn said he has seen solar-powered speed feedback signs that are very effective. He understands they were found to be expensive but that is a relative term, particularly if there could be shared cost with City and County. Starha said battery-powered speed feedback signs are less expensive than solar but they involve maintenance in changing out the batteries. The County could explore options of hooking up to electricity or using solar-powered signs.

Blaine said that staff would like to start with signage improvements and see if that addresses the problem, with the potential to consider additional measures in the future if needed. He noted that Council has expressed concern about log trucks on Springhill Drive and discussed a potential detour, and Benton County staff is supportive of that idea if Council wants to move forward. The challenge is that Hickory was not constructed to withstand that amount of truck traffic and a detour there would involve an expense of \$300,000 to \$400,000. Staff's recommendation is that they work with Benton County to add warning signs for tipping at Springhill Drive and Highway 20 and come back to Council to talk about options for a detour at some point in the future. Council agreed with the staff recommendations.

CITY MANAGER EXECUTIVE SEARCH FIRM UPDATE

David Shaw said a Request for Proposals (RFP) was put out in March for a City Manager search and a Finance Director search. Nine responses were received for the City Manager search and 10 for the Finance Director search. Staff hasn't yet reviewed the Finance Director search responses. A review was done of the City Manager search responses based on predetermined criteria. The responses were narrowed down to three and questionnaires were sent to references for each of the finalists. Based on those responses, staff recommends that the City Manager search be awarded to CPS HR Consulting out of Sacramento. Most of the firms said the search would take about sixteen weeks and most were within \$22,000 and \$25,000 on price.

Konopa asked if the City Council would be able to interview the finalists. Shaw stated that if Council chooses, staff would notify all three that the City Council wants to interview them.

Konopa asked if a proposal was submitted by Bob Murray & Associates, the firm that did the last City Manager search. Shaw said that firm did submit a proposal but it did not include all of the information requested.

Kopezynski said he is comfortable having staff select the firm. Coburn agreed.

Kellum asked what criteria was used to evaluate the proposals. Shaw said the criteria included 25 points for project approach and understanding, 25 points for qualifications and experience of the firm and the representative that would be assigned to work with Albany, 20 points for project schedule and availability, 20 points for cost of service, and 10 points for references.

Konopa said she would like Council to see how each of the proposals scored before moving forward. Councilor Bessie Johnson agreed.

Councilor Dick Olsen asked if any of the proposals were from firms based in Oregon. Shaw said all of the firms were headquartered in other states but most have presence in Oregon. City Manager Wes Hare added that firms will often hire a representative to work in the region. Hare advised that he felt it would be inappropriate for him to influence this process; therefore, it was entirely handed by Shaw and his staff.

Council directed staff to bring back information on how each proposal scored based on the evaluation criteria.

SEWER RATES

Public Works Operations Director Chris Bailey gave a PowerPoint presentation titled "Sewer Rate Discussion May 23, 2016 (see agenda file). She explained that sewer rate revenues go to repay debt, to fund operations and maintenance (O&M) of existing facilities, and to capital investments. A rate increase is needed to meet O&M and debt service requirements and stay on track to reach the target for funding annual capital improvements of \$2.6 million per year by FY 2017. Predictable moderate increases are better than unpredictable large rate increases. In June 2015, staff estimated that a 6 percent rate increase would be required in July 2016; however, updated revenue and expenditure information indicates that a 3 percent increase will be sufficient. The 3 percent increase would generate about \$500,000. For a resident discharging 6 units of sewage, a 3 percent increase would be about \$1.59 per month; a resident discharging 8 units of sewage would pay about \$1.75 more per month. A 6 percent sewer rate increase would change those increases to more than \$3.00 per month. The target of \$2.6 million in capital funding per year by 2017 will allow the City to address the worst pipes in the collection system

over the next 10 years. The target does not address capacity needs in the collection system or potential capital needs to address solids at the Water Reclamation Facility.

Bailey said staff has been able to develop an efficient and effective Asset Management Program through which the number of emergency sewer main repairs has dropped significantly, and additional cleaning points have been installed. There has been a change to a holistic approach to pipe replacement that includes the sewer main, customer laterals, and manholes, resulting in a segment that is more water tight, reduces infill and infiltration, improves the function of the pipe system, and lowers operating costs. The program creates a list of prioritized pipes for repair or replacement, which has resulted in efficient use of limited perpetual life replacement funds. Reduced emergency projects create a firm foundation to plan major capital projects, including the Cox Creek Interceptor capacity project. She showed examples of cured-in-place pipe projects, pipe rehabilitation and repair projects, a graph of the Sewer Pipe Rehabilitation Program progress, five-year forecasting variables, five-year rate projections, and 2016-17 Average Monthly Utility Bills in Oregon Cities.

In response to questions from Council, Bailey said this budget doesn't include any changes related to stormwater. Regarding the average monthly utility bills information, she doesn't know the particular needs of any community; however, communities who haven't been continuously investing in their sewer system will likely see a jump at some point. Hare agreed and provided examples of where that has occurred.

Coburn suggested that staff be directed to bring back a resolution with a 3 percent increase for public comment and adoption. There was general agreement.

Blaine noted that new customers are initially billed based on 8 units of sewer until a winter average can be calculated; however, there are scenarios where it may make sense to lower that to 6 units. These scenarios include new customers who live alone where lower usage can be seen from only a few months of data. He asked if Council was willing to grant the director flexibility to respond to special situations for residential customers and use common sense for evaluating what is being charged to an individual. Following brief discussion, Council agreed that it would be valuable for the director to have that discretion on a case-by-case basis.

A resolution will be brought back to the first Council meeting in June.

RECREATIONAL MARIJUANA REGULATIONS

Blaine said the maps and information being presented include elements of what Councilor Floyd Collins requested as far as decision-making metrics and what other Councilors requested as far as maps. It's a sampling of potential regulations intended to set the framework for future discussions. The information being presented is not representative of staff's personal opinion and staff has no desired outcome other than clear, easily implementable code for staff to implement and community members to understand.

Blaine gave a PowerPoint presentation on Time/Place/Manner (TPM) discussion. He said marijuana regulations come through the state, the Albany Municipal Code (AMC), and the Albany Development Code (ADC). There are seven categories of regulated marijuana activities identified by the state. In addition to the three layers of regulation and seven categories, there are an unlimited number of TPM restrictions that could be considered. Today, staff would like to focus the discussion on medical dispensaries and potential recreational sales with the thought that this will help inform future discussions and decisions on the other uses.

Blaine said staff went into this with a few basic assumption: that we want compatibility between state regulations, the AMC, and the ADC; that we want to consider cleaning up the AMC language related to measurement procedures and industrial zone exemptions; and that we want to provide TPM regulations in the AMC rather than the ADC where changes are more difficult. He said staff will present three maps showing where medical dispensaries and recreational sales might be allowed under different scenarios, take input from Council, and bring back additional information. It is anticipated that the discussion will occur over a series of meetings. He noted that the League of Oregon Cities is developing model code that will be available later this month.

City Attorney Jim Delapoe cautioned Council against making decisions based solely on places on the map because that looks a lot like a land use decision. Land use decisions require a certain process that includes setting goals, developing comprehensive plan language, and implementing through the ADC. He encouraged Council to look at restrictions based on something other than spots on the map.

Richardson emphasized that Council will be looking at only three of countless possible scenarios where medical marijuana dispensaries and potential recreational sales of marijuana could occur within the City. Both use types are categorized in the ADC as retail sales and service uses. Council will also be presented with potential TPM restrictions which, depending on the goals, may offer a finer instrument by which to achieve those goals.

Richardson reviewed and discussed three different scenarios as shown on Maps 1, 2 and 3 (see agenda file).

Map 1: This scenario shows where the uses would be allowed if only state regulations and basic ADC regulations were applied. State regulations state that the uses cannot be within 1,000 feet of a public school. This scenario does not include current AMC restrictions.

Map 2: This scenario shows where the uses would be allowed under state regulations, ADC regulations, and the existing AMC ordinance. It includes areas that are at least 1,000 feet from a public school, where retail sales and services are permitted by the ADC, and where parcels are 300 feet from residential and mixed use zones with an exception for Industrial Park and Light Industrial zones. Dispensaries must also be located 1,000 feet apart from each other. Retail sales and services are not permitted in the Heavy Industrial zone under the ADC.

Map 3: This scenario shows where the uses would be allowed under the aforementioned state regulations, ADC regulations, and AMC restrictions but removes the exception for Industrial Park and Light Industrial zones. This scenario also changes the way distances are measured so it is property line to property line rather than property line to zone boundary. City Attorney Sean Kidd noted that under this scenario, most of the medical dispensaries currently in operation would not be allowed to convert to recreational sales, although the existing medical dispensary use would be grandfathered in.

Richardson clarified that it was challenging to measure distances from property line to zone boundaries; therefore, Map 2 provides a fair representation, but it is not precise. He said the goal is to demonstrate that as layers of regulation are applied and exemptions are removed, the number of locations where someone could locate a dispensary or a recreational sales business decreases. It was noted that the scenarios include properties that are already developed, as well as parcels that are under single ownership and may not be available for dividing into multiple uses.

Coburn said he doesn't think Map 1 is a realistic scenario given that it doesn't include AMC regulations. He said any business would be required to comply with the AMC, regardless of what that business is. Richardson clarified that Map 1 is based on the hypothetical situation that Council would repeal the ordinance related to marijuana dispensaries; the remainder of the AMC would continue to apply.

Hare noted that the AMC is generally silent on where retail sales can occur. He said some Council members have stated a preference for using the same criteria for marijuana facilities that are used for liquor stores, for example, and Map 1 gives an idea of what that would look like.

Discussion followed, and staff provided clarifying information about what would be allowed based on each of the scenarios presented. Delapoe referenced his earlier comments and suggested that decisions should be made on values that Council wants to see observed, as opposed to places on the map.

Kellum clarified that his questions have never been about the part of town; his questions have always been about how far away the uses are from kids, and that is still what he is concerned about.

Richardson reviewed examples of TPM regulations that could be considered. Related to time, consideration could be given to restricting operating hours. Related to place, consideration could be given to proximity to another zone; proximity to another use; proximity to a certain street type; allowing only in a permanent building; or not allowing as a home business. Related to manner, consideration could be given to not allowing security bars on windows/doors; restricting outdoor storage and disposal; regulating light, noise, odor, and visual impacts; requiring activity to be inside a building; restricting onsite consumption; and restricting the presence of minors. He emphasized that these are just examples and acknowledged that Council might have other ideas. Delapoe added that the TPM restrictions must leave reasonable opportunity and that staff can better provide specific options if Council clarifies what it is that they want to protect.

Council requested that all three maps be provided digitally with layers that can be added and removed, and that additional information be brought back to a future meeting.

DISCUSSION OF REPEAL OF ORDINANCE NO. 5869 (ESTABLISHING STORMWATER UTILITY)

Delapoe explained that staff initially recommended the adoption of Ordinance 5869 to create a framework for establishing a stormwater utility and separate out the more problematic issues related to cost. However, a referendum petition was subsequently filed with the expressed concern about accepting a new utility without knowing the cost, and this has resulted in a situation where staff is within the parameters of ORS 260.432 which restricts any political activity by public employees. Under the framework of the Secretary of State's analysis of the ORS, with the pending measure, any information about rates presented or discussed by staff could open them to a charge of advocacy. Repealing the ordinance would address the concern that Council is talking about a framework for funding stormwater through user fees without talking about the rates that would be charged, and would eliminate the concern of staff that they could face an advocacy challenge if they provide technical information.

Following brief discussion, Council directed that staff bring back an ordinance to repeal Ordinance 5869 for consideration at the next regular meeting.

BUSINESS FROM THE COUNCIL

None.

CITY MANAGER REPORT

None.

ADJOURNMENT

There being no other business, the meeting was adjourned at 6:10 p.m.

Respectfully submitted,

Reviewed by,

Teresa Nix
Administrative Assistant

Stewart Taylor
Finance Director

CITY OF ALBANY
CITY COUNCIL
Council Chambers
Wednesday, May 25, 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, and Ray Kopczynski.

Councilors absent: Floyd Collins and Dick Olsen were excused.

SPECIAL PRESENTATIONS

Albany Fire Department Unit Citation.

Fire Chief John Bradner said the citation is awarded to C Shift for a water rescue, in recognition of their actions as part of a unit at the Willamette River water rescue on January 20, 2016, where together they overcame adverse conditions to uphold the Fire Department's mission to prevent and protect from harm. Bradner said crews from three stations responded when a person fell into the river from the Bryant Street bridge. He showed a video of the water rescue (http://democratherald.com/albany/video-river-rescue/youtube_66adc533-d501-54b3-9ffc-e0fe826a87e2.html).

Bradner listed the crew members involved: Firefighter Lon Lemkau, Apparatus Operator Kirk Bohard, Firefighter Clifton Booher, Firefighter Carly Shears, Assistant Chief Shane Wooton, Battalion Chief Scott Cowan, Lieutenant John Zimmerman, Apparatus Operator Mike Hurley, Firefighter Rick Griffin, Lieutenant Brian Vorderstrasse, Firefighter Gabe Anderson, Lieutenant Chris Johnson, Firefighter Alex Chang, Lieutenant Jamie Smith, and Apparatus Operator Keith Gillespie. Those who were present in the audience received their awards.

Konopa recalled seeing the video and said it was scary. She commended the strength of the firefighters in lifting the rescued person into the boat without capsizing it. She said our brave firefighters risk their lives for the community. It was an amazing rescue. She thanked those involved on behalf of the City of Albany.

Historic Preservation Month Awards.

Planner I Shawna Adams said May is Historic Preservation Month. This year's theme is "This Place Matters." Each year during Historic Preservation Month the Landmarks Advisory Commission (LAC) selects individuals and organizations to honor for their role in preserving Albany history and resources. Tonight Konopa will present three awards. Adams showed a PowerPoint slide for each award (see agenda file).

The first award was given to journalist Hasso Hering for challenging the community and local government to consider the places that matter, and asking the hard questions. Konopa presented the award (see agenda file).

The second award was given to Dave and Barbara Sullivan for rehabilitating the house at 338 6th Avenue SE (see agenda file). When the Sullivans bought the house in 2012, it had been designated a dangerous property. The Sullivans are commended for their transformation of a premier landmark in the Hackelman Historic District.

Dave Sullivan said Buddy McClure, the painter, deserved a good share of the credit.

The third award was given to Rebecca Bond of Albany Visitor's Association for leadership in promoting local heritage and preservation. Konopa presented the award (see agenda file) and thanked Bond.

Oscar Hult, owner of the Natty Dresser, described the Hidden History architectural details scavenger hunt sponsored by the business. Nine entrants found all of the details. Konopa drew the winner, Kristin Holley, from the nine entries. Holley will receive a \$25 gift certificate to the Natty Dresser and a \$25 gift certificate to First Burger.

SCHEDULED BUSINESS

Public Hearing

Approving the sale of City-owned surplus properties located at 1117 Jackson Street SE, Assessor's Map No. 11S-03W-07AC, Tax Lot 00402, Police building; and 3800 Knox Butte Rd E, Assessor's Map No. 11S-03W-04D, Tax Lot 00104, armory.

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There was a public hearing signup sheet (see agenda file).

Konopa opened the public hearing at 7:32 p.m.

City Attorney Jim Delapoer said Oregon law requires a public hearing before the City sells property. He summarized why the armory property is up for sale and said this arrangement allows for transfer of funds now and the property transfer in about a year and a half. The City retains lease rights on the buildings, but without the obligation to make lease payments. While the City is giving up property of real value, the armory has a 30-year lease that pays one dollar each year, so that the City is not giving away an asset for which it is getting substantial compensation. The City leases the building on those terms because of the value the National Guard unit brings to the community.

Delapoer asked the Council to approve the resolution on the dais (see agenda file).

Konopa asked if anyone would like to comment. There was none.

Konopa closed the public hearing at 7:34 p.m.

MOTION: Councilor Rich Kellum moved to adopt the resolution on the dais and Councilor Ray Kopczynski seconded the motion. The motion passed 4-0 and was designated Resolution No. 6497.

Business from the Public

Ray Hiltz, 2748 Foxglove Loop SE, said Albany's streets are in bad shape. The Council should consider sending a 3-5% gas tax for street improvements to the voters. Portland recently sent a 10-cent-per-gallon gas tax to its voters. He encouraged the Council to discuss it and bring it to the voters to consider. Konopa said the Council has been talking about a five-cent gas tax, so it is encouraging to hear it brought up. The Council isn't hopeful about getting street funds from the state or federal level. She said the City might possibly put a gas tax on the ballot in November 2016.

First Reading of Ordinance

Repealing Ordinance No. 5869 in its entirety and declaring an emergency (Stormwater Ordinance).

Delapoer read the ordinance for the first time in title only: AN ORDINANCE REPEALING ORDINANCE NO. 5869 IN ITS ENTIRETY AND DECLARING AN EMERGENCY.

MOTION: Kopczynski moved to have the ordinance read a second time in title only. Councilor Bill Coburn seconded the motion and it passed 4-0.

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

Delapoer said if the Council is inclined to pass the ordinance, there is an additional reason to do it tonight: there is a court session tomorrow morning to discuss the ballot tile and he would just as soon not spend the City's money in court.

Kellum said there are always people unhappy when the Council does things, and the Council gets attacked for its decisions. What bothers him is that the Council went through all the due diligence and was attacked; now we're undoing an ordinance, which will have to be done again later. He is frustrated by the process.

MOTION: Councilor Bessie Johnson moved to adopt the ordinance and Kopczynski seconded it. The motion passed 4-0 and was designated Ordinance No. 5871.

Adoption of Consent Calendar

- 1) Approval of Minutes
 - a) March 9, 2016, City Council Regular Session minutes.
 - b) March 21, 2016, City Council Work Session minutes.
- 2) Annual liquor license renewals.

MOTION: Kopczynski moved to adopt the Consent Calendar as presented. Kellum seconded the motion and it passed 4-0.

Award of Bid

SS-16-01, 2016 Pipe Bursting Projects.

Public Works Engineering and Community Development Director Jeff Blaine said the bids came in as expected. The low bidder is K & R Plumbing.

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Kellum asked how much the equipment to do the work would cost. He recommends finding out the cost of the equipment compared to how many times we might use it. Konopa said we would also need to have the staff to do the projects. Blaine said the issue comes up every few years and the big challenge is having the staff to do it. Public Works would need to have additional staff to do the work when it happens, but probably would not have enough to keep them working the rest of the time. There's value in having people with a lot of experience do the work. It hasn't yet made sense for the City to do it from a financial standpoint and a personnel standpoint.

Public Works Operations Director Chris Bailey said we might be able to do some projects at lower costs if we bought the equipment, but we don't have anyone on staff experienced in that kind of work. There would be a training curve, and we wouldn't be able to keep them busy year-round. We can do some analysis and bring back numbers to the Council. Kopczynski asked if other cities in Oregon do this kind of work themselves. Bailey said some other cities do their own cured-in-place pipe repairs. She's not sure if other cities do their own pipe bursting. Konopa said perhaps we could do an intergovernmental agreement with other municipalities to share the cost.

MOTION: Kopczynski moved to approve award the bid in the amount of \$823,425, to K & R Plumbing Construction Company of Clackamas, Oregon. Johnson seconded the motion and it passed 4-0.

Approval of Contract Extension

Approving a temporary contract extension with Barker-Uerlings Insurance, Inc. for the City's insurance and risk management services.

City Manager Wes Hare said the City has contracted with Barker Uerlings for a number of years, and they've done a commendable job. We recently discovered that the last contract actually expired, so this extends it.

MOTION: Kellum moved to approve the contract extension with Barker-Uerlings Insurance, Inc. Kopczynski seconded the motion and it passed 4-0.

Appointment

Appointing Cecilia Mihaylo to the Parks and Recreation Commission.

MOTION: Kopczynski moved to approve the appointment of Cecilia Mihaylo to the Parks & Recreation Commission. Coburn seconded the motion and it passed 4-0.

BUSINESS FROM THE COUNCIL

Kopczynski reported on the carousel groundbreaking. He was impressed by the number of timbers salvaged. Discussion followed about the event and the next steps. Johnson thanked the people who have volunteered so many hours to the carousel.

Konopa mentioned Albany Partnership for Housing & Community Development's recent Parkrose project. Konopa volunteered, along with volunteers from Key Bank and from the LDS Church's "Just Serve" program. The volunteers painted fence and garages, edged sidewalk, and cleared out brush. Konopa said it isn't completely finished, but looks much better. She said Albany is fortunate to have so many volunteers for this kind of project.

Konopa introduced the City's two visiting fellows, Jose (Dave) Albao from the Philippines and Rozaidi Mahat from Malaysia. She invited them to speak.

Albao said their visit has been a great experience for him and for Mahat, as well as for two other fellows who are in Adair. The program is initiated by the State Department and includes fellows from Latin America as well as southeast Asia. Albao and Mahat are here with the Young Southeast Asian Leaders Initiative, which is for people described as "emerging leaders in environmental sustainability in legislative processes in democracies in Asia." In Albany and surrounding local governments, they have seen how people here value healthy ecosystems. It isn't perfect anywhere, but they saw good models here. He thanked the City for its hospitality, and encouraged continuing work. His home is a small island with no power grid and no wastewater treatment, so they do things very primitively. He said they have been very fortunate to be in Oregon and see best practices for responsible resource management. They appreciate Albany's value for transparency in government. Government should take care of people's needs and concerns. Every government tries to do that. He has noticed here the importance of freedom of information. He invited everyone present to visit the Philippines and Malaysia.

Konopa said it has been a pleasure having Albao and Mahat here and thanked Hare for making sure they had a great experience. Hare thanked both for being wonderful guests. Albany has had four sets of fellows visit, and it's been great for staff to be exposed to different perspectives and conditions around the world. It is a great program.

Mahat said he is from Malacca, in Malaysia. In Malaysia, there are about 250 local governments. In Malacca there are four. He thanked Hare for showing them how the City of Albany is managed, and Assistant City Manager/Chief Information Officer Jorge Salinas for showing the City's energy management program. He also welcomed Albany's Councilors to visit Malacca, especially in September 2017, when Malacca hosts a series of environmental forums. He will send an official invitation to the City of Albany.

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NEXT MEETING DATE: Work Session: June 6, 2016, and Regular Session: June 8, 2016

ADJOURNMENT

There being no other business, the meeting was adjourned at 8:08 p.m.

Respectfully submitted,

Mary A. Dibble, MMC
City Clerk

Reviewed by,

Wes Hare
City Manager

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Council Chambers
Monday, June 6, 2016
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: Mayor Sharon Konopa and Councilors Floyd Collins, Bessie Johnson, Rich Kellum, Ray Kopczynski, and Dick Olsen

Councilors Absent: Councilor Bill Coburn (excused)

BUSINESS FROM THE PUBLIC

There was no business from the public.

Konopa drew attention to the new podium in Council Chambers which was designed and crafted by Dr. Gary Goby. She requested that staff send a letter of appreciation to Dr. Goby.

Konopa advised that she will leave the meeting at 4:50 p.m. to attend a ceremony at the new pickle ball court at Eleanor Park; Councilor Floyd Collins will Chair the remainder of the meeting.

Konopa asked whether Council would like to forgo the City Manager's evaluation this year given that the City Manager is under a temporary contract and will be retiring next year. There was general agreement to forgo the evaluation.

STORMWATER UTILITY INITIAL RATE STRUCTURE

Utility Services Manager Mark Yeager gave a presentation on Stormwater Utility Development (see agenda file). He expressed appreciation to GIS and Engineering staff for their assistance in preparing the information. He said that Council previously directed staff to continue the process to develop a potential stormwater rate structure to be used in the rate-making process. Tonight, staff will describe a draft rate calculation process, as well as optional concepts for single family residential tiered rates and non-single family credit programs. No specific formal action is needed at this time; however, staff requests Council direction to proceed to the next step in the process.

Yeager said that revenue requirements of \$3 million were discussed at the April meeting. Upon review, staff identified the need to include an additional \$450,000 for account maintenance and billing costs. These are not new expenses and a corresponding reduction will be made in water and sewer costs. The revised revenue requirement is \$3.45 million.

Yeager said that generally accepted rate design principles were used to ensure the rates would be equitable, defensible, understandable, implementable, and that there is revenue adequacy. He described the initial rate design proposal, which includes two rates classes: single family residential (SFR) and non-single family residential (NSFR). The proposal includes a stormwater base fee that recovers costs attributed to customer-related services and general use areas, and an impervious surface charge with SFR based on one equivalent residential unit (ERU) and commercial NSFR based on an ERU multiple.

Collins asked whether a property with no discharge would receive a charge for the second component. Yeager said that each property in the community would be analyzed, that there would be no charge for vacant unbuilt parcels, and that whether properties not connected to a drainage system would receive an impervious surface charge is yet to be determined.

Yeager reviewed a graphic and described the process used to determine the base charge and impervious surface charge per account. He described the basic rate structure for SFR and NSFR, noting that potential adjustments for SFR tiers and NSFR credit options could be discussed further at a future meeting. He reviewed revenue requirements, including existing program requirements (\$1.3 million), recommended first-year funding (\$1.75 million), and projected fifth-year program costs (\$3.45 million). The requirements do not include stormwater capacity capital needs and are based on receiving a reasonable permit. Using projected fifth-year costs without SFR tiers or NSFR credits, the SFR monthly cost is estimated to be \$9.44 for the base fee and \$3.85 for one ERU, a total of \$13.29 per month. Examples of NSFR calculations and sample account billings are shown in the

presentation. Of the nearly 2,500 accounts, 83 percent of bills would be less than \$50 per month, 14 percent would be between \$50 and \$250 per month, 2 percent would be between \$250 and \$500, and 1 percent would be greater than \$500 per month. In response to questions from Council, Yeager provided clarifying information about the calculations.

Yeager showed 2015-16 Stormwater Rates in Oregon Cities by Population. He reviewed a potential option for SFR tiers that would be based on impervious surface area of the main structure on the property and would be revenue neutral within the SFR class. An optional NSFR credit program would likely impact revenue about 5 percent. These programs would not reduce the City's costs and may add costs for tracking. Any credit program would need to be carefully designed to keep administrative costs low and to be understandable and achievable by customers.

In response to a question from Councilor Rich Kellum, Yeager said staff found that SFR customers vary widely in terms of impervious area. Generally, there may be more impervious surface on a larger lot but there is likely also more pervious surface.

Konopa left the meeting at 4:50 p.m.

Yeager said stormwater activities are currently funded with \$700,000 per year from the sewer fund. Reassigning one-third of billing and account maintenance costs to the stormwater fund from the sewer and water funds would add \$225,000 to each of those funds. This could result in a sewer rate reduction of 6 percent and a water rate reduction of 2 percent, equating to an average SFR water and sewer bill reduction of \$4.13 per month. The net impact for the average SFR would be \$2.61 the first year and \$9.16 projected for the fifth year. NSFR reductions would vary depending on class, meter size, and usage.

Kellum asked why redirecting money from the sewer and water funds to stormwater would result in increased bills for customers. Public Works Engineering & Community Development Director Jeff Blaine said that a one for one reduction between sewer and stormwater isn't possible because the method of calculation is different. First year charges are lower because the City would continue to utilize street funds for capital projects as the program ramps up. The street fund is gas tax money that can only be used for streets. Street sweeping comes out of the street fund and although sweeping benefits stormwater quality, it has other benefits as well. For the purposes of the calculations, the street sweeping annual sum was divided in half, with 50 percent going to stormwater and 50 percent remaining in the street program.

Yeager requested Council's preliminary reaction and direction related to the proposed rate structure.

Collins said Council has discussed potential pitfalls of trying to balance simplicity and equity. He said staff is presenting five basic principles, a ramped system, offsetting reductions in water and sewer, potential tiered rates for SFR, and potential credits for NSFR. Because no credit is proposed for the street component, the City is looking at the ability to improve street maintenance or street capital. He thinks there is detail yet to be worked out, but he is encouraged that we are headed down the right track.

Kopczynski agreed with Collins in general. Since this is mandated by the federal and state governments, he asked whether it is necessary to come up with a formulation before we know the rules. Yeager said that while the stormwater permit is the driver in this process, the stormwater system hasn't had proper maintenance for many years. Blaine added that this is preliminary information and that following initial direction from Council, the process will include public outreach and assessment of the final permit from the DEQ prior to Council adopting any rates.

Collins said that if the DEQ permit exceeds federal standards in a way that Council feels is unreasonable, he would not object to raising the question of the Oregon constitution limitation on unfunded mandates.

Councilor Bessie Johnson said she isn't fond of the NSFR credit option because of the added staff time that would be required, but she wants to hear the rest of the presentation.

In response to questions from Councilor Dick Olsen, Yeager provided clarifying information about the NSFR credit options. In staff analysis and based on industry standards, gravel surfaces are considered impervious. Olsen expressed concern about the impact to auto wrecking yards that have large graveled areas.

Kellum said he is concerned about reasonability. The information provided shows that the fifth-year costs would result in Albany having the fifth most expensive program in the state, and that would be considered by businesses looking to place a facility.

Yeager requested Council feedback with regard to the reduced first-year funding level and the water and sewer rate reduction options. Staff is not requesting formal guidance, but rather feedback on the structure that would go out for public outreach.

Collins said he thinks both the first-year funding and the water/sewer reduction options should be included in the discussion.

Kopczynski said the information presented should be as simple and understandable as possible.

Kellum said the bottom line is that if the public has to pay more, that will raise the level of concern.

In response to a question from Johnson, Yeager said the information on rates in other communities came from a League of Oregon Cities survey. Some cities use flat fees and others use a combination of a base charge plus impervious area fee. The proposed structure is as simple as possible while still meeting the industry standard of being reasonably equitable and defensible.

Yeager asked whether Council would like staff to bring back potential SFR rate tiers and NSFR credit programs for consideration at the June 20, 2016, Council meeting.

Kopczynski said he likes the idea of giving customers an opportunity to reduce their rates; however, based on the discussion, costs go up when complexity is added. He isn't ready to make that judgement call but he would like to hear more.

Collins said he would like to hear from the public regarding greater equity with more tiers versus higher costs associated with a more complex structure.

Kellum said Council works for the citizens and equity is important. He thinks the amount that people use should have something to do with what they pay; he wants to consider tier and credit options.

In response to a question from Olsen, Yeager further clarified the projected first-year and fifth-year costs and rate structure as detailed in the presentation.

Yeager reviewed the public outreach strategy and requested Council feedback related to a potential open house.

Kopczynski said it would be important to have a shorter, more understandable presentation for an open house. Yeager said that staff would prepare a condensed presentation based on Council's feedback. Kopczynski said it would have been helpful to have tonight's presentation at a regular Council meeting so it would have been filmed and posted on the website.

Collins said an open house would provide an opportunity for residents and businesses to receive information and ask questions.

Blaine requested any feedback on the location of the open house and the role Council would like to have. City Manager Wes Hare said a potential location would be the Library meeting room. Kellum suggested that Council should attend the open house but not be part of the demonstration. Johnson agreed that Council should attend, hear the presentation, and be available to talk to people. It was agreed that staff will bring back additional information including potential dates for an open house.

Yeager gave an update on the DEQ draft stormwater permit. The DEQ issued an informal draft on May 2 and held an advisory committee meeting on May 10. The draft permit was substantially different than one staff had seen six months prior. Much of the rewrite was better but many issues remain to be resolved. Staff submitted written comments on May 24. Because it is in the informal draft stage, the DEQ took the comments but will not respond. A new draft is scheduled to come out for public comment July 1. There will be 30 days to respond to that draft, and the DEQ must respond to those comments. The final permit issuance is expected September 30. Staff is looking at opportunities to challenge and those will be discussed with Council at a later time.

In response to questions from Johnson, Yeager explained that the DEQ is attempting to issue one general permit that will apply to all Phase 2 communities. Staff has commented that it doesn't make sense to require a city like Albany, which has no base to work from, to do the same amount of work in 5 years as a city like Springfield, which has been working under a Phase 2 permit for 10 years; however, the DEQ seems to be deaf to that argument.

Collins asked how much of the proposed program is driven by implementation of regulations and how much is driven by City needs. Yeager said it's a mix of state and federal regulatory requirements and the needs of this City asset which requires attention. Public Works Operations Director Chris Bailey added that if the final permit is similar to the draft the City just commented on, the revenue requirement has been significantly underestimated.

Collins asked if any cities in Region 10 are issued permits directly from the Environmental Protection Agency (EPA). Yeager said the EPA issues permits in Idaho and Alaska; however, staff has been told that the EPA is in the process of doing the same things that the DEQ is now doing. Staff provided examples of items in the draft

permit that would create a burden on the City as well as developers, including requiring that the first one inch of rainfall be retained onsite with any land disturbance more than 5,000 square feet regardless of parcel size, and an assumption that municipalities will clean 25 percent of storm pipes annually. Last year, the City cleaned 9 percent of its total pipe network, which took a crew of eight people three months to complete.

Collins said that it's important to carefully evaluate state standards and implementation and federal standards and implementation, and that Council's previous direction that staff push back where they think the requirements are unreasonable is still valid. Johnson agreed.

Olsen reiterated his concern about how the requirements would affect auto wrecking yards and there was brief discussion about how particular properties might be affected. Collins noted that the City is looking at an increase in fees relative to what is required by the permit and reasonable maintenance of the City's existing asset. It was agreed that staff will bring back information on SFR tiers and NSFR credit program options at the June 20, 2016, City Council meeting.

BUSINESS FROM THE COUNCIL

Kellum said he has been approached by people who have concerns about food carts. He noted that this issue was raised in the past but was put off due to time constraints; he would like it to come back to Council prior to the legal system getting involved. Blaine said staff has heard from other communities that a multi-year process was needed to navigate the food cart discussion. If there are specific concerns related to compliance with existing regulations, he asked that those be relayed to staff for investigation and follow-up. Collins suggested that staff bring back additional information regarding the issues and potential timeframes for consideration.

Kopczynski asked about the status of Time, Place, and Manner (TPM) regulations for marijuana. Blaine said the issue is scheduled to come back to Council in July. City Attorney Sean Kidd added that the League of Oregon Cities has released generic TPMs for recreational marijuana uses. Collins was absent from the work session where this was discussed, and he requested copies of the maps and model code.

Collins said he would be absent from the June 20 and 22, 2016, City Council meetings.

CITY MANAGER REPORT

Hare said the Chair of the Human Relations Commission works at LBCC and has asked whether the City's logo could be used for an event called "Know Your Rights" to be held at LBCC on June 20. Mayor Konopa is scheduled to speak at the event. Hare understands the event will counsel people on their rights relative to immigration and citizenship. There was general agreement that use of the City logo would be allowed only if the request is coming from LBCC. Hare agreed to confirm and report back.

In response to questions from Council, Economic Development & Urban Renewal Director Kate Porsche affirmed that a meeting of the Albany Revitalization Agency (ARA) would be needed on June 15, 2016, in order to hold a previously noticed public hearing on the ARA Approved Budget.

Blaine provided an update on efforts to reach an agreement regarding infrastructure, streets, and utilities related to the Brandis property east of I-5. Staff met with the Department of State Lands which felt that the wetlands delineation, utilities, and road permits would be fairly straight forward, but that there may be issues with adding the adjacent area. Next steps will be preliminary design work and submittal of the wetlands permit application. An update is scheduled for the July 11, 2016, City Council Work Session.

ADJOURNMENT

There being no other business, the meeting was adjourned at 6:20 p.m.

Respectfully submitted,

Teresa Nix
Administrative Assistant

Reviewed by,

Jorge Salinas
Assistant City Manager/Chief Information Officer

CITY OF ALBANY
CITY COUNCIL
Council Chambers
Wednesday, June 8, 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.

SPECIAL PRESENTATION

Fire Department Citizen Awards

Fire Chief John Bradner presented certificates of appreciation from the Albany Fire Department to three individuals from the community who selflessly provided lifesaving actions on emergency scenes (see agenda file). Lin Johnson received a citizen award for rendering lifesaving first aid at the scene of a motor vehicle accident on May 2, 2016. Richard Olson and Paul Massara received citizen awards for assisting when a pick-up truck went into the canal by securing the truck to another vehicle to keep it from being submerged with the driver and his dog inside. Konopa commended and expressed appreciation to the award recipients.

SCHEDULED BUSINESS

Communication

Accepting Jeff Christman's resignation from the Budget Committee

MOTION: Councilor Bessie Johnson moved to accept the resignation and send a letter of gratitude. Councilor Rich Kellum seconded the motion and it passed 6-0.

Public Hearings

Setting rates for wastewater system use and repealing Resolution No. 6427

Open: Konopa opened the public hearing at 7:20 p.m.

Public Works Operations Director Chris Bailey said that staff gave a presentation regarding the proposed sewer rate increase at the May 23, 2016, City Council Work Session; the presentation is posted on the City's website and cable channel. She explained that the City started a process five years ago, working with the Council to set a goal for sewer funding that would make progress in maintaining an adequate basis for sewer capital needs. Sewer rate funds are used to repay debt service, fund the operations and maintenance of the existing system, and invest in capital projects to improve the program. Last year, staff estimated that a 6 percent increase would be needed; however, based on updated analysis and projections of expenses and revenues in the sewer utility, the rate increase can be reduced to 3 percent to be effective July 1, 2016. This increase would generate about \$500,000 for the sewer fund. The average impact would be about \$1.59 per month for a residential customer billed for 6 units of sewer usage and about \$1.75 for a customer billed for 8 units.

Bailey said the five-year sewer capital revenue plan approved by Council has allowed the City to implement an asset management program which has allowed for pipe replacement work that has resulted in better service and reduced emergency repairs; created stability that has allowed for funding of Cox Creek Interceptor projects in the CIP so those necessary capacity projects will be put in place over the next five years; and improved the condition of the City's sewer system. The rate increase does not include funding for other large projects like the Riverfront Interceptor Project or the Wastewater Treatment Plant Solids Project. Sewer rate increases for the next five years are projected to be 5 percent per year; however, that will be reviewed with Council each year prior to implementation.

Staff distributed and reviewed a replacement resolution (see agenda file).

No one had signed up to speak on the sign-in sheet (see agenda file).

Konopa asked if anyone in the audience wanted to provide testimony. No one came forward.

Close: Konopa closed the public hearing at 7:28 p.m.

MOTION: Councilor Ray Kopczynski moved to adopt the resolution with the replacement pages. Councilor Floyd Collins seconded the motion and it passed 6-0. The resolution was designated Resolution No. 6498.

Adjusting System Development Charges and connection charges

- a) Revising water system development charges, reaffirming an appeal fee, and repealing Resolution No. 6428.
- b) Revising transportation system development charges for impacts to the Albany Transportation System, reaffirming the appeal fee, and repealing Resolution No. 6464.
- c) Revising sewer system development charges for connection to the public sanitary sewer system, reaffirming an appeal fee, and repealing Resolution No. 6430.
- d) Revising connection charges for street connections to improved city streets of unassessed properties in the city of Albany and repealing Resolution No. 6431.
- e) Revising connection charges for sewer connections of unassessed properties in the city of Albany and repealing Resolution No. 6432.
- f) Revising connection charges for water connections of unassessed properties in the city of Albany and repealing Resolution No. 6433.
- g) Revising connection charges for storm connections of unassessed properties in the city of Albany and repealing Resolution No. 6434.
- h) Repealing in-lieu-of assessment charges for the North Albany sanitary sewer basin and repealing Resolution No. 6435.
- i) Revising special connection charges for a portion of the Columbus Street sanitary sewer lift station project costs, which are allocated to unassessed properties within the lift station service area, and repealing Resolution No. 6436.
- j) Revising the improvement assurance charges for the non-oversized portion of future arterial and collector street improvements for streets located within the North Albany area, and repealing Resolution No. 6437.
- k) Revising post-construction stormwater quality program fees and repealing Resolution No. 6358.

Open: Konopa opened the public hearing at 7:28 p.m.

Civil Engineer III Jeni Richardson said System Development Charges (SDCs), connection charges and other special charges are in place to ensure that as the community develops, new development helps pay its share of the cost for services. Each year these fees and charges are evaluated for a potential increase based on the Engineering News-Record (ENR) which tracks the cost of construction. The closest index, and one the City has used historically, is the Seattle-regional Construction Cost Index (CCI). The Albany Municipal Code states that increases are made automatically; but it has been Council's long standing tradition to hold a public hearing on the matter.

Richardson said the details of the SDC adjustments are provided in Attachment A to the written staff report and she will touch on three of them. Transportation SDCs for impacts to the Albany Transportation System were originally set up with a five-year ramp that called for annual fee steps in addition to the ENR adjustment; last year was the final year of the ramp and the 2016 proposed fee reflects only the ENR adjustment. The resolution repealing in-lieu-of assessment charges for the North Albany sewer work done in the 1990s is based on the Council's determination that the City has been adequately reimbursed for this project. The resolution revising post-construction stormwater quality program fees recognizes that the construction related fees should be adjusted to keep pace with the changing cost of public improvement projects.

No one had signed up to speak on the sign-in sheet (see agenda file).

Konopa asked if anyone in the audience wanted to provide testimony. No one came forward.

Close: Konopa closed the public hearing at 7:32 p.m.

MOTION: Collins moved to adopt the 11 resolutions. Kopczynski seconded the motion and it passed 6-0. The resolutions were designated as follows:

- a) Revising water system development charges, reaffirming an appeal fee, & repealing Resolution No. 6428.
RES. NO. 6499
- b) Revising transportation system development charges for impacts to the Albany Transportation System, reaffirming the appeal fee, and repealing Resolution No. 6464.
RES. NO. 6500
- c) Revising sewer system development charges for connection to the public sanitary sewer system, reaffirming an appeal fee, and repealing Resolution No. 6430.
RES. NO. 6501

- d) Revising connection charges for street connections to improved city streets of unassessed properties in the city of Albany and repealing Resolution No. 6431. RES. NO. 6502
- e) Revising connection charges for sewer connections of unassessed properties in the city of Albany and repealing Resolution No. 6432. RES. NO. 6503
- f) Revising connection charges for water connections of unassessed properties in the city of Albany and repealing Resolution No. 6433. RES. NO. 6504
- g) Revising connection charges for storm connections of unassessed properties in the city of Albany and repealing Resolution No. 6434. RES. NO. 6505
- h) Repealing in-lieu-of assessment charges for the North Albany sanitary sewer basin and repealing Resolution No. 6435. RES. NO. 6506
- i) Revising special connection charges for a portion of the Columbus Street sanitary sewer lift station project costs, which are allocated to unassessed properties within the lift station service area, and repealing Resolution No. 6436. RES. NO. 6507
- j) Revising the improvement assurance charges for the non-oversized portion of future arterial and collector street improvements for streets located within the North Albany area, and repealing Resolution No. 6437. RES. NO. 6508
- k) Revising post-construction stormwater quality program fees and repealing Resolution No. 6358. RES. NO. 6509

Adopting the 2017-2021 Capital Improvement Program

Open: Konopa opened the public hearing at 7:33 p.m.

Senior Accountant Jeff Babbitt said the resolution before Council is to adopt the 2017-2021 Capital Improvement Program (CIP). He said the preparation of the CIP is a long process that coincides with the budget process, during which input is received from the various City departments, the City Council, the Planning Commission, the Budget Committee, and the public. Following the April 7, 2016, Joint Work Session, the CIP draft was made available for public viewing. No public comments have been received.

No one was signed up to speak on the sign-in sheet (see agenda file).

Konopa asked if anyone in the audience wanted to provide testimony. No one came forward.

Close: Konopa closed the public hearing at 7:34 p.m.

MOTION: Johnson moved to adopt the resolution. Kopczynski seconded the motion and it passed 6-0. The resolution was designated Resolution No. 6510.

Opportunity to comment on proposed uses of State Revenue Sharing

- a) Declaring the City's eligibility to receive state revenues.
- b) Declaring the City's election to receive state revenues.

Open: Konopa opened the public hearing at 7:35 p.m.

Finance Director Stewart Taylor said the Proposed Budget submitted to the Budget Committee and City Council on May 10, 2016, included receiving state shared revenues and proposed using those revenues to support the transit system in the City of Albany. The requirement to receive state shared revenues includes holding two public hearings. One public hearing was held with the Budget Committee and this is the second opportunity for the Council to receive comments regarding the proposed uses of state shared revenues. After receiving comment, Council is asked to consider two actions, one declaring the City's eligibility to receive state revenues and one declaring the City's desire to receive the revenues.

No one was signed up to speak on the sign-in sheet (see agenda file).

Konopa asked if anyone in the audience wanted to provide testimony. No one came forward.

Close: Konopa closed the public hearing at 7:37 p.m.

MOTION: Kopczynski moved to adopt the resolution declaring the City's eligibility to receive state revenues. Kellum seconded the motion and it passed 6-0. The resolution was designated Resolution No. 6511.

MOTION: Kopczynski moved to adopt the resolution declaring the City's election to receive state revenues. Kellum seconded the motion and it passed 6-0. The resolution was designated Resolution No. 6512.

Adopting the City of Albany 2016-17 Annual Budget

Open: Konopa opened the public hearing at 7:38 p.m.

Taylor said the City's Budget Committee convened and the City Manager presented the Proposed Budget on May 10, 2016. On May 10, 17 and 19, 2016, department directors presented the needs and operating conditions in the various departments. On May 19, 2016, the Budget Committee deliberated and approved the Proposed Budget with one change, to appropriate revenues that became available after the voters had adopted the Public Safety Levy. The change to the Proposed Budget is reflected in the resolution before the City Council. No one was signed up to speak on the sign-in sheet (see agenda file).

Konopa asked if anyone in the audience wanted to provide testimony. No one came forward.

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

MOTION: Kopczynski moved to adopt the Approved Budget. Johnson seconded the motion.

Konopa commended staff and the Budget Committee for their work in preparing and reviewing the budget.

VOTE: The motion passed 6-0. The resolution was designated Resolution No. 6513.

Business from the Public

Bill Root, 2634 NW Mountain View, referred to his letter to the editor that was recently published in the *Albany Democrat-Herald*. In his letter, he said that his yard waste container fills up rapidly so he went to Republic Services to see what his options were. The cost for a 32-gallon trash container with weekly trash pickup and every other week yard waste pickup is \$36.62 per two-month billing cycle. The cost for a 90-gallon trash container is \$57.62 per billing cycle. The cost to take a load of yard waste to the compost facility is \$20 minimum. The cost of a second yard waste container is \$17.68 per billing cycle.

Root said that Republic Services told him they had proposed allowing kitchen waste to be put in with yard waste and picked up on a weekly basis for the additional \$2 per month; but the City Council turned that down. Republic Services also told him that they sent a survey to their customers and, of those who responded, 68 percent were in favor of the proposal. To him, that says there is desirability for the service. He reviewed each of his monthly utility bills and made the points that Republic Services is a good buy, even with an additional \$4 per billing cycle, that some people could reduce their expense by converting from a 90-gallon cart to a 32-gallon cart, and that it would benefit the environment to add kitchen waste in with the yard waste and compost it.

Konopa said she understood that the Republic Services customers who responded to the survey were supportive of the idea but were not supportive of the added expense, which is why Republic Services didn't recommend the change.

Kellum said he would be interested to know what percentage of Republic Services customers responded to the survey. If people really want this service, then great; but he hasn't heard that.

Collins said Republic Services is the service provider and it's up to them to tell the City what their customers want. Councilor Bill Coburn agreed with Collins; he suggested that if Republic Services wants to make this change, they should contact City staff to schedule the discussion. Councilor Dick Olsen agreed with Collins and Coburn.

City Manager Hare recalled that Republic Services said the cost would increase customer bills by \$3.00 to \$3.50 per month, and that they would have to charge all customers regardless of whether they wanted the extra service.

Konopa suggested that anyone interested could advocate at the Republic Services level and request that a proposal be brought to the City Council.

Adoption of Resolutions

Revising fees and charges for Parks and Recreation services for FY 2016-2017 and repealing Resolution No. 6440.

MOTION: Kopczynski moved to adopt the resolution. Coburn seconded the motion and it passed 6-0. The resolution was designated Resolution No. 6514.

Authorizing execution of two Intergovernmental Agreements with the City of Lebanon for shared use of the Santiam-Albany Canal.

Public Works Engineering and Community Development Director Jeff Blaine said that this issue has been discussed with the Council many times and staff is excited to be at this point. He advised that the Lebanon City Council has authorized the resolution.

MOTION: Collins moved to adopt the resolution. Kopczynski seconded the motion.

Collins acknowledged the work of Lebanon and Albany city staffs for working together to reach an agreement that is beneficial to both communities.

Kopczynski said that there was compromise on both sides, that this is the way it should work, that it worked well, and that we have a better relationship between the two communities as a result.

Konopa said this was a long standing issue and she appreciates everybody working together.

City Attorney Jim Delapoe credited staff for finding a technical solution that had not previously been considered and that worked for both communities.

VOTE: The motion passed 6-0 and was designated Resolution No. 6515.

Revising fees for Development Code provisions and repealing Resolution No. 6345.

MOTION: Kopczynski moved to adopt the resolution and Johnson seconded the motion. The motion 6-0 and was designated Resolution No. 6516.

Accepting the abstract of votes regarding ballots cast in the election held Tuesday, May 17, 2016, regarding Measure 22-141, Renewal of Ambulance, Fire, and Police Local Option Tax.

Taylor drew attention to a revised resolution on the dais (see agenda file).

MOTION: Kellum moved to adopt the revised resolution and Kopczynski seconded the motion. The motion passed 6-0 and was designated Resolution No. 6517.

Adoption of Consent Calendar

- 1) Approval of Minutes
 - a) March 23, 2016, Regular Session minutes.
 - b) April 11, 2016, Work Session minutes.
- 2) Annual liquor license renewals

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

Award of Bid

SS-16-02, Umatilla Lift Station & Force Main Improvements.

City Engineer Staci Belcastro reviewed the staff recommendation to award a contract for work at the Umatilla Lift Station in the amount of \$235,690 to the low bidder, Pacific Excavation, LLC of Eugene. The project includes installation of new pumps, supporting instrumentation and updates to the existing Umatilla Lift Station. The Engineer's estimate was \$260,000.

Konopa noted that only two bids were received and she asked if staff is seeing fewer bids on projects. Belcastro said this project went out for bids late in the season and included specialized work which may be why more bids were not received. Konopa said she is glad to see the project awarded to a company that has previously worked with the City.

Johnson noted that the original project budget was \$575,000, a huge difference from both the Engineer's estimate and the final bid. Belcastro said she understands that staff was able to identify cost savings during design.

Blaine noted that the requested action includes waiving a minor bid irregularity identified in the bid proposal.

MOTION: Collins moved to approve the requested action to award the bid and waive the minor bid irregularity. Kellum seconded the motion and it passed 6-0.

Approval of Agreement

MS-16-03, Albany Police Station Wetland Mitigation Credits, approving execution of the agreement to purchase wetland mitigation credits between the City of Eugene and the City of Albany.

Belcastro reviewed the recommendation that Council approve execution of an agreement between the City of Albany and the City of Eugene to purchase 2.86 mitigation credits at a cost of \$164,307. This is under the project budget amount of \$205,000. This action is required to secure the wetland permit that is required for replacement of the Police Station. The US Army Corps of Engineers (USACE) and the Oregon Division of State Lands are ready to issue the wetland permit as soon as the purchase is complete with the exception that the USACE still needs the Department of Environmental Quality (DEQ) water certification which is in the works.

Collins said that while he doesn't think there is much choice in the existing regulatory framework, he finds the process of wetland mitigation in the Willamette Valley on prior farm land inside urban growth boundaries (UGBs) to be objectionable.

Konopa agreed with Collins. She said this has been an urban area for many years surrounded by development. Wetlands are essential to water quality; but she questions what good it does to mitigate wetlands to another basin that is 50 miles away. She thinks the regulatory process needs to be revised; but she commended staff for working with the City of Eugene to get this resolved.

MOTION: Collins moved to approve the recommended action. Kopczynski seconded the motion and it passed 6-0.

BUSINESS FROM THE COUNCIL

Johnson said she is looking forward to the industrial tour next week. She found some of the restrictions of the industrial businesses to be interesting, including a requirement that those going on the tour submit a passport or birth certificate. Several Councilors said they didn't have a passport or birth certificate available and would instead provide their drivers licenses as proof of identity.

Hare said the Council had previously indicated that the City's logo could be used in co-sponsoring an event at Linn Benton Community College (LBCC) called "Know Your Rights," provided that the request was coming from LBCC. He looked into it and the request is coming from LBCC so he advised that the City's logo could be used for the event. Konopa noted that she will be speaking at the event.

NEXT MEETING DATE: Work Session: June 20, 2016, and Regular Session: June 22, 2016

ADJOURNMENT

There being no other business, the meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Reviewed by,

Teresa Nix
Administrative Assistant

Stewart Taylor
Finance Director



TO: Albany City Council
VIA: Stewart Taylor, Finance Director
FROM: Kandice Easdale, Parks & Recreation Clerk II
DATE: July 20, 2016, for the July 27, 2016, City Council Meeting
SUBJECT: Annual Liquor License Renewals
RELATES TO STRATEGIC PLAN THEME: ● A Safe City

Action Requested:

Council approval of these annual liquor license renewals.

Discussion:

Following is a list of businesses that have submitted applications for liquor license renewal. These businesses have paid their fees.

US Market #250	US Market #250 LLC	1012 34 th Ave SE
Front Street Bar & Grill	Boaty's Corporation	2300 Front St. N
Eagles Lodge #2255	Eagles Lodge #2255	127 N Broadalbin St.
Azteca Real Mexican Family Restaurant	Azteca Real 2 LLC	2987 Santiam Hwy

Budget Impact:

Revenue of \$140.

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TO: Albany City Council
VIA: Wes Hare, City Manager
FROM: Chris Bailey, Public Works Operations Director
Jon Goldman, Transportation Superintendent
DATE: July 20, 2016, for the July 27, 2016, City Council Meeting
SUBJECT: Award of Professional Services Agreement for Albany Airport Projects
RELATES TO STRATEGIC PLAN THEME: ● An Effective Government

Action Requested:

Staff recommends Council award this professional services agreement to Precision Approach Engineering.

Discussion:

On July 6, 2016, proposals were received for engineering design and inspection services for the Albany airport. This agreement is for a five-year term, per Federal Aviation Administration (FAA) guidelines. Per the FAA, the selection is based solely on qualifications. There were two proposals submitted in response to the RFQ (Request for Qualifications) and a staff review resulted in a recommendation to award the contract to Precision Approach Engineering of Corvallis.

The projects that will be designed and inspected are a product of the Airport Capital Improvement Program (ACIP). These projects are funded 90% by the FAA, with a 10% local match. The engineering services fees are included in each project cost, and are funded at the same percentages.

Projects planned over the five-year period include apron rehabilitation, taxiway extension and connectors (includes lighting, striping, and signage), development of an Aviation Geographical Information Survey (AGIS), and installation of an Automatic Weather Observation System (AWOS).

Year one of the agreement will include design for the apron rehabilitation and taxiway extensions, and associated environmental work. The Federal participation is \$193,500, with a local match of \$21,500.

Budget Impact:

Expenses will be paid from the Airport Capital Budget, 211-50-1115.

JCG:rk