



Revised

NOTICE OF PUBLIC MEETING
ALBANY CITY COUNCIL
WORK SESSION
Municipal Court Room, City Hall
333 Broadalbin Street SW
Monday, March 12, 2018
4:00 p.m.

AGENDA

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.”*

*This meeting is being audio recorded for
posting on the City of Albany website.*

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.

- 4:00 p.m. CALL TO ORDER
- 4:00 p.m. ROLL CALL
- 4:05 p.m. BUSINESS FROM THE PUBLIC
➤ Skyline Terrace sewer extension request. [Materials provided by requesters; Pages 2-14]
Action requested: Discussion, decision.
- 4:15 p.m. ALBANY MUNICIPAL CODE ADDITIONS AND REVISIONS – Kris Schendel. [Pages 15-35]
Action Requested: Information, discussion, and direction.
- 4:30 p.m. UTILITY RATE ADJUSTMENTS – Jeff Blaine. [Pages 36-55]
Action Requested: Information, discussion, and direction.
- 5:30 p.m. TRANSPORTATION SYSTEM DEVELOPMENT CHARGES FUNDED LIST AMENDMENTS – Ron Irish.
[Pages 56-59]
Action Requested: Information, discussion, and direction.
- 6:00 p.m. INTERGOVERNMENTAL AGREEMENT FOR CAD/RMS SYSTEM GOVERNANCE – Jorge Salinas.
[Pages 60-77]
Action Requested: Information, discussion, and direction.
- 6:10 p.m. BUSINESS FROM THE COUNCIL
- CITY MANAGER REPORT
- RECESS TO EXECUTIVE SESSION TO CONDUCT DELIBERATIONS WITH PERSONS DESIGNATED BY THE GOVERNING BODY TO CARRY ON LABOR NEGOTIATIONS IN ACCORDANCE WITH ORS 192.660 (2)(d).**
- RECONVENE
- ADJOURNMENT

City Council agendas, minutes, and audio/video recordings available at www.cityofalbany.net.

The location of this meeting is accessible to the disabled. If you have a disability that requires accommodation, please notify the City Manager's Office in advance of the meeting: CMAdmin@cityofalbany.net | 541-704-2307 or 541-917-7519.

Skyline Terrace In-Fill Sewer Project

Request: the City use reserve funds from connection fees to build a sewer extension to the east end of Skyline Terrace and complete the system constructed in summer 2017.

Reasons:

- This is a simple extension of only ~225' of 8" pipe and one manhole.
- The extension would be the end of the line, finishing the extension that was started with the 2017 project.
- Cost is relatively inexpensive at ~\$80,000 for a potential of 7 connections. Once connection fees are added, the cost to City drops to ~\$43,000. Combined project results in ~14 connections for \$243,000 instead of ~7 connections for \$200,000.
- Compare this to the 2017 project which served ~7 potential connections at a cost of ~\$200,000 after fees. It was funded using connection fee reserves and ended next door to Mr. Bernal's property and the Kiest's property (neighbors in alternative #4).
- No additional houses would come within 300 feet of the sewer as a result of this extension.
- Some of the neighbors of the 2017 project would be willing to pay the connection fees and possibly connect to the sewer. Council was not aware of this during the 1/22/2018 work session. Those who connect would add more sewer usage fees to the City.
- Current neighbors of the 2017 project were not communicated with regarding that proposed project. There was no opportunity to participate given, which would have resulted in a less costly extension.
- This extension provides equitable treatment to neighbors on the same street.
- The entire block is on septic systems; some are over 50 years old. This project would remove these systems that are at the largest risk of failure.
- It fits with the City's strategic plan: A Safe City; Goal 2: Provide safe, sufficient, and reliable drinking water, sewage disposal and drainage systems.

- 2017 project had connections at a home that was flipped and for an empty lot, which will be developed. Proposed extension aids current residents. If project is not paid for by connection fees, residents would be required to use their own funds to pay for a public sewer. For some, it comes out of retirement funds or loans, not from profit.
- It provides time for the City to develop the best policy going forward without the current perception of unfairness between neighbors.
- Building a sewer line one lot at a time is a very inefficient way to develop a sewer system.

Homeowners and properties included in alternative #4:

Jeff and Cindy Petrovich; 2515 NW Skyline Terrace

Bill and Martha Wagner; 2531 NW Skyline Terrace

Gil Bernal and Wendy Nishimura 2565 NW Skyline Terrace

Cary and Loraine Kiest; 2556 NW Skyline Terrace (4 lots)

Gary and Penny Haworth; 2480 NW Skyline Terrace

February 15, 2018

To: Jeff Blaine, P.E., Public Works Engineering and Community Development Director

From: Gilbert Bernal, P.E. and Wendy Nishimura, 2565 NW Skyline Terrace

Re: Completion of Sewer Main Extension on Skyline Terrace

After the January 22 City Council meeting in which our request for municipal infrastructure support was discussed, I was surprised to be contacted by several of my neighbors. Discussions with my neighbors brought to light a number of issues related to City utilities on our street, previous decisions by City council, residents who benefited by those decisions, and residents who did not. It is because of our discussions with our neighbors and information we are now aware of, that we would respectfully like to ask City Council to reexamine extension of the sewer main along Skyline Terrace.

My wife and I have owned the house at 2565 NW Skyline Terrace in North Albany since 2002. When we purchased the house there were no plans identified for residential development directly down the hill. There were no City sewer lines remotely close to our property. And we enjoyed years of quiet peaceful living in the neighborhood. Careers being what they are and life being what it is, we found ourselves dragged away from our neighborhood. As mentioned in previous correspondences, this led to the eventual pending sale of our property and resulting identification of issues with our septic system.

To support our request to City Council we would like to bring the following points to the Council's attention:

- The previous sewer line extension executed in 2017, funded by the City of Albany, was for the benefit of four residents with other properties potentially benefiting if their septic systems fail*.
 - This included one empty lot allowing the property owner to now develop the property for only the cost of the sewer connection fee.
- City staff recognize that completion of the extension along Skyline Terrace will not exceed approximately 225 feet. And that this point marks the end of this branch due to topography.
- Completing the sewer main extension on Skyline Terrace will not bring any additional residents within the 300 foot boundary dictated by the DEQ.
 - Therefore, no additional residents along our street would have need to approach City Council for additional support to extend the sewer line at a later date.
- During City Council discussing regarding the sewer line extension installed in 2017, you (Jeff Blain) noted concerns about spending reserve funds when in other situations developers have to pay the full amount*.
 - The residents on Skyline Terrace are not developers. We do not build homes or develop neighborhoods for profit. We are just residents with old septic systems and limited incomes who are faced with property developer magnitude costs.
- Completing the sewer line along Skyline Terrace would provide up to an additional 7 connections at an estimated cost of \$80,000 with connection fees offsetting some of this cost.
 - \$269,000 estimated previously to provide approximately the same number of potential connections for the 2017 extension*.

I would appreciate you sharing our letter with all members of the City council before the February 26 Work Sessions

Regards
Gil Bernal and Wendy Nishimura

File: Bernal Letter - Sewer Request (1).docx

* Referenced from City Council Meeting minutes, September 12, 2016

To: Jeff Blaine, P.E., Public Works Engineering and Community Development Director

From: Bill Wagner, P.E., 2531 NW Skyline Terrace

Subject: Request of Sewer Extension on Skyline Terrace

This is to request the City Council to approve the use of reserve funds from connection fees to build a sewer extension to the east end of Skyline Terrace and complete the system constructed in summer 2017. Our home is in the middle of the block, on the north side, between Mr. Bernal on the west and the Petrovich's on the east.

When we bought our home in January 2017, the sewer system was over 300 feet away, so if the septic system failed, it was legal for me to repair it. I had no knowledge of the improvements that were coming until large construction equipment started showing up on our street. At first, I was pleased with the prospect of having a sewer to connect to in the future. However, I discovered the sewer was going to stop 100' short of my property. I then found out the State regulation would require me to build a public sewer with personal funds, if my system failed.

Several neighbors were discovering the same problem and we wondered why the City didn't finish the extension. My wife and I feel this should have been done and request the extension be completed to the east end of Skyline Terrace. Some of the most compelling reasons include:

- The 2017 project served ~7 potential connections at a cost of ~\$200,000 after connection fees are paid. The cost of the 225-foot extension would be relatively inexpensive at ~\$80,000 for a potential of 7 connections. Once connection fees are received, the cost to the City drops to ~\$43,000. A combined project results in ~14 connections for \$243,000 instead of only ~7 connections for \$200,000.
- Current neighbors of the 2017 project were not communicated with regarding that proposed project. There was no opportunity to participate given, which would have resulted in an even less costly extension. This extension will provide equitable treatment to neighbors on the same street.
- The entire block is on septic systems; some are over 50 years old (mine is 57 years old). This project would remove these systems that are at the largest risk of failure, which fits with the City's strategic plan: A Safe City; Goal 2: Provide safe, sufficient, and reliable drinking water, sewage disposal and drainage systems.
- The 2017 project had connections at a home that was flipped and for an empty lot, which will be developed. The proposed extension aids current residents. If the project is not paid for by connection fees, my wife and I would be required to use our own funds to pay for a public sewer, which will come out of our retirement savings or a new loan, not from profit.

Please share our letter with all members of the City Council before the Feb. 26th Work Session.

Regards,

Bill and Martha Wagner

Dan & Jennie Vaage
3222 26th Ct. SE
Albany, OR 97322
February 12, 2018

Albany City Council
333 Broadalbin SW
Albany, OR 97321

Dear City Councilors,

We know that you have already heard about the sewer issue on Skyline Terrace, but we wanted to reach out as the home buyers to explain how this situation has affected us.

2565 NW Skyline Terrace was listed for sale last summer, and we were thrilled when Gil Bernal and Wendy Nishimura accepted our offer. After many months of searching for a home, we found 2565 Skyline, which has stood the test of time and is structurally sound. We wanted a quiet neighborhood where our daughters could safely play in the front yard, learn to ride their bikes, and where we could enjoy the company of our neighbors. This house is perfect for us.

After our septic inspection revealed a failing system, we sat back for months, quietly sitting, watching, and waiting, as the news from the sellers seemed to get worse and worse. As the buyers, we did not feel it was appropriate to interject or get involved when the expense was on the seller.

We listened to the audio recording of the January 22nd, 2018 work session during which this issue was discussed and voted on, and we immediately regretted not attending. The lack of affected parties in attendance seemed to set the tone which led to the decision to put the burden entirely on the seller. A few days later, we heard the seller was considering cancelling the sale.

After waiting so long, we are not ready to give up without putting all our efforts into this. We have since been in touch with the affected neighbors, and will continue to work with them to support this project, and to urge you to have another look at this issue. We understand that this request is not a small one, and will likely lead to policy changes on how future requests will be handled. However, we ask that you please consider making this an agenda item as soon as possible, so we can plan for our home purchase and upcoming move.

Kind Regards,
Dan & Jennie Vaage

To: Jeff Blaine, P.E., Public Works Engineering and Community Development Director

From: Jeff and Cindy Petrovich, 2515 NW Skyline Terrace

Subject: Request of Sewer Extension on Skyline Terrace

This is to request the City Council approve the use of connection fee reserves to complete the sewer extension to the east end of Skyline Terrace as discussed at the January 22, 2018 work session. (It was alternative #4.)

A group of neighbors has created a list of reasons supporting this project and has given it to Jeff Blaine, who will pass it on to you before the February 26th meeting. We feel all the reasons on that list are valid. We will include only some of them in our letter.

We bought our home in 2015 as we returned to Cindy's hometown of Albany after spending 38 years in Alaska. Our home belonged to Cindy's mother from 1977-2000. We were thrilled to be able to purchase it from the subsequent owners and bring it back into our family's possession. We are very excited to be living in Albany again; however, the septic/sewer issue is a concern. We are hoping there can be an equitable solution for our neighborhood and the city of Albany.

Our major reasons to support the extension are:

- The homes along Skyline Terrace are some of the oldest in the neighborhood with several built between 1959-1963. Most have original septic systems that are vulnerable to the area's large, old growth trees that can cause damage by invading roots or falling during storms. Two properties on our street have had failed septic systems: Levi McDonald's house (2650) built in 1959 and Gil Bernal's house (2565) built in 1963.
- We are very interested in pursuing a sewer connection as outlined in alternative #4 because of the age of our system (56 years old), the history of failures in the immediate area, and the high costs of constructing a public sewer as a private citizen (\$380 per foot). Costs for individual property owners could run from \$40,000 to more than \$100,000, depending on their frontage. This amount of money would be a financial hardship for us. We would be forced to take out loans or withdraw funds from retirement accounts.
- This extension will provide equitable treatment to neighbors on the same street.
- Our street is short and consists of only eight properties. When three of the property owners on our street have sewer costs paid from connection fee reserves (as much as \$160,000 for one owner in the 2017 project) and the remaining five property owners do not get the same benefit and must pay \$45,000 to over \$100,000 from their personal funds, it creates a situation that seems very unfair and could divide a neighborhood. This is compounded when individuals are facing the same problem, but they are treated differently than their neighbors directly across the street and next door. This is the current

situation in our neighborhood that could be rectified with the approval of the extension in alternative #4.

- We understand Council's desire to conserve connection fee reserves, treat citizens equitably, and look at changes in fees and policy issues regarding sewer in-fill projects for the future. However, we ask that you consider funding the sewer extension to the end of Skyline Terrace now, and then consider making changes in policies and fees for the future.
- By approving this low-cost extension, it would provide the Council time to develop the best policy going forward without the current perception of unfairness between close neighbors.
- Most of the property owners on Skyline Terrace were not residents of the neighborhood when the City annexed North Albany back in the 1990s. At that time, our neighborhood remained unconnected to sewer and was not within 300 feet of any connection. However, the 2011 sewer extension on Mirada Drive and 13th Avenue NW brought most of our properties within 300 feet of sewer. Because of this impact, our street should be considered for an in-fill project using connection fee reserves, especially considering the age of our septic systems.
- In-fill projects have been funded with connection fee reserves in the past, including Valley View and Crocker Lane, as well as Skyline Terrace in 2017. (Council approved the 2017 Skyline Terrace project at the 9/12/2016 Council Work Session.)
- This extension will be the end of the line and will complete the project started in June of 2017 making sewer connections available to all the homes on Skyline Terrace. No new homes will be brought into 300 feet of sewer as a result of this extension.
- Some of the neighbors would be willing to pay connection fees and connect to the sewer as outlined in alternative #4. The Council was not aware of the neighbors' interest during the 1/22/2018 work session.
- The cost of this extension is relatively inexpensive at \$43,406 after fees are collected.
- According to Council documents from the 1/22/2018 work session, the connection fee reserves are currently at \$462,000.

Please share our letter with all members of the City Council before the February 26th Work Session.

Thank you.

Sincerely,

Jeff and Cindy Petrovich
907-223-3306

Feb 16, 2018

To: Jeff Blaine, P.E., Public Works Engineering and Community Development Director
From: Cary and Loraine Kiest, 2556 NW Skyline Terrace
Re: Request for Sewer Extension on Skyline Terrace

We are writing to request that the Albany City Council approve the use of connection fee reserves to complete the sewer extension on Skyline Terrace, referred to as alternative #4 during the Jan 22, 2018 work session.

Like our neighbors, we too were unaware that a new project was under consideration for 2018 until after the matter was discussed before the City Council. We do appreciate being given a chance now to voice our concerns and support for alternative #4. Thank you.

Because we are perhaps the last of our neighbors to write, there isn't much more for us to say that the others haven't already outlined. We agree with and support all the points they've listed, and won't repeat them here. However, we do have one additional reason to support the extension that stems from our particular experience during the 2017 sewer extension project.

Our house sits on one of four contiguous lots that we own on Skyline Terrace. Three of our lots remain undeveloped at this time, having no driveways or connections to utilities or public infrastructure. Our main yard consists of two undeveloped lots, enclosed by a chain link fence where we keep our dog and host guests during nice weather. The section of lawn between our fenced yard and Skyline Terrace was used by the construction company during the 2017 sewer extension project to store a port-o-potty, heavy equipment, sections of sewer pipe, and other materials needed throughout the duration of the project. This area in front of our yard essentially became the staging ground and equipment storage location for the entire 2017 project, for its entire duration. At one point, our chain link fence was damaged, probably struck by a large vehicle, but none of the construction crews or various delivery trucks admitted responsibility. We fixed it ourselves as best we could, but it still shows signs of damage.

We're not terribly upset about all of this, even though it was quite inconvenient and resulted in damage to our personal property. We are, however, concerned about having to endure this same situation again and again if the sewer on Skyline Terrace is extended one lot at a time over the next several years. It would be more efficient, less expensive, and less of a burden on the neighborhood (especially us) if the extension were to be completed in a single, final project.

And so, for this and all the other reasons already brought to your attention, we wish to voice our support for alternative #4.

Thank you for your time and consideration.

Cary and Loraine Kiest

SKYLINE TERRACE SEWER EXTENSION – ALTERNATIVE FOUR

Work Session Date: March 12, 2018

Request: The City to use connection fee reserve funds to build a sewer extension to the east end of Skyline Terrace and complete the system constructed in summer 2017.

- Alternative Four fits with the City's Strategic Plan: A Safe City; Goal 2: Provide safe, sufficient, and reliable drinking water, sewage disposal, and drainage systems.
- Combining this extension with the 2017 project: doubles the number of possible connections at a fraction of the cost, finishes the branch of sewer down Skyline Terrace, brings no more homes within 300 feet, addresses all the oldest septic systems (1960s) on a street with a history of septic failures, and provides equity between neighbors. (See attached maps.)
- This 225-foot extension qualifies as an infill project under current Council policy eligible for funding from connection fee reserves. The estimated cost is ~\$80,000 (\$43,406 after fees are collected). The City has a current balance of \$462,000 in connection fee reserves.
- The connection fee reserves have been used in the past because of the high costs that occur when a private individual is required to build a public sewer due to a failed septic within 300 feet of sewer. Costs are much higher for an individual homeowner as compared to a developer due to economy of scale. Worst-case scenario: To build a sewer based on \$350 per lineal foot, an individual property owner with 100 feet of frontage that is 300 feet from the nearest sewer connection would pay \$140,000. (400 ft x \$350 = \$140,000)
- City Council approved the use of the connection fee reserves to fund a sewer extension in 2017 for 2650 Skyline Terrace because of a failed septic system. The estimated costs were ~\$269,800 (~\$205,200 after fees are collected.) The project included the extension of sewer to Levi McDonald and to additional neighbors who were interested in connecting: (Jack/Karen Burrell, John/Melissa Steiner, and Paul Nock). The proposed extension is similar in scope, but with less footage and less cost.
- The current rate for capital recovery returns only a small percentage of the costs to the private individual building a sewer: 90% of \$57 per lineal foot compared to \$350-\$380 per lineal foot. Capital recovery is paid only when the neighbors connect, and it sunsets after 20 years. The homeowner may end up with nothing.

- Prior to the 2017 project on Skyline Terrace, connection fee reserves have also been used to fund infill sewer projects on Crocker and Valley View.
- Neighbors find themselves caught in this situation through no fault of their own. The previous sewer extensions in 2010-11 moved most of the street's properties within 300 feet of the sewer. (Mr. Wagner's property was impacted by the 2017 extension). No notice was given for the extensions; neighbors were unaware of the change in their property's status until the 2017 project was underway. If neighbors had been given notice of earlier extensions, they could have legally repaired or replaced their old septic systems before the extensions were completed and reduced the likelihood of septic failures for many years.

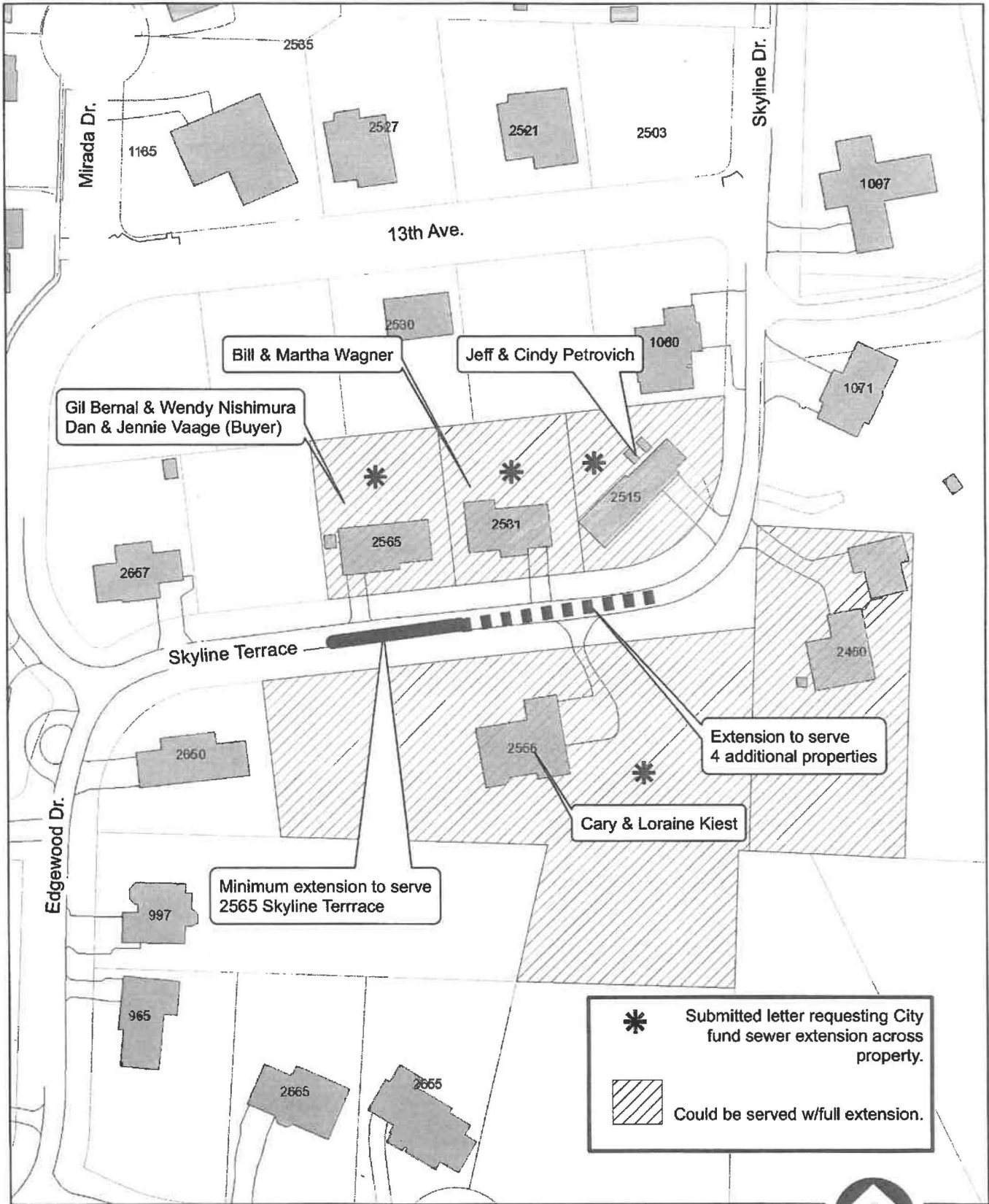
Homeowners and properties included in Alternative Four:

Jeff and Cindy Petrovich	2515 NW Skyline Terrace
Bill and Martha Wagner	2531 NW Skyline Terrace
Gil Bernal and Wendy Nishimura	2565 NW Skyline Terrace
Cary and Loraine Kiest	2556 NW Skyline Terrace (4 lots)
Gary and Penny Haworth	2480 NW Skyline Terrace

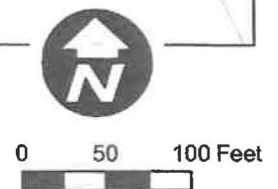
We would like to thank Council for their time and consideration.

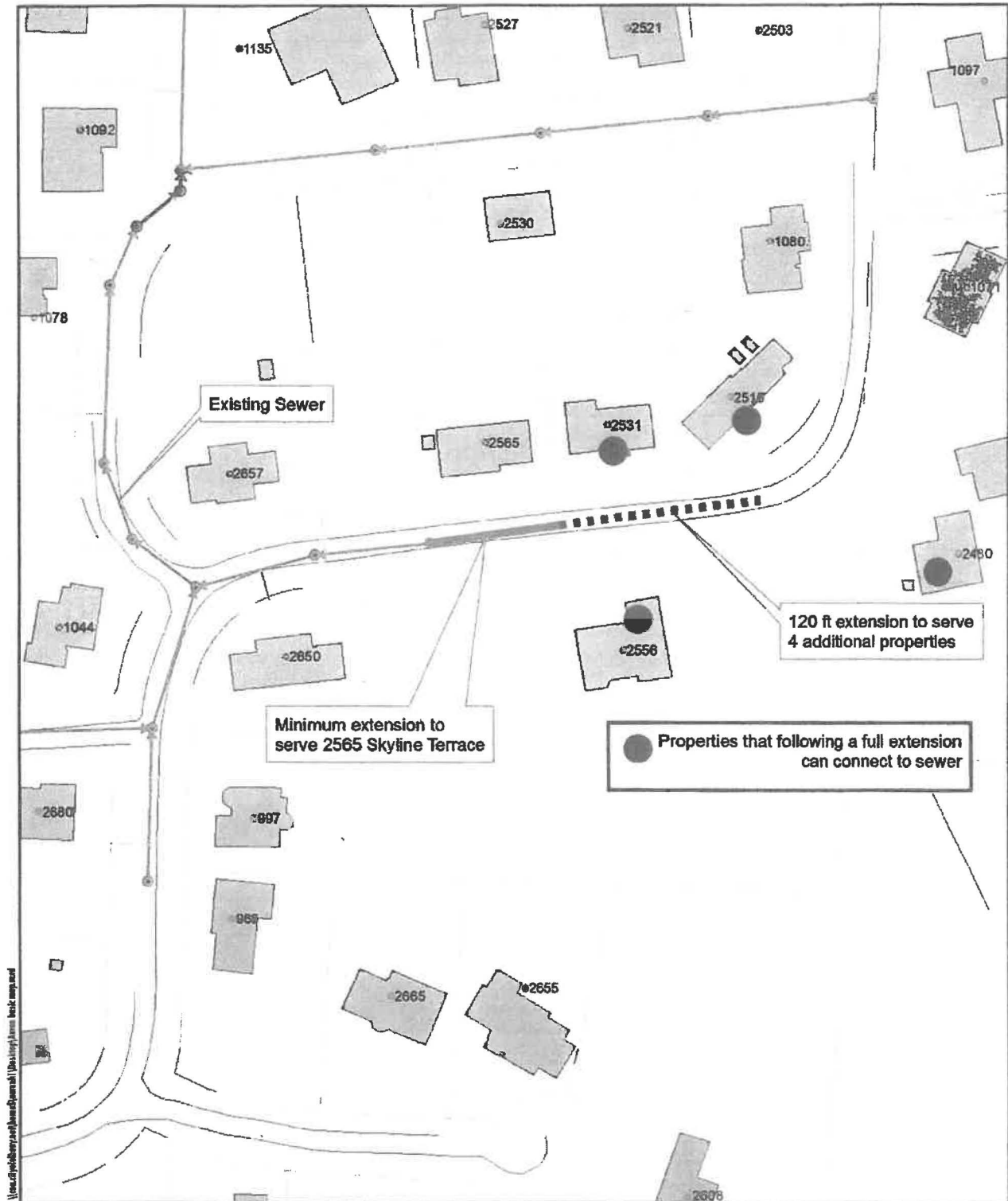
Respectfully submitted,

Gil Bernal and Wendy Nishimura
 Dan and Jennie Vaage
 Bill and Martha Wagner
 Jeff and Cindy Petrovich



Skyline Terrace Sewer Extension





N 1 in = 100 ft

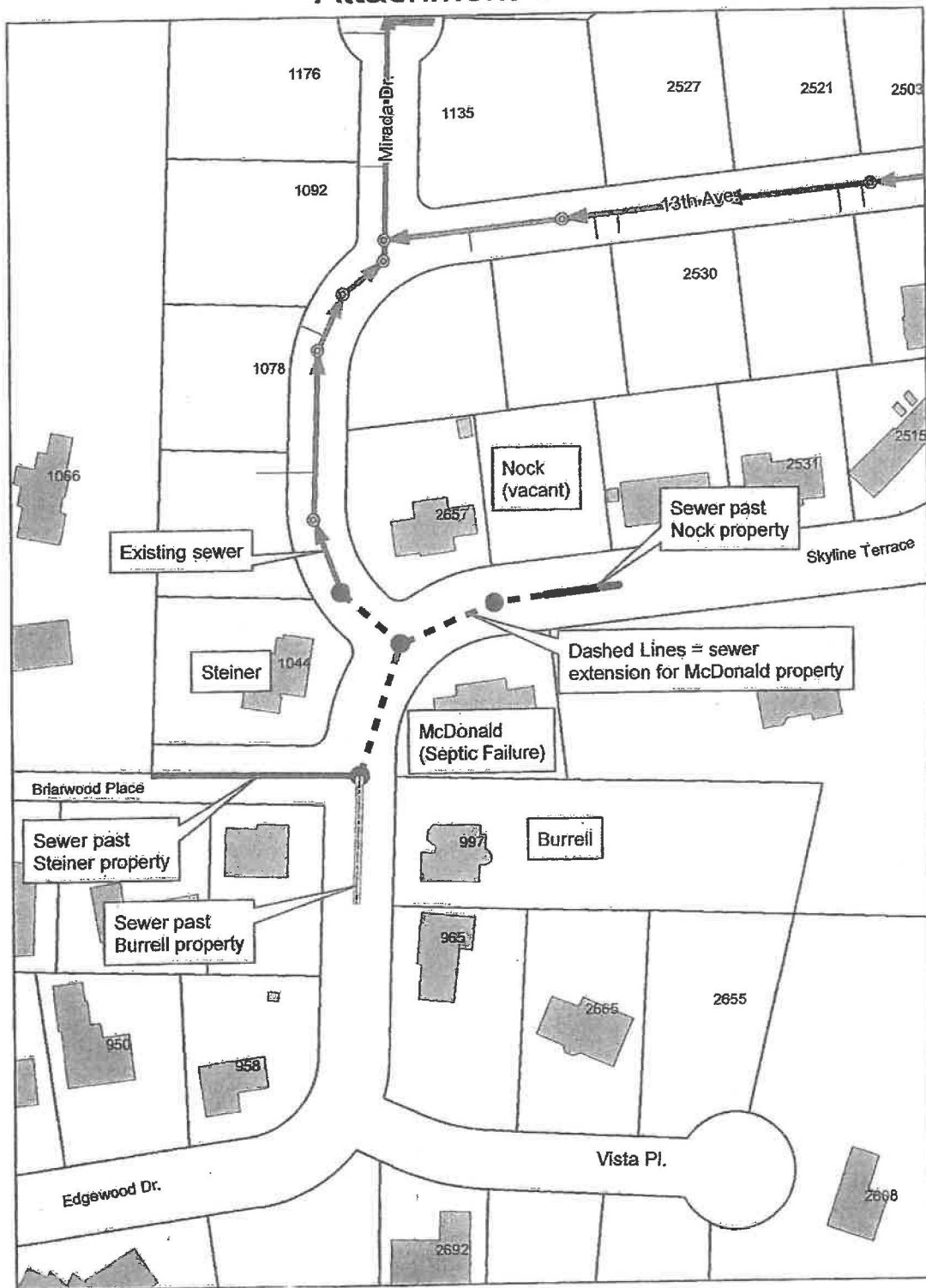
Date: 1/19/2018 Map Source: City of Albany

Skyline Terrace Sewer Extension

Attachment B

14

Attachment C



Map shows sewer extension completed in summer of 2017 serving septic failure at Levi McDonald's house at 2650 Skyline Terrace with additional extensions to include three additional properties: John and Melissa Steiner 1044 Edgewood, Jack and Karen Burrell at 997 Edgewood, and Paul Nock's vacant lot on Skyline Terrace.



TO: Albany City Council

VIA: Peter Troedsson, City Manager *PT 3/8*

FROM: Mario Lattanzio, Chief of Police *M*
Kris Schendel, Code Compliance Officer *KS*

DATE: February 28, 2018, for the March 12, 2018, City Council Work Session

SUBJECT: Add Albany Municipal Code (AMC) Section 7.84.210, Prohibited Camping
Add AMC Section 7.84.220, Enhanced Law Enforcement Area
Amend AMC Chapter 13.21, Motor Vehicle Parking
Add Parking Fees Resolution
Amend AMC Chapter 13.70, Abandoned Vehicles
Add AMC Section 18.32, Boarding Up Structures

RELATES TO STRATEGIC PLAN THEME:

- An Effective Government
- A Safe City
- Great Neighborhoods

Action Requested:

Add AMC Section 7.84.210, Prohibited Camping.
Add AMC Section 7.84.220, Enhanced Law Enforcement Area.
Amend AMC Chapter 13.21, Motor Vehicle Parking and add resolution addressing parking fees.
Amend AMC Chapter 13.70, Abandoned Vehicles.
Add AMC Section 18.32, Boarding Up Structures.

Discussion:

Adding AMC Section 7.84.210, Prohibited Camping, will allow law enforcement to address camping occurring on City property or underneath bridges or viaducts. Camping in public areas within the City is an increasing issue, especially in the downtown/CARA District. Individuals have figured out that they cannot camp in the City parks and have begun to sleep on the sidewalk, public rights-of-way, and other publicly owned areas. This leads to a conflict between people camping and other citizens trying to use the space. Local business owners find people sleeping in front of their business; therefore, pushing away potential customers. Residents and visitors may not wish to use certain public spaces because of their lowered sense of security and comfort. Adding this Code will help rectify the issue by not allow camping on any public property unless granted by the City Manager or Director of Parks and Recreation.

Adding AMC Section 7.84.220, Enhanced Law Enforcement Area, will allow law enforcement to more readily address unlawful activity occurring in a specific section of Albany. The City has experienced a disproportionate amount of unlawful activities in the areas outlined in Exhibit A of the ordinance, including the Albany Train Station and the Pacific Boulevard overpass. This increased unlawful activity poses health and welfare hazards to the public and reduces the intended use of these areas. By adding Section 7.84.220, the problem can be addressed which will lead to a reduction of individuals being attracted to this area to conduct unlawful activity.

Amending AMC Chapter 13.21, Motor Vehicle Parking, aims to bring both the Downtown Parking fees and the rest of the City's parking fees to the same level. The change also fixes a code issue where the current code does not point to a fee resolution or parking fee summary for the Albany Police Department. This amendment will remove the extra notification steps the Albany Municipal Court has been completing, which are not required.

Amending AMC Chapter 13.70, Abandoned Vehicles, will allow law enforcement to address vehicles that have previously been tagged with a pre-tow notice and have been moved a short distance. The City receives numerous complaints regarding abandoned vehicles every day. The current code forces the City to repost an abandoned vehicle that is unregistered or inoperable even if it is only moved inches from where it was originally found. This method does not deal with the issue at hand and allows for inoperable and unregistered vehicles to fill the streets. This code change would allow for the removal of vehicles left in an abandoned condition on the street after the first posting. Owners would be considered notified within 30 days of the original pre-tow notice being affixed to vehicles; therefore, allowing a more enforceable code and a reduction in this complaint type.

Adding AMC Section 18.32, Boarding Up Structures, will require property owners who have a property deemed unsecure to secure it within 14 days of notification. This ordinance specifies what type of boarding material is used so that it won't quickly deteriorate and become an attractive nuisance. Unsecured properties contribute to neighborhood blight, which leads to lower property values, deteriorating housing conditions, and can affect public health, safety, and general welfare. Having reasonable regulations for boarded up structures will reduce the impacts these properties have on residents' quality of life.

Budget Impact:

None.

ML:de

Attachments 6

AN ORDINANCE AMENDING THE ALBANY MUNICIPAL CODE (AMC) TITLE 7 BY THE CREATION OF SECTION 7.84.210 TITLED PROHIBITED CAMPING; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Albany is adding AMC Chapter 7.84.210, Prohibited Camping, to address and regulate camping on public property and public rights-of-way; and

WHEREAS, camping on public property negatively impacts the community, residents, businesses, and visitors; and

WHEREAS, camping on public property creates potential safety and health hazards for individuals accessing public property and public rights-of-way for their intended use.

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

Amending AMC Title 7, Public Peace, Morals, and Safety. AMC Title 7 is hereby amended to add Section 7.84.210 titled Prohibited Camping:

Sections:

7.84.010 Definitions.

7.84.210 Prohibited Camping.

7.84.010 Definitions.

For the purpose of the Albany Municipal Code, the following definitions apply:

- (1) “Debris” means the remains of something broken down or destroyed including, but not limited to: scrap metal, scrap paper, scrap plastic or scrap wood; pieces of asphalt, concrete, lumber or other building supplies; or yard clippings or cuttings of plant material.
- (2) “Garbage” means food waste, animal and vegetable waste, dead animal carcasses, refuse, rubbish, trash, or other useless or discarded material.
- (3) “Junk” means all inoperable motor vehicles, in which multiple major components are defective or removed for more than 30 consecutive days; any motor vehicle which has been unlicensed for more than 30 consecutive days; defective motor vehicle parts, abandoned automobiles, used tires, inoperable and defective machinery, or parts thereof, inoperable and defective appliances and parts thereof, metal portions of inoperable machinery, broken glass, empty glass, plastic or metal containers, scrap lumber, broken furniture, other wastes and/or discarded materials.
- (4) “Person in charge of property” means an owner, agent, contract purchaser, lessee, occupant, or other person having possession or control of real property.
- (5) “Place” or “property” means any premises, room, house, building or structure, or any separate part or portion thereof, whether permanent or not, or the real property itself.
- (6) “Public sidewalk” means a paved walkway within the public right-of-way or on publicly owned property.
- (7) “Street” means the portion of a road ordinarily used for vehicular travel, including the shoulder, and all public street right-of-way regardless of whether improved or unimproved.
- (8) “Imminent nuisance” means the existence of debris, garbage, or junk on real property that is detrimental to public health, safety, or welfare, and causes imminent danger to human life, safety, or to property. (Ord. 5879 § 1, 2016; Ord. 5211 § 1, 1995).
- (9) “To camp” means to set up or to remain in or at a campsite.

(10) "Campsite" means any place where any bedding, sleeping bag, or other materials used for bedding purposes, or any stove or fire is placed, established or maintained for the purpose of maintaining a temporary place to live, whether or not such place incorporates the use of any tent, lean-to, shack, or any other structure, or any vehicles or part thereof.

7.84.210 Prohibited Camping.

(1) No person shall camp in or upon any sidewalk, street, alley, lane, public right-of-way, park or any other publicly-owned property or under any bridge or viaduct, unless otherwise allowed by declaration of the City Manager or his/her designee in emergency situations.

(a) Upon finding it to be in the public interest and consistent with City goals and policies, the City Manager and Director of Parks and Recreation in the instance of park events, may exempt a special event from the prohibitions of this section through permit or other decree and shall specify the period of time and location covered by the exemption.

Section 2: 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 Council: _____

Approved by Mayor: _____

Effective Date: _____

Mayor

ATTEST:

City Clerk

AN ORDINANCE AMENDING THE ALBANY MUNICIPAL CODE (AMC) TITLE 7 BY THE CREATION OF SECTION 7.84.220 TITLED ENHANCED LAW ENFORCEMENT AREA.

WHEREAS, the City of Albany is adding AMC Chapter 7.84.220, Enhanced Law Enforcement Area, to address areas within the City that have increased unlawful activity occurring; and

WHEREAS, these specific areas within the City are becoming an attraction for unlawful activity and pose health and welfare hazards to the public; and

WHEREAS, creating an enhanced law enforcement area will allow law enforcement personnel to more readily address the unlawful activity occurring.

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

Amending AMC Title 7, Public Peace, Morals, and Safety. AMC Title 7 is hereby amended to add Section 7.84.220 titled Enhanced Law Enforcement Area:

Sections:

7.84.220 Enhanced Law Enforcement Area

7.84.220 Enhanced Law Enforcement Area and Persistent Violation, Misdemeanor

- (1) **It is the intent of the City Council to protect discrete areas within the City that are experiencing increased unlawful activity against becoming an attraction for more such activity and to protect the public against health and welfare hazards posed by persons who are attracted to these areas for opportunities to engage in or to contact others to engage in unlawful activity.**
- (2) **The City Council finds that the following geographic areas within the City are particularly affected by unlawful behavior and/or are subject to a disproportionate number of incidents of the unlawful activities comprising persistent violation as defined in AMC 7.84.230 below, and declares each such area to be an Enhanced Law Enforcement Area:**
 - (a) **Enhanced Law Enforcement Area – Includes north of Pacific Boulevard at Pine Street continuing to the Willamette River, west to Elm Street continuing south to 11th Avenue, east to Pacific Boulevard continuing along Pacific Boulevard back to Pine Street. The Albany Train Station and the Pacific Boulevard overpass are included in this area as seen in Exhibit A.**

7.84.230 A Person Commits the Crime of Persistent Violation If:

- (1) **The person is convicted in the Albany Municipal Court or Linn County Circuit Court for any combination of the following crimes or violations occurring in separate incidents within a six-month period within an Enhanced Law Enforcement Area:**
 - (a) **Three (3) or more Class A, B, or C felonies or Class A, B, or C misdemeanors;**
 - (b) **Two (2) Class A, B, or C felonies or Class A, B, or C misdemeanors plus one (1) or more violations of subsection (c) set forth below;**
 - (c) **Three (3) or more violations of any of the following sections or laws:**
 - (i) **AMC 9.04.055 – Human Waste;**
 - (ii) **AMC 7.08.050 – Unnecessary Noise;**
 - (iii) **AMC 7.08.040 – Consumption or possession of alcoholic beverages in public places;**
 - (iv) **AMC 7.84.210 – Prohibited Camping;**

- (v) **ORS 475B.280 – Use of marijuana in public place prohibited; OR**
- (d) **The person knowingly enters an Enhanced Law Enforcement Area in violation of a Municipal Court expulsion order as a term of the person’s probation or a court expulsion order pursuant to AMC 7.84.220.**

7.84.240 Mandatory Arrest

- (1) **When a peace officer has probable cause to believe that a person has committed the crime of Persistent Violation, the officer shall arrest and take into custody the alleged violator.**

7.84.250 Misdemeanor Classification Presumptive Penalty

- (1) **Persistent violation is a Misdemeanor as outlined in 1.04 of the Albany Municipal Code.**
- (2) **Unless there is reasonable cause to order otherwise, upon a finding that any offense supporting a conviction for Persistent Violation occurred within an Enhanced Law Enforcement Area, in addition to any other appropriate conditions of probation, the Court shall expel the person from an Enhanced Law Enforcement Area defined in AMC 7.84.220(2) for a period not less than three (3) months or more than one (1) year, unless the court finds it necessary to:**
 - (a) **Specifically address the remedy for the violation; and/or**
 - (b) **Allow the person to travel to and from the person’s place of employment, educational facility, City offices, physical or mental health treatment facility, or other areas that the court deems materially related to the person’s crimes or violations, the needs of the person, or the protection of the public.**

Passed by Council: _____

Approved by Mayor: _____

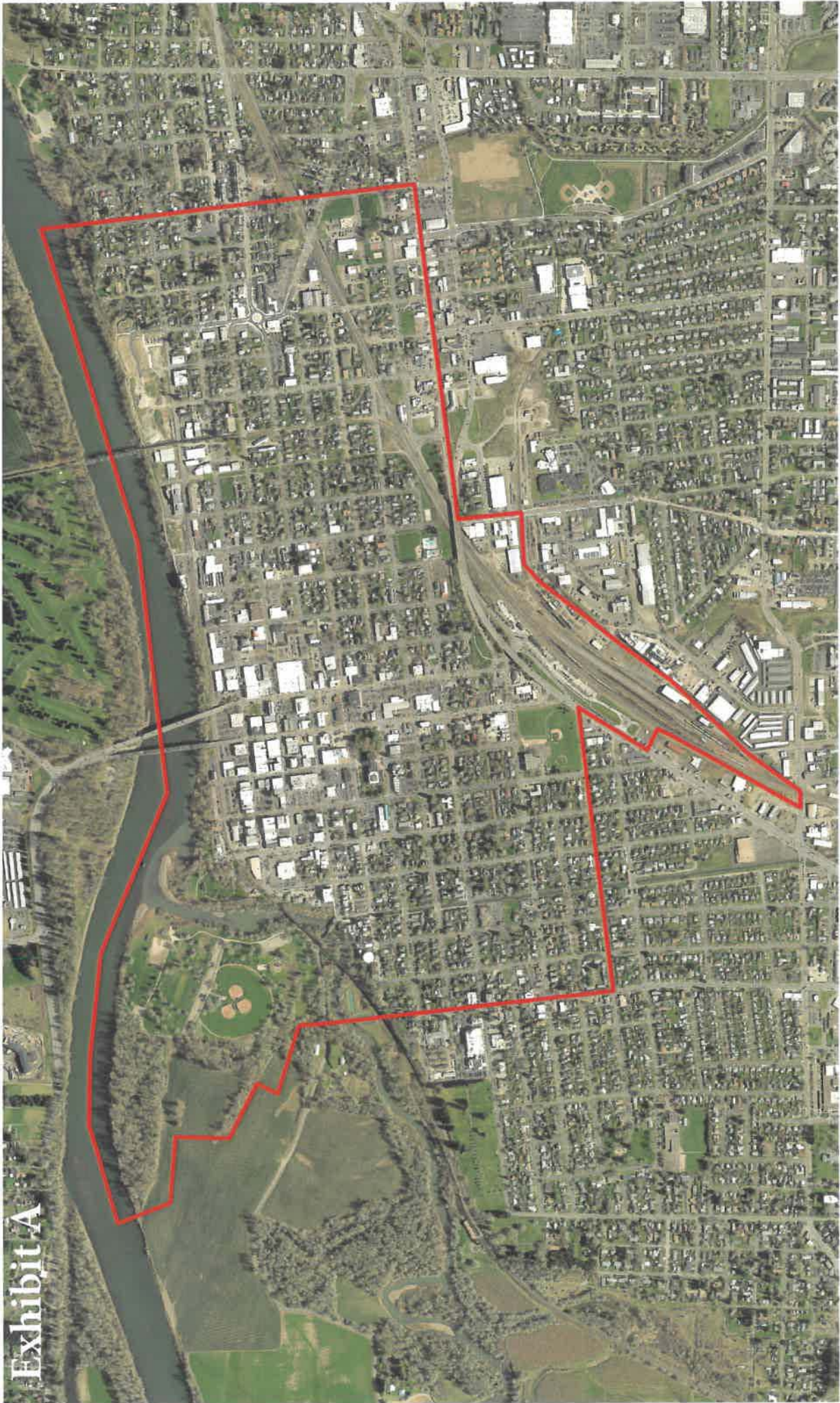
Effective Date: _____

Mayor

ATTEST:

City Clerk

Exhibit A



AN ORDINANCE AMENDING THE ALBANY MUNICIPAL CODE (AMC) CHAPTER 13.21 TITLED REGULATIONS FOR MOTOR VEHICLE PARKING.

WHEREAS, the City of Albany is amending AMC Chapter 13.21, Motor Vehicle Parking, to differentiate general parking throughout the city and the downtown parking area; and

WHEREAS, general parking is enforced by police and the downtown parking area is enforced by Parkwise; and

WHEREAS, this will bring parking fees and forfeiture to a consistent standard throughout the City.

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

Amending AMC Title 13, Vehicles and Traffic. AMC Title 13.21 is hereby amended to add Section 13.21.155 and revised Sections 13.21.160-13.21.170:

Sections:

13.21.155 Methods of charging parking violations – General.

13.21.160 Methods of charging parking violations – **Downtown parking area.**

13.21.170 Forfeiture.

13.21.155 Methods of charging parking violations – General.

(1) **Whenever any officer having enforcement responsibility as provided in AMC 13.21.130 shall have reasonable cause to believe that a vehicle is parked in violation of any of the provisions of AMC 13.21.010 through 13.21.120, excluding AMC 13.21.115, he/she shall issue a citation in conformance with ORS 221.340, and file the original thereof with the Municipal Court Clerk or such other person as the Clerk may designate to receive such citations.**

(a) **Before an appearance in front of the Albany Municipal Court Judge, any person charged with a violation of AMC 13.21.010 through 13.21.120 may, without personal appearance before the Albany Municipal Court Judge, make a forfeiture deposit in the amount shown on the citation charging such offense, which amount shall be set by City Council Resolution.**

13.21.160 Methods of charging parking violations – Downtown parking area.

(1) ~~Whenever any officer having enforcement responsibility as provided in AMC 13.21.130 shall have reasonable cause to believe that a vehicle is parked in violation of any of the provisions of AMC 13.21.010 through 13.21.120, excluding AMC 13.21.115, he/she shall issue a citation in conformance with ORS 221.340, and file the original thereof with the Municipal Court Clerk or such other person as the Clerk may designate to receive such citations.~~

(12) Whenever any officer having enforcement responsibility as provided in AMC 13.21.130 shall have reasonable cause to believe that a vehicle is parked in violation of any of the provisions of AMC 13.21.115, he/she shall issue a citation as set forth in this subsection.

(a) The citation shall cite the violator to appear before a board of parking reconciliation which shall be established by the Albany Downtown Association or Parkwise to provide initial adjudication and resolution of parking violations. The Board of Parking Reconciliation is authorized to compromise and settle parking violations with the person charged with a violation upon such terms as the board deems just. If the forfeiture is not paid pursuant to the schedule and amount set forth herein or if the penalty determined by the Board of Parking Reconciliation is not paid, as prescribed by the Board, the enforcement officer who initiated the original citation shall cause a citation to be filed with the Albany Municipal Court and delivered to the defendant by first-class mail, postage prepaid, addressed to the defendant at his/her address as shown by the records then maintained by the Oregon Department of Motor Vehicles. The parking citation shall conform to the requirements in this subsection. The penalty established by the forfeiture schedule set forth herein or the Board of Parking Reconciliation, whichever is greater, shall be noted on the parking citation.

- (b) In order to file a parking citation with the Albany Municipal Court, the original thereof shall be filed with the Municipal Court Clerk or such other person the Clerk may designate to receive such citations. The citation shall be in conformance with the requirements of ORS 222.333.
- (c) Before midnight on the tenth day following the date of the alleged violation, any person charged with a violation of AMC 13.21.115(3)(a)(i) through (iii) may, without personal appearance before the Board of Parking Reconciliation, make a forfeiture deposit in the amount shown on the citation charging such offense, which amount shall be \$35.00. Thereafter, the forfeiture amount shall increase to \$40.00 if paid before midnight on the thirtieth day following the alleged violation. If not paid by such date, the forfeiture amount shall increase to \$70.00.
- (d) Before midnight on the tenth day following the date of the alleged violation, any person charged with a violation of AMC 13.21.115(3)(a)(iv) may, without personal appearance before the Board of Parking Reconciliation, make a forfeiture deposit in the amount shown on the citation charging such offense, which amount shall be \$15.00. Thereafter, the forfeiture amount shall increase to \$20.00 if paid before midnight on the thirtieth day following the alleged violation. If not paid by such date, the forfeiture amount shall increase to \$30.00. (Ord. 5884 §§ 1, 2, 2016; Ord. 5706 § 4, 2008; Ord. 5026 § 1, 1993; Ord. 4951 § 1, 1991; Ord. 4702 § 2, 1986).

13.21.170 Forfeiture.

- (1) Before midnight on the fourteenth day following the date of the alleged violation, any person charged with a violation of AMC 13.21.010 through 13.21.120, excluding AMC 13.21.115, may, without personal appearance before the Municipal Judge, make a forfeiture deposit in the amount shown on the citation charging such offense, which amount shall be **set by City Council Resolution**. ~~for an alleged violation of:~~
 - (a) ~~AMC 13.21.020(1), 13.21.030 (1) through (14), 13.21.050(1), 13.21.070, 13.21.080, 13.21.090, 13.21.100, and any other violation of 13.21.010 through 13.21.120, excluding AMC 13.21.115, and any other parking regulations for which a specific forfeiture deposit is not set forth below, []~~.
 - (b) ~~AMC 13.21.020(2), 13.21.040, []~~.
 - (c) ~~AMC 13.21.030(12), []~~.
 - (d) ~~AMC 13.21.050(2) and (3), []~~.

- (2) After the period set forth in subsection (1) of this section, and before midnight of the thirtieth day following the date of the alleged offense, any person so charged may, without personal appearance before the Municipal Judge, make a forfeiture deposit in the amount designated ~~in this subsection~~ **by City Council Resolution**.

~~If the amount under subsection (1) of this section for the alleged violation is:~~

- (a) ~~[a], then the forfeiture shall be [b]~~.
- (b) ~~[a], then the forfeiture shall be [b]~~.
- (c) ~~[a], then the forfeiture shall be [b]~~.
- (d) ~~[a], then the forfeiture shall be [b]~~.

- (3) ~~After midnight of the thirtieth day following the date of the alleged offense, any person so charged may, without personal appearance before the Municipal Judge, make a forfeiture deposit in the amount designated in this subsection. If the amount under subsection (1) of this section for the alleged violation is:~~

- (a) ~~[a], then the forfeiture shall be [b]~~.
- (b) ~~[a], then the forfeiture shall be [b]~~.
- (c) ~~[a], then the forfeiture shall be [b]~~.
- (d) ~~[a], then the forfeiture shall be [b]~~.

- (3) **After the period set forth in subsection (2) of this section the forfeiture deposit shall be increased as set by City Council Resolution and sent to collections.**

- (4) The Municipal Judge may, in the exercise of his/her discretion and where he/she deems cause to exist therefor in a particular case, remit all or any portion of the forfeiture set forth in this section, or require any additional sum he/she deems necessary up to the maximum civil penalty prescribed in AMC 13.21.150. (Ord. 5706 § 5, 2008; Ord. 5026 § 1, 1993; Ord. 4951 § 1, 1991; Ord. 4796, 1987; Ord. 4752 § 2, 1987; Ord. 4702 § 2, 1986).

Passed by Council: _____

Approved by Mayor: _____

Effective Date: _____

Mayor

ATTEST:

City Clerk

RESOLUTION NO. _____

A RESOLUTION SETTING MOTOR VEHICLE PARKING FEES.

WHEREAS, Albany Municipal Code (AMC) Chapter 13.21 sets forth motor vehicle parking regulations; and

WHEREAS, the City Council desires to have consistent standards for parking fees and forfeiture throughout the City; and

WHEREAS, AMC Section 13.21.155 allows the City Council to set maximum rates by resolution; and

WHEREAS, the City Council desires to adopt maximum rates for parking fees in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED that private property impound towing rates set forth in Exhibit A, are hereby adopted.

DATED AND EFFECTIVE THIS 14TH DAY OF MARCH 2018.

Mayor

ATTEST:

City Clerk

Exhibit A – Motor Vehicle Parking Fees

- (1) Violation of Albany Municipal Code (AMC) 13.21.010 through 13.21.120, excluding AMC 13.21.115, shall constitute a forfeiture deposit of \$35.00.
- (2) If the forfeiture is not paid before issued Albany Municipal Court date and the defendant does not appear at their court hearing, the forfeiture amount shall be increased to \$40.00.
- (3) If the forfeiture is not paid before the second issued Albany Municipal Court date and the defendant does not appear at their second court hearing, the forfeiture amount shall be increased to \$70.00 and sent to collections.
- (4) The Municipal Judge may, in the exercise of his/her discretion and where he/she deems cause to exist therefore in a particular case, remit all or any portion of the forfeiture set forth in this section or require any additional sum he/she deems necessary up to the maximum civil penalty prescribed in AMC 13.21.150.

AN ORDINANCE AMENDING THE ALBANY MUNICIPAL CODE (AMC) CHAPTER 13.70 TITLED ABANDONED VEHICLES.

WHEREAS, the City of Albany is amending AMC Chapter 13.70, Abandoned Vehicles, to address the numerous complaints of abandoned vehicles that are received by the City; and

WHEREAS, many of these vehicles are inoperable and unregistered; and

WHEREAS, current regulations create a loophole which allows individuals to remove pre-tow notice stickers and move their vehicle a small distance, therefore nullifying the notice; and

WHEREAS, when this occurs, law enforcement must repost the sticker and wait an additional 24 hours creating a repetitive and time-consuming process; and

WHEREAS, this causes additional complaints from residents and additional work for City staff.

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

Amending AMC Title 13, Vehicles and Traffic. AMC Chapter 13.70 is hereby amended to change Sections 13.07.020 and 13.07.050.

Sections:

13.70.010 Definitions.

13.70.020 Abandoned vehicles prohibited.

13.70.050 Pre-towing investigation and notice.

13.70.010 Definitions.

As used in this chapter, unless the context requires otherwise:

- (1) "Abandoned" means a vehicle left unoccupied and unclaimed; or in such a damaged or disabled or dismantled condition that the vehicle is inoperable; or not currently licensed through the division, if such a license is required by law.
- (2) "Chief of Police" means an authorized law enforcement officer of the City or another City employee authorized to enforce this chapter.
- (3) "City" means the City of Albany, Oregon.
- (4) "Division" means the Motor Vehicle Division of the State of Oregon or the corresponding state agency of the state in which the vehicle is registered or licensed.
- (5) "Hazardous vehicle" means a vehicle left in a location or condition that constitutes an immediate and continuous hazard to the safety of persons using the streets or alleys of the City. For example, and not for limitation, the following are hazardous vehicles:
 - (a) Vehicles blocking public or private rights-of-way.
 - (b) Vehicles with leaking petroleum or other hazardous fluids.
 - (c) Vehicles blocking fire hydrants.
 - (d) Vehicles with broken glass/windows.
- (6) "Owner" means any individual, firm, corporation, or unincorporated association with a claim, either individually or jointly, or ownership of any interest, legal or equitable, in a vehicle.
- (7) "Private garage" means a private storage yard, garage, or other storage place selected by the Chief of Police.

- (8) "Vehicle" means every device in, upon or by which a person or property is or may be transported or drawn upon a public highway, except devices moved exclusively by human power or used exclusively upon stationary rails or tracks. (Ord. 4971 § 1, 1991; Ord. 3562 § 1, 1971).

13.70.020 Abandoned vehicles prohibited.

- (1) No vehicle that the Chief of Police has reason to believe is abandoned, **by means of being unoccupied and unclaimed**, shall be parked or left standing on the right-of-way of a City street, alley, or City property for a period in excess of 24 hours.
- (2) **No vehicle that the Chief of Police has reason to believe is abandoned, by means of being in a damaged, disabled, or dismantled condition rendering it inoperable; or not currently licensed though the division, if such a license is required by law, shall be parked or left standing on the right-of-way of a City street, alley, or City property.**
- (3) A vehicle so parked or left standing may be taken into custody by the Chief of Police and shall be held at the expense of the owner of the vehicle. The Chief of Police may use department personnel, equipment, and facilities for removal and storage of the vehicle or may hire other personnel, equipment, and facilities for that purpose. (Ord. 4971 § 1, 1991; Ord. 3562 § 2, 1971).

13.70.050 Pre-towing investigation and notice.

- (1) The Chief of Police investigating a vehicle in violation of AMC 13.70.020 shall:
- (a) Make a routine investigation to discover the owner and request removal of the vehicle.
 - (b) Failing to discover the owner by such a process, make a diligent inquiry as to the name and address of the owner by examining the vehicle for a license number, identification number, make, style, or any other information that will aid in the identification of the owner. When such vehicle is required by law to be registered with the Division, the Chief of Police shall inquire by license and/or VIN number with the Division for the name and address of the owner.
 - (c) Whether or not the owner is identified, affix a pre-tow notice upon the vehicle where it can be easily seen.
 - (d) If a vehicle is found in the same condition as described in AMC 13.70.020(2) in which a pre-tow notice was affixed, within 30 days of the original notice, the owner shall be considered notified and the vehicle shall be taken into custody by the Chief of Police.**
- (2) This section does not apply to a hazardous vehicle. (Ord. 5249 § 1, 1996; Ord. 4971 § 1, 1991; Ord. 3562 § 5, 1971).

Passed by Council: _____

Approved by Mayor: _____

Effective Date: _____

Mayor

ATTEST:

City Clerk

AN ORDINANCE AMENDING THE ALBANY MUNICIPAL CODE (AMC) TITLE 18 BY THE CREATION OF SECTION 18.32 TITLED BOARDING UP STRUCTURES.

WHEREAS, the City of Albany is adding AMC Chapter 18.32, Boarding Up Structures, to address unsecured properties within the City; and

WHEREAS, unsecured properties are an attractive nuisance and contribute to neighborhood blight; and

WHEREAS, blight lowers property values, leads to deteriorating housing conditions, undermines the quality of neighborhood life, affects the public health, safety, and general welfare; and

WHEREAS, creating reasonable regulations for boarded up structures will reduce their detrimental effects to the City of Albany's neighborhoods and residents.

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

Amending AMC Title 18, Building Code Administration and Property Maintenance. AMC Title 18 is hereby amended to add Section 18.32 titled Boarding Up Structures:

Sections:

- 18.32.010 Definitions
- 18.32.020 Unsecure Property
- 18.32.030 Boarding Material
- 18.32.040 Property Board Up Standard
- 18.32.050 Alternative Board Up Variance
- 18.32.060 Joint and Several Obligations
- 18.32.070 Failure to Comply
- 18.32.080 Imminent Nuisance Abatement
- 18.32.090 Abatement
- 18.32.110 Costs to Become a Lien

18.32.010 Definitions.

- (1) "Financial Institution" means a lender, bank, or servicer engaged in the financial services business and any of their successors or assigns that own, hold, service and/or serve as trustee of a secured interest in a property by way of a mortgage or otherwise. "Engaged in the financial services business" applicable to a financial institution means to engage in underwriting, originating or making loans secured by a mortgage or real property; or servicing loans secured by a mortgage on real property in any respect, including, but not limited to collection of payments, creation and administration of escrow and insurance accounts, assessment of late-payment charges, management of loss mitigation, securing and managing foreclosed real property or real property undergoing foreclosure on behalf of a mortgage holder; and engaging in the preservation and maintenance of real property secured by a mortgage on such real property that has become unoccupied and unsecured.
- (2) "Property" (business or residence) means any building or structure or any separate part, unit or portion thereof whether or not permanent. If one or more individual dwellings in an apartment, condominium or row house complex is unoccupied and unsecure, such dwellings shall be subject to the requirements of this Chapter.
- (3) "Unoccupied" as used herein means:
 - (a) No trade or business is present by the owner or any person having a leasehold interest or record in the property or other lawful occupancy;

- (b) **Uninhabited with no visible signs or active indications, upon casual observation, that the property is undergoing improvements as evidenced by an unexpired building or improvement permit, an unexpired application for such permit or other facts indicating the property is undergoing ongoing improvements;**
 - (c) **One or more utility connections including water, sewer, natural gas or electric connections are no longer servicing the property, or one or more of such utility connections are not actively being billed by such utility provider to the property (water service is exempt if property has an active well);**
 - (d) **The property has been boarded up or otherwise sealed in order to prevent it from becoming unsecure or because such boarding up or sealing was ordered by the political subdivision pursuant to its applicable municipal, county, state or federal police powers; or**
 - (e) **The property is condemned or otherwise declared a violation by such the City of Albany.**
- (4) **“Unsecure” or “unsecured” or “unsecure property” means an unoccupied property that is open, compromised or breached in such a way as to allow unauthorized physical access to the interior space of the property by persons. Such unsecure property includes but is not limited to broken windows, doors, crawl spaces or any other opening in the property greater than 1 square foot in area located less than 10 feet above grade at any point along the perimeter of the property.**
- (5) **“Owner” means the legal or equitable owner of real property, including a land contract vendee, tenant or lessee of the real property under a lease term of one year or more, a mortgagee in possession of a property and any financial institution acquiring legal or equitable ownership in a property. A financial institution in favor of which a foreclosure, receivership, quiet title or other transfer decree has been ordered by a board or court of competent jurisdiction with respect to property shall be deemed an owner. In the case of multiple legal or equitable owners of a property including a mortgagee in possession, each such owner shall be considered an owner of a property, and subject to the requirements in this Chapter.**

18.32.020 Unsecure Property.

(1) Owners:

- (a) **Within 14 days of any property becoming an unsecured property or within 14 days of an owner acquiring an unsecure property, any owner of the property shall secure the property and shall secure it pursuant to the requirements of Section 18.32.040.**
- (b) **Within 14 days of receiving notice from the City of Albany or any other political subdivision that a property is an unsecured property, any owner of the property shall secure the unsecured property and shall secure it pursuant to the requirements of Section 18.32.040.**

(2) Financial Institutions:

- (a) **Voluntary Action. A financial institution that is not the owner of the unsecured property, but that holds, owns, or services a mortgage on the unsecured property, may board up and secure a property in order to preserve it from the elements, vandalism, deterioration, criminal activity, unauthorized access and such other purposes deemed necessary to secure the collateral. Such financial institution shall secure the property and shall secure it pursuant to Section 18.32.040.**
- (b) **Upon Order of City of Albany. Within 14 days of receiving notice from the City of Albany that a property not owned by a financial institution, but for which it holds, owns or services a mortgage on the property, is unsecured property, the financial institution shall secure the property and shall secure it pursuant to the requirements of Section 18.32.040.**
- (c) **In all instances, a financial institution shall be required to comply with this Chapter from the date**

that it gives the owner notice of a default under the terms of the mortgage which secures the property, or files a notice of *lis pendens*, whichever occurs first, and shall so continue to comply until such time as the subject property is sold or transferred to a new owner at auction or otherwise. If the financial institution acquires the property at foreclosure auction, it shall comply with this Chapter as an owner.

- (d) A financial institution that is not the owner of an unsecured property, but that holds, owns, or services a mortgage on the unsecured property and that secures the property as prescribed in Section 18.32.040, shall not be deemed an owner, mortgagee-in-possession, or exercising dominion or control for the property, and shall not be liable in trespass, or unauthorized entry onto the property as a result of securing the property pursuant to the requirements of Section 18.32.040.

18.32.030 Boarding Material.

- (1) As used herein polycarbonate material means a minimum of 3/16-inch thick clear shatter proof polycarbonate material with a strength capable of sustaining impact without breaking or shattering, absent excessive force. For example, such polycarbonate material shall be capable of sustaining a human propelled brick without breaking or shattering. Example of such sheeting strength yields would include strength yields equal or greater than American Society for Testing and Materials (ASDM) D638 Tensile Strength, Yield value of 8000 psi. When this sheeting is installed it shall be installed in a manner intended to provide an appearance approximating glass in the window casing, and consistent in appearance with the surrounding surface in the case of all other openings that require securing.
- (2) As used herein plywood material means a minimum of 1/2-inch thick exterior grade or better plywood which can maintain its tensile strength through long exposure to moisture.
- (3) As used herein cross-beam mean a minimum of 1.5 x 3.5-inch thick piece of solid wood material or stronger.
- (4) Unless otherwise granted a variance by the City of Albany from strict compliance herewith, material such as particle board, wafer board, masonite or other similar material shall not be used for boarding up property.

18.32.040 Property Board-Up Standard.

- (1) **General Requirement.** Unless otherwise provided in this Chapter, all property that is unsecure shall be secured by boarding unsecure windows, doors, and other openings with sheeting material in accordance with Section 18.32.030.
- (2) When property board-up is required all street, alley, sidewalk, and public facing sides of the structure shall have polycarbonate material used. All other sides of the structure can use plywood or polycarbonate material as described in Section 18.32.030.
- (3) **Boarding Standard – Windows.**
 - (a) **Internal Compression Method.** Windows with broken, missing, or removed glass, or that are otherwise unsecure, shall be boarded as follows;
 - (i) All remaining broken glass shall be removed from the window opening including damaged frames as to provide a clean opening;
 - (ii) The sheeting material shall be cut to match the dimensions of the inside of the window casing so that when installed, the sheeting will fit tightly and not permit a tool to be placed behind it;
 - (iii) A hole shall be drilled into each of the four corners of the sheeting material. The holes

shall be positioned so they are not more than 1-inch from the window frame at the width and no more than 6-inches from the window sill and top frame.

- (iv) Two solid continuous cross-beams shall be cut in sufficient length to be no less than 8-inches longer than the horizontal width of the interior window casing. Each cross-beam shall be predrilled with holes that are positioned to match the horizontal pattern of the holes in the sheeting.
 - (v) The sheeting shall be secured in place over the exterior of the window opening by placing a 3/8-inch or larger corrosion resistant, smooth-head carriage bolt through each of the holes in the sheeting and then placing one washer onto each of the carriage bolts; the cross beams shall then be aligned and affixed to such carriage bolts from the interior of the window opening. Another nut and washer shall be placed onto each of the carriage bolts and tightened with a ratchet to achieve sufficient torque and a slight deflection in the cross-beams so that the nuts cannot be loosened by hand. Once secured, no space shall exist between the sheeting and the exterior window casing.
- (b) Exterior Screw Method. Fixed or inoperable windows with intact glass; or windows in which the internal compression method is impractical shall be secured as follows:
- (i) The sheeting material shall be cut to match the dimensions of the inside of the window casing so that when installed, the sheeting will fit tightly and not permit a tool to be placed behind it;
 - (ii) Drill and countersink holes shall be made along the perimeter of the sheeting material starting with a hole at each of the four corners and adding additional holes at 10-inch increments around the perimeter of the sheeting. Minimum length 2 1/2-inch corrosion resistant security head screws shall be used in each hole to affix the sheeting to the window frame or exterior casing.
 - (iii) In the event the sheeting cannot be secured by cutting the sheeting material so as to neatly fit the inside window casing, the sheeting shall be placed over the exterior window casing such that the sheeting material covers the entire window casing and extends beyond the window casing at least 8-inches on center. The sheeting material shall be secured with minimum length 2 1/2-inch corrosion resistant security head screws secured at the corners, and along the sheeting outer edges in 10-inch spaced increments as described in subsection (i) above.
- (c) Variance. If circumstances make the foregoing methods of installation impractical such as due to excessive frame, door and wall damage, or windows that are in an arc encasing or other unusual inset or characteristic the window or opening shall still be installed with the sheeting, but may be affixed and secured in any manner approved by the City of Albany as to achieve substantial compliance with this Chapter.
- (4) Boarding Standard – Unsecure Doors; Sliding or Other Doors.
- (a) Exterior Access Door. At least one exterior door shall allow authorized persons access to the interior of the property. Such exterior access door shall be secured by hinged sheeting material. The door shall be securely locked using a padlock and hasp assembly that is bolted through the sheeting material. The lock loop portion of the hasp shall be attached to the door frame using a minimum of 3-inch long security screws.
 - (b) Sliding glass doors and other exterior doors. Sliding glass doors or exterior doors other than the exterior access door shall be secured in the same manner as described in Section 18.32.040(3).

- (1) The City Manager or designee may grant a variance allowing all sides of a house to be boarded up using plywood material described in 18.32.030 for up to 60 days.
- (2) After the 60 day variance period has expired all street, alley, sidewalk, and public facing sides of the structure shall be boarded up using polycarbonate material described in 18.32.030.

18.32.060 Joint and Several Obligations.

A financial institution that is not an owner of the unsecured property to which an order to secure such property is issued by the City of Albany, shall be required to comply with any such orders as prescribed herein.

However, nothing herein shall absolve or diminish the owners' obligation to comply with the requirements of this Chapter regardless of the issuance of any order to financial institution. A financial institution not in ownership of the unsecured property and any owner shall be jointly and severally liable to comply with this Chapter, and shall be jointly and severally liable for all civil fines and charges levied against them for non-compliance with any portion of this Chapter.

18.32.070 Failure to Comply.

Any owner or financial institution that fails to comply with the requirements of this ordinance, upon notice of non-compliance from the City of Albany, shall jointly and severally be subject to a civil fine of \$500 for each violation of this Chapter. Failure to comply with any portion of this Chapter within 10 days of such notice shall result in a civil fine of an additional \$500 per day for each day thereafter that such owner or financial institution remains in non-compliance with this Chapter. In addition to the fine imposed herein, the City of Albany may, but is not required, to secure the unsecured property itself or through any authorized third party or agent as described in Section 18.32.080 and 18.32.090.

18.32.080 Imminent nuisance abatement.

- (1) If a condition, substance, act or nuisance exists that is detrimental to public health, safety or welfare, it may summarily be abated if after inspection of the premises by the City Manager or his/her designee it is found to exist, and there is imminent danger to human life, safety, or to property. Determination of a condition, substance, act, or other occurrence constituting an imminent nuisance shall be made by the City Manager or his/her designee.
- (2) No notice to the property owner or person in control of the property is required.
- (3) Costs of abatement may be assessed as provided in AMC 18.32.090 and 18.32.110.

18.32.090 Abatement.

Where there is no imminent danger to human life, safety, or to property but a violation is found to exist, the following abatement procedures will apply:

- (1) Notice shall be posted on the premises where the condition, substance, act, or violation exists, directing that the owner, person in charge and person occupying the property abate the situation.
- (2) At the time of posting, the City Manager or his/her designee shall hand deliver or send a copy of the notice by certified mail and first class to:
 - (a) Owner at the last known address as listed in the county tax assessor's office; and
 - (b) The person in charge of the property or occupant if different from the owner.
- (3) If prior notice of abatement was sent to the owner or person in charge of the property within the preceding 12 months, and ownership or control of the property has not changed, and the prior notice was returned as undeliverable or the delivery was refused, then notice shall be provided via publication

in a newspaper of general circulation at least 10 days before abatement action is taken.

(4) The notice to abate shall contain:

- (a) A description of the real property, by street address or otherwise, on which the condition, substance, act, or violation exists;**
- (b) A description of the condition, substance, act, or violation which must be abated;**
- (c) A direction to abate the condition, substance, act, or violation within a time specified on the notice;**
- (d) A statement that unless the condition, substance, act, or violation is removed, the City may abate the situation, and the cost of abatement shall be a fee sufficient to cover the direct cost of removal, plus 30 percent for administrative overhead; and this total cost shall be charged to the owner;**
- (e) A statement that the owner or person in charge of the property may protest the abatement by giving written notice to the City Manager or his/her designee within 10 days from the date of the notice;**
- (f) A statement that if the cost of abatement is not paid by the owner or person in charge of the property, the cost of abatement may be assessed and become a lien on the property.**

(5) After completion of the posting and delivering/ mailing, the person posting and delivering/ mailing the notice shall file this certificate with the City Manager or his/her designee stating the date and place of delivering/ mailing and posting.

(6) An error in the name or address of the owner or person in charge of the property or use of the name other than that of the owner or person in charge of the property shall not make the notice void, and in such case the posted notice shall be sufficient.

(7) Within 10 days after the posting and delivering/ mailing of the notice, the owner or person in charge of the property shall abate the condition, substance, act, or violation specified in the notice, or appeal the City Manager's decision to the Municipal Court as specified in subsection (8) of this section.

(8) Any person who shall receive a notice described in subsection (4) of this section may appeal the City Manager's decision by filing a notice of appeal with the City Manager or his/her designee within 10 days after the posting and mailing of the notice. The appeal must specify the basis therefor.

(9) The appeal shall be referred to the Municipal Court for a hearing.

(10) If the Municipal Judge determines that the violation does exist, the owner or person in charge of the property shall abate the violation within such time as the Judge may grant or, if no specific period of time is granted, within 10 days of the Judge's decision.

(11) If the violation has not been abated within the time allowed, the City Manager or his/her designee may cause the violation to be abated. Within 30 days of the date that abatement is taken, the City shall provide the owner or person in charge of the property with an accounting for costs of abatement.

(12) The person charged with the abatement of the violation shall have the right at reasonable times to enter upon the property to investigate or cause the removal of the situation.

(13) Remedies Nonexclusive. The procedures provided by this chapter are not exclusive, but are in addition to abatement procedures and other remedies provided by other laws and ordinances.

18.32.110 Costs to become a lien.

(1) If costs of abatement are not paid within 30 days from:

(a) The date of the notice of costs; or

(b) If an appeal was timely filed, from the date of Judge's determination of the costs, an assessment of the costs shall be made by resolution and shall be entered in the docket of City liens and recorded with Linn County or Benton County as appropriate. When the entry is recorded in the City lien docket, the assessment shall constitute a lien upon the property subject to the abatement.

(2) The lien shall be enforced in the same manner as liens for assessment for local improvement districts and shall bear interest at judgment rate as determined by the Oregon Revised Statutes. The interest shall commence running on the date of entry of the lien in the City lien docket.

(3) An error in the name of the owner or person in charge of the property shall not void the assessment, nor shall a failure to receive the notice of the proposed assessment render the assessment void, but it shall remain a valid lien against the property.

Passed by Council: _____

Approved by Mayor: _____

Effective Date: _____

Mayor

ATTEST:

City Clerk



TO: Albany City Council

VIA: Peter Troedsson, City Manager *3/8*

FROM: Chris Bailey, Public Works Operations Director *CB*
Jeff Blaine, P.E., Public Works Engineering and Community Development Director *JB*

DATE: March 5, 2018, for the March 12, 2018, City Council Work Session

SUBJECT: Utility Rate Adjustments for FY 2018-2019

RELATES TO STRATEGIC PLAN THEME:

- A Safe City
- An Effective Government

Action Requested:

Staff requests City Council provide direction regarding utility rate adjustments for Fiscal Year (FY) 2018-2019.

Discussion:

Since 2012 staff has provided annual revenue and expenditure reports for each utility, recommended rate adjustments, and provided five-year rate projections necessary to meet levels of service established by the City Council. Through this approach, each utility was discussed separately and at different times throughout the year, which made it difficult to fully appreciate the combined impact on Albany's rate payers. To further improve methods of considering rate adjustments, Council requested testing a new approach for FY 2018-2019. The new approach begins with this staff report that evaluates the three utilities at the same time.

The FY 2018-2019 budget will be built based on the direction received by Council at this work session and new rate resolutions for each utility will be adopted in June with the Capital Improvement Program (CIP) and City budget. However, the effective dates of those resolutions will mirror traditional times of year that adjustments are implemented (sewer is the first to occur on a fiscal-year basis):

- Water – January 1
- Stormwater – March 1
- Sewer – July 1

Attachment A provides a detailed discussion of water, sewer, and stormwater revenues and requirements and provides an updated five-year rate projection. A summary of each recommendation for FY 2018-2019 is provided below.

Water Rates

In 2012 City Council approved an annual financial target for water capital projects. The target was established based on accomplishing a desired amount of work each fiscal year, primarily to address aging infrastructure. Through efficiencies in operations, rate adjustments have been minimized, even forgone in some years, despite inflationary increases throughout programs. For capital projects, inflation is estimated through a regional index, the Engineering News Record (ENR) Construction Cost Index (CCI) for Seattle. The ENR CCI has increased approximately 26 percent since 2012. Unfortunately, the cost of construction locally has outpaced the ENR CCI for Seattle. Since 2012 actual construction costs for standard water line projects have increased 80 percent. In response to these increased costs the existing financial target for capital projects of \$1.45 million must increase to \$2.25 million. Staff recommends building to the new target over five years. If selected, a 5 percent rate

increase is recommended January 1, 2019, to respond to inflation throughout the water utility and begin building to the adjusted capital target.

Stormwater Rates

Unlike charges for water and sewer service, stormwater service charges are relatively new to the City of Albany. Stormwater service charges were implemented March 1, 2017. Council received the first annual stormwater report on February 12, 2018. Revenues are as anticipated; however, the initial program was not established to address the many unfunded needs throughout the utility. The intent was to start small and grow the program slowly over time. Unfortunately, unfunded system needs are significant, and demand increases well beyond inflationary adjustments.

At the February 12, 2018, Work Session, Council acknowledged the unfunded stormwater needs but did not select financial targets, funding strategies, or timelines for addressing them. Until these decisions are made it is difficult to identify required rate adjustments for anything other than responding to inflation on current activities. Staff requests Council provide direction on program goals and/or the method by which Council would like to evaluate alternatives.

If Council chooses to limit rate adjustments in FY 2018-2019 to inflationary increases on current activities, a 5 percent rate increase is recommended to take effect March 1, 2019. If Council would prefer staff begin to respond to unfunded needs, then a larger rate increase should be considered. Staff previously suggested a 13 percent increase, which is less than was anticipated and presented through public outreach efforts when initial service charges were implemented.

Sewer Rates

A 3.5 percent rate increase effective July 1, 2018, is required to respond to inflationary increases throughout programs and to meet the Council’s approved financial target for annual capital projects of \$2.7 million (inflation adjusted). Like water, increases in local costs for some sewer construction projects have outpaced regional inflation indexes. However, the use of trenchless technologies, such as pipe bursting and cured-in-place pipe, provide for lower cost construction methods than traditional open trench methods and allow us to adequately address system needs without further inflationary adjustments for local conditions.

In addition to the rate increase, staff recommends increasing the permit fees for Significant Industrial Users (SIU) to reflect the increase in fees charged to the City by the Oregon Department of Environmental Quality (DEQ) for these permits. The current fee is \$656. If DEQ proposes changes to the fee, it will be included in the sewer resolution to be effective July 1, 2018.

Residential Utility Bill Impact

The following tables identify the monthly impact to a residential customer being charged for eight units of water/sewer usage and an average amount of impervious surface based on a 5 percent water rate increase, a 5 percent stormwater increase, and a 3.5 percent sewer increase. An alternative with a 13 percent stormwater increase is also presented. Community comparisons for both individual utility bills and total bills are provided as Attachment B.

Proposed Rate Increase	Monthly Increase	Total Monthly Charges
5% Water	\$2.35	\$49.39
3.5% Sewer	\$1.98	\$58.57
5% Stormwater	\$0.35	\$7.43
(13% Stormwater)	(\$0.92)	(\$8.00)

Proposed Rate Increase	Combined Monthly Increase	Total Monthly Charges
5% Water, 5% Stormwater, 3.5% Sewer	\$4.68 (4.23%)	\$115.39
5% Water, 13% Stormwater, 3.5% Sewer	\$5.25 (4.74%)	\$115.96

Budget Impact:

Additional rate revenues are estimated as follows:

Water - A 5 percent water rate increase is estimated to generate \$610,000 in additional rate revenue to the water fund.

Stormwater - A 5 percent stormwater rate increase is estimated to generate \$90,000 in additional rate revenue to the stormwater fund. A 13 percent increase is estimated to generate \$235,000 in additional rate revenue to the stormwater fund.

Sewer - A 3.5 percent sewer rate increase is estimated to generate \$545,000 in additional rate revenue to the sewer fund.

JJB:kc

Attachments

ATTACHMENT A – UTILITY RATES

Introduction

The Albany Strategic Plan identifies the importance of providing safe, sufficient, and reliable drinking water, sewage disposal, and drainage systems, and complying with related regulations. To accomplish this, the City proactively manages utility systems. Part of managing each system is to plan for the needed system revenues and expenditures. There are no general fund resources used to support Albany's utilities. Operations and maintenance activities are funded through revenues generated by service charges, System Development Charges (SDCs), and other permit fees. The exception is the stormwater utility where street funds cover stormwater related costs on street capital projects. Grant funding is used to augment revenues when available.

Similar to most budgets, there are three components to the cost of running and maintaining each utility's expenditures. The three expenditure components are:

- Debt Service
- Operation and Maintenance (O&M)
- Capital Expenditures

These three components are interdependent and impacts to funding of any one of the components ripple into the other two.

Debt Service: The City's first obligation is to pay off the debts we owe. At times, utilities borrow money to complete large capital improvement projects that cannot be funded with pay-as-you-go funding. The Albany-Millersburg Water Reclamation Facility (WRF) and Albany-Millersburg Joint Water Project are examples of these types of projects.

Debt agreements typically have specific requirements for repayment as well as annual revenue generation. Repayment of debts are often made through a combination of rate funds and SDCs, when eligible.

Operation and Maintenance: The City's second obligation is to properly operate and maintain existing facilities. These assets include pipe systems, sewer lift stations, water pump stations, reservoirs, and treatment facilities. In addition, there are monitoring, enforcement, and reporting obligations the City must complete to continue to meet state and federal permit requirements.

Proper O&M reduces the risk of system failures that can lead to interruption of service or violation of health and environmental standards. Proper maintenance can also reduce overall expenditures including capital needs and prolong the service life of infrastructure components.

Capital Expenditures: Finally, the City needs to invest in capital improvements to replace failing and undersized infrastructure. Adequate investment in this work provides for reliable service to existing customers and anticipates needs to support economic development in the community. Almost all capital expenditures are made to replace failing or undersized infrastructure or in response to mandated regulations to protect Albany's citizens and the environment.

Regular capital investment in the utility infrastructure will reduce the risk of system failures that can lead to interruption of service or violation of health or environmental standards. Staff routinely conducts condition assessments of utility assets, providing data that allows planning for specific, targeted repairs or replacements. Targeted capital expenditures will reduce the ongoing maintenance costs associated with operating the utilities.

Revenue and Expenditure Variables

Staff has prepared five-year projections for each utility. However, it is likely that the revenue and expenditure picture will change as we move into the future. Requirements to pay off existing debts are fixed; however, there are significant variables that can impact revenue and the operation and capital requirements for each utility. The following is a list of variables that can impact the rate picture over time:

Rate Revenues: While we have confidence in our rate revenue projections, there are influences outside the City's control that can have meaningful impacts. The state of the economy can dramatically impact revenues in either direction and, for water, the weather can also have a significant impact on revenues.

SDC Revenue: The revenue the City receives from SDCs is driven by the amount of development happening in the City. The projections in this memo are conservative in that they assume moderate SDC revenues. If development picks up, so will SDC revenues, which can change the long-term picture for rates.

Personnel and Other Large Operation Expenses: Personnel costs are the largest single driver impacting operating expenses. The cost of fuels, chemicals, and electricity can also have large impacts on expenditures and, therefore, rate requirements.

Unforeseen Capital Needs: Staff can project and identify most significant capital needs in a timely manner so there is time to plan and incorporate the needs into long-range rate planning; however, there are instances when unforeseen issues arise that require unanticipated expenditures. We are continually working to improve our understanding of the current condition of facilities through a properly functioning asset management program in order to minimize unanticipated needs.

Future Regulatory Costs: Regulatory requirements can significantly impact rate projections. While regulations are increasing for all three utilities, more stringent regulations with significant financial implications are anticipated for sewer and stormwater in the near term. The Oregon Department of Environmental Quality (DEQ) has stated Albany will be required to apply for coverage under the National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System (NPDES MS4), Phase II stormwater permit in 2019. For wastewater, Albany's discharge permit is outdated and has been administratively extended. There is no certain timeline for our permit renewal process to begin; but when it does, the City will be required to conduct additional studies and construct capital improvements for both permit renewal and implementation. The full financial impacts of these future regulatory requirements cannot be calculated until DEQ takes final action on each permit.

Water Revenue and Rate Picture

Following is a summary of the revenues and expenditure needs for the water system:

Revenues:

Rate Revenue - The current estimated total water rate revenue the City will receive in FY 2017-2018 is approximately \$12.1 million. This matches the revenue estimated during the budget development process.

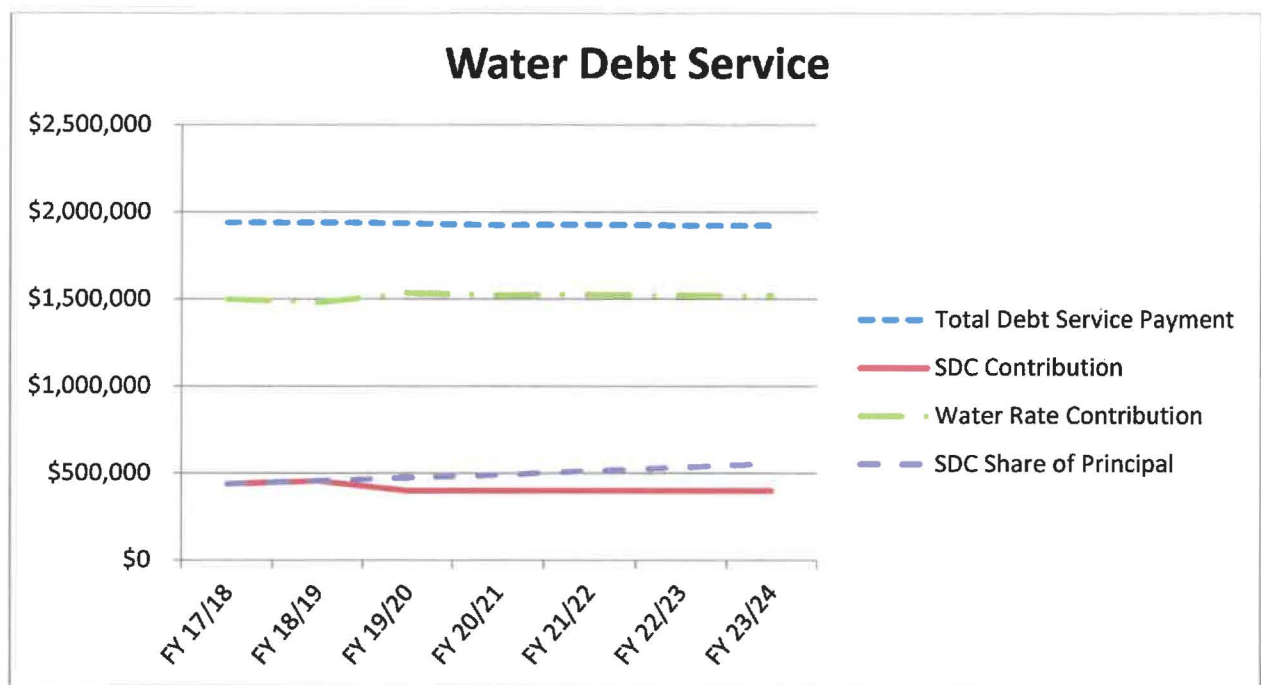
SDC Revenues - SDC revenues vary year to year depending on the pace of development in the community. It is anticipated that this fiscal year the City will receive approximately \$425,000 in SDC revenue, which is above what was assumed during the budget development process. For future projections staff has assumed \$393,000 in annual SDC revenue. This is equivalent to approximately 157 home starts in a year. This estimate reflects the most recent development activity the City has been seeing. At this level, SDC revenues will not keep pace with the debt service funding needs. It is estimated that by fiscal year 2019-2020, rate funding will need to be used to help pay for some of the SDC's portion of the debt payment. If development patterns change and SDC revenues increase or decrease, then future projections will be adjusted to reflect that change.

Expenditures:

Debt Service - In 2003 the City sold \$40.5 million in water revenue bonds to fund the construction of several significant water improvements and retirement of other water debt. These improvements included the Albany-Millersburg Water Treatment Plant (WTP), dam and fish screen improvements on the canal, and other capital projects.

In 2013 the City refinanced the existing water bonds to take advantage of low interest rates. This saved an estimated \$7.3 million over the life of the loan. The total new debt service associated with the water bond projects amounts to approximately \$1.94 million per year through the year 2034. Both rate revenue and SDC revenues are responsible for paying for the water bond debt. Rate revenues are responsible for all interest payments and 57 percent of the principal payments. SDC revenues are obligated to pay 43 percent of the principal payments of the debt service.

Based on current annual SDC revenue projects, it is anticipated that SDC revenues will not be adequate to cover the SDC's share of the water debt service by fiscal year 2020. This relationship is shown in the graph below. Should development pick up in the City and SDC revenues climb, SDC revenues may be able to keep pace with debt obligations.



Operations and Maintenance - Rising employment, chemical, and energy costs impact the O&M budget. For the five-year projection, a 5 percent per year increase in O&M expenses has been used.

Public Works staff will continue to look for efficiencies and make sure funds are appropriately targeted; however, most maintenance activities cannot be deferred without increasing the risk of public health advisories, water line failures, interruption of service, lower fire protection reliability, damage to streets and private property, or other impacts from failed systems.

Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure. Adequate investment provides for reliable service to existing customers and anticipates needs to support economic development and growth. A five-year look at the water fund revenues and expenditures show a decreasing amount of rate revenue money available for capital maintenance projects unless additional funding is provided. If rate increases are limited to just the revenue required to meet debt coverage and O&M expenses, limited rate revenue will be available to fund capital projects.

Identifying the appropriate level of capital funding must be balanced with the burden it places on the rate payers. It is vital to have enough capital funding available to replace the worst infrastructure in a reasonable time in order to reduce the risk of failures, damage to public and private property, interruption of service, and health regulation violations. It is also important to be able to address problems that result in recurring high operation and maintenance costs.

Immediate capital needs for major treatment plant improvements have primarily been addressed with recent improvements; however, ongoing investments for system maintenance and reliability are anticipated. The largest annual reoccurring need is to invest in replacement of pipes in the water distribution system.

The water loss in the system has been reduced in the recent past and is currently estimated at approximately 9 percent. This has been achieved through focused efforts to replace failing lines and an ongoing dedication to seek adequate funding. Despite accomplishments in reducing water loss, our work is not done. Water loss reduction goals were achieved through focused attention on steel water mains. Other pipes throughout the system are aging and exceeding their anticipated service life. For example, the City has some pipe sections that are 100 years old and still in service. Additionally, there are over 85 miles of Asbestos Cement (AC) pipe in our distribution system. The older sections of AC pipe are nearing 70 years of service, which

means they are approaching the end of their original design life (75 years). AC pipe failures have shown this material fails in a catastrophic way rather than starting with smaller leaks, as other pipe materials do. This failure more often results in damage to both public right-of-way and private property.

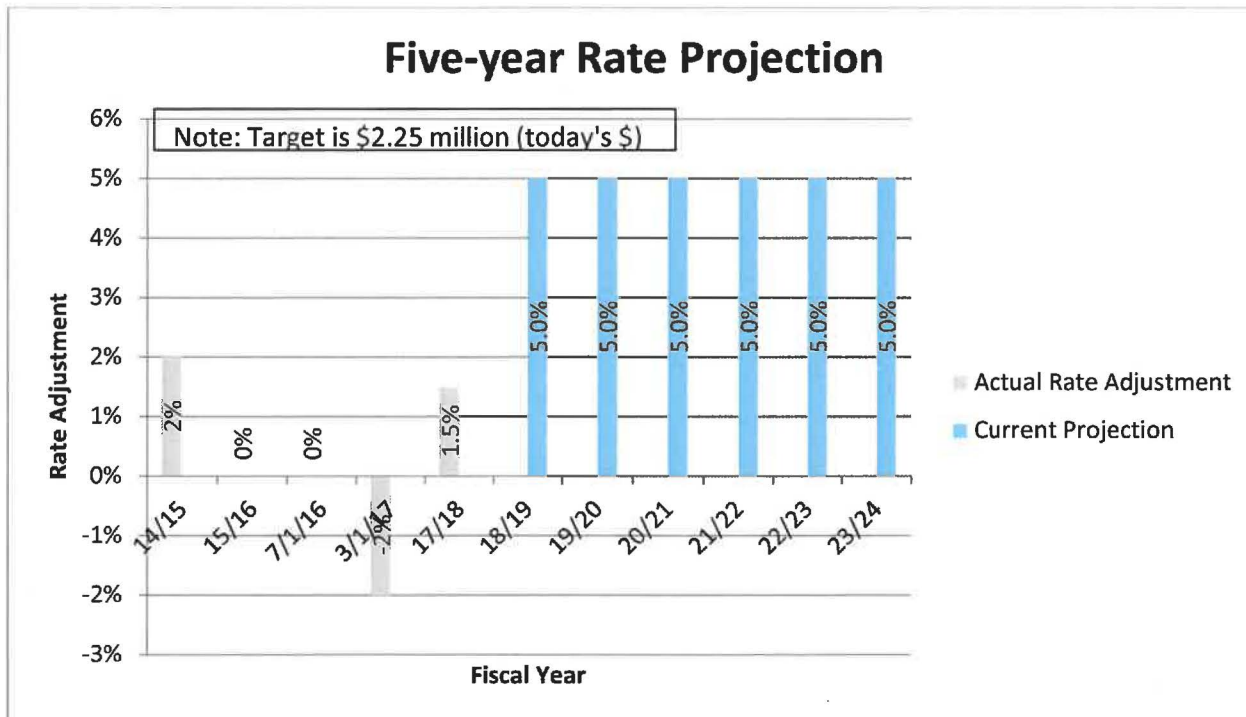
A systematic replacement plan for water distribution pipes should be instituted to evaluate the risk and consequences of failure for each water main in order to avoid failures and all of the consequences they bring. This plan will be developed as part of a comprehensive system evaluation currently underway. Public Work Operations staff anticipates concluding the evaluation and presenting findings in Fiscal Year 2018-19.

There are also additional ongoing repairs and improvements required on the Albany-Santiam Canal. These projects are necessary to assure adequate flows in the canal, protect adjacent property, and maintain the City’s water rights.

In 2012 City Council approved an annual financial target for water capital projects. The target was established based on accomplishing a desired amount of work each fiscal year, primarily to address aging infrastructure. Through efficiencies in operations, rate adjustments have been minimized since 2012, even forgone in some years, despite inflationary increases throughout programs. For capital projects, inflation is estimated through a regional index, the Engineering News Record (ENR) Construction Cost Index (CCI) for Seattle. The ENR CCI has increased approximately 26 percent since 2012. Unfortunately, the cost of construction locally has outpaced the ENR CCI for Seattle. Since 2012, actual construction costs for standard waterline projects have increased 80%. In response to these increased costs the existing financial target for capital projects of \$1.45 million must increase to \$2.25 million. Staff recommends building to the new target over 5 years.

Recommendation:

A water rate increase of 5 percent is recommended effective January 1, 2019. This rate increase will allow the City to continue to meet debt service and operation and maintenance requirements and build toward an adequately-funded capital program. The following graph shows recent past and projected future rate adjustments necessary to meet system requirements and provide desired levels of service.



Stormwater Revenue and Rate Picture

The following is a summary of the revenue and expenditure needs for the stormwater system.

Revenues:

Rate Revenue - The current estimated total sewer rate revenue the City will receive in FY 2017-2018 is approximately \$1.75 million. This matches the revenue estimated during the budget development process.

SDC Revenues - Albany does not currently impose stormwater SDC's. Adopting stormwater SDC's will be considered following completion of a stormwater masterplan update.

Expenditures:

Debt Service - There are currently no stormwater related debts.

Operation and Maintenance - Being a relatively new program with no treatment plants, reservoirs, or lift stations, operations and maintenance costs for stormwater are much less than those for water and sewer. This does not mean, however, that the stormwater utility is immune from rising employment, energy costs, or the impacts of growth. With growth comes additional infrastructure and increased regulation. For the five-year projection, a 5 percent per year increase in basic O&M expenses (not including regulatory compliance costs) has been used.

Now that Albany's population has surpassed 50,000 the community must obtain coverage under the DEQ NPDES MS4, Phase II permit. DEQ implements federal requirements through this permit. Staff estimates that an additional \$300,000 to \$1,000,000 will be required annually for regulatory compliance, depending on the level of requirements imposed through the permit. DEQ anticipates requiring coverage under the permit beginning in 2019. Separate from inflationary adjustments or addressing other unfunded system needs, a 16 percent rate increase would be required to generate an additional \$300,000 for regulatory requirements.

As Albany's stormwater programs grow, Public Works staff will continue to look for efficiencies and make sure funds are appropriately targeted. Although Albany's stormwater program is relatively new, the City's stormwater infrastructure is not. More than eight miles of pipe are known to be failing, which complicates ongoing maintenance efforts. Unfortunately, street flooding, sink holes, and property damage should be anticipated with the condition of our current assets. This issue is discussed further under capital projects.

Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure, yet no revenue source has been identified to fund these investments. Significant portions of Albany's piped stormwater system are failing. With only 50 percent of the system inspected and assigned a condition rating to date, eight miles of pipe are identified as being in a failed condition or are anticipated to fail in the next 10 years. Another nearly one mile of pipe needs significant maintenance and repair to address root intrusions. To address all these issues would cost an estimated \$20 million. If the remaining portion of the system to be inspected is in similar condition, that number increases to \$40 million. Left unaddressed, more frequent street flooding, sink holes, and property damage should be anticipated. Generating funds through rate revenues with a single rate increase is not feasible. Options for phasing in increases to fund capital programs are unlimited. One option is to build to \$2 million per year for perpetual life replacement projects over a 10-year period. That approach would require annual rate increases of 8 percent per year for 10 years before considering inflation, costs for regulatory requirements, or capital costs for street projects as discussed below.

Based on the current level of investment in street improvements, staff estimates, on average, \$400,000 is required annually to fund stormwater improvements associated with planned street projects. This includes costs for stormwater quality improvements, addressing capacity constraints, and replacing failing pipes. Street funds are currently used to cover these costs. This practice impacts the amount of street

improvements that can be pursued. A standalone 22 percent rate increase would be required if stormwater was to cover the estimated \$400,000. If more street work is pursued, then greater increases would be required.

Portions of Albany's stormwater system are undersized and result in localized flooding. A stormwater master plan update that will identify the location of undersized pipes is underway. Costs to address these system deficiencies will be incorporated into future presentations once available.

Recommendation:

At the February 12, 2018, Work Session Council acknowledged the unfunded stormwater needs but did not select financial targets, funding strategies, or timelines for addressing them. Until these decisions are made it is difficult to identify required rate adjustments for anything other than responding to inflation on current activities.

If Council chooses to limit rate adjustments in FY 2018-2019 to inflationary increases on current activities, a 5 percent rate increase is recommended March 1, 2019. If Council is open to initiating a response to unfunded needs, then a larger rate increase should be considered. Staff previously suggested a 13 percent increase, which is less than was anticipated and presented through public outreach efforts when initial service charges were implemented.

Rate projections can be provided once Council has identified desired levels of service and overall program goals.

Sewer Revenue and Rate Picture

The following is a summary of the revenue and expenditure needs for the sewer system.

Revenues:

Rate Revenue - The current estimated total sewer rate revenue the City will receive in fiscal year 2017-2018 is approximately \$15.7 million. This closely matches the revenue estimated during the budget development process.

SDC Revenues - SDC revenues vary year to year depending on the pace of development in the community. The City anticipates it will receive approximately \$738,000 in fiscal year 2017-18. For the future projections, staff has assumed \$730,000 in annual SDC revenue. This is equivalent to approximately 238 home starts in a year. If development patterns change and SDC revenues increase or decrease, the future analysis will be adjusted to reflect that change.

Expenditures:

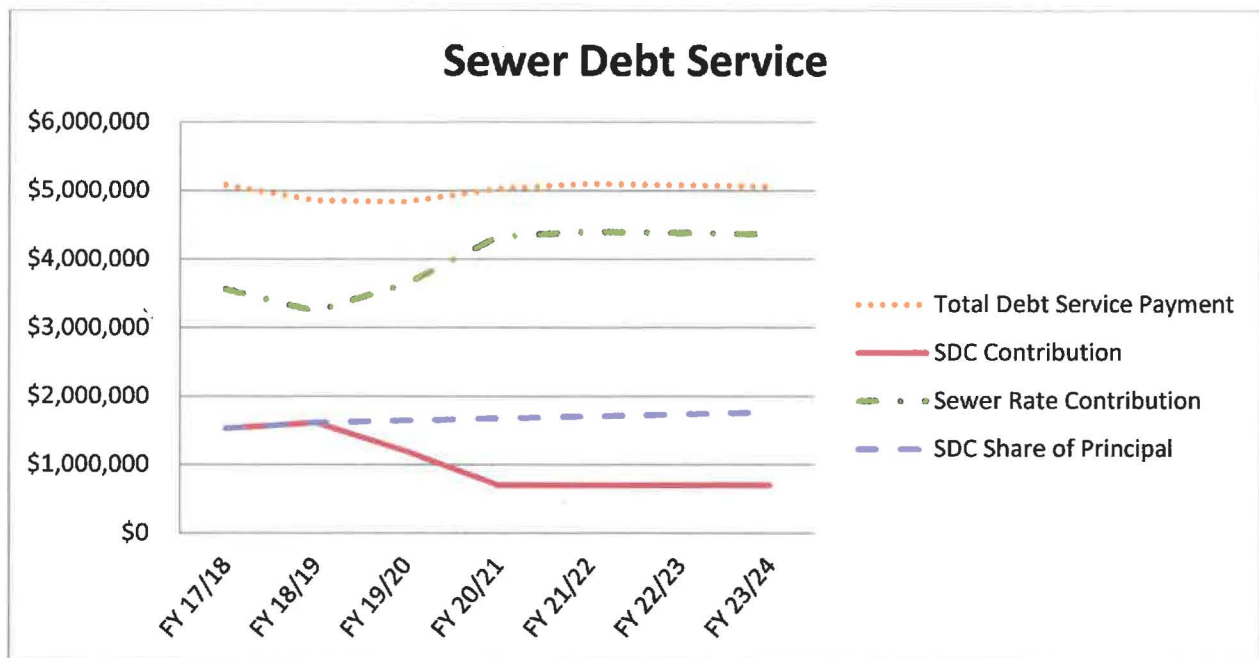
Debt Service - In order to complete the Water Reclamation Facility (WRF) and Talking Water Gardens (TWG) Wetlands project, the City borrowed approximately \$77.2 million. While the City was able to secure low-interest financing for these projects, the annual debt payments are significant. In 2017 the City refinanced the remaining debt and is projected to save \$4.1 million over the life of the loan. The total current debt service associated with construction of the WRF and the TWG wetlands treatment projects amounts to approximately \$4.7 million per year through the year 2032. Albany's share after Millersburg's contribution toward debt service is approximately \$4.3 million per year.

Both rate and SDC revenues are responsible for paying off the debt for the wastewater improvements. Rate revenues are responsible for all interest costs and 55 percent of the principal payments for the WRF and 100 percent of the TWG. In Fiscal Year 2017-2018 this equaled approximately \$3.1 million. SDCs are responsible for 45 percent of the debt principal payment for the WRF because a significant portion of the facility was sized to serve future capacity needs. In FY 2017-2018 SDC's share of the payment equals \$1.5 million.

The City also has remaining debt for the purchase of the TWG property. The remaining payments are \$500,000 per year, with the last payment occurring in December 2020.

Albany recently accepted a new low interest rate loan to address capacity problems in the City's largest sewer interceptor, the River Front Interceptor (RFI). The RFI has been a known problem for several decades and has been the subject of past enforcement actions by DEQ. The debt service associated with the new \$13 million loan will be offset with savings from recent refinancing and conclusion of payments for TWG property. Consequently, debt service requirement for this loan should not require rate increases.

Based on current annual SDC revenue projections, it is anticipated that SDC revenues will not be adequate to cover SDC's share of the sewer debt service for the WRF and TWG by fiscal year 2020. This relationship is shown in the graph below. Should development pick up in the City and SDC revenues climb, SDC revenues may be able to keep pace with debt obligations.



Operation and Maintenance - Rising employment, chemical, and energy costs impact the O&M budget. For the five-year projection, a 5 percent per year increase in O&M expenses has been used.

Public Works staff will continue to look for efficiencies and make sure funds are appropriately targeted; however, most maintenance activities cannot be deferred without increasing the risk of sewer line failures, interruption of service, damage to streets and private property, or other impacts from failed systems.

Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure. Adequate investment provides for reliable service to existing customers and anticipates needs to support economic development and growth. A five year look at the sewer fund revenues and expenditures show a decreasing amount of rate revenue money available for capital maintenance projects unless additional funding is provided. If rate increases are limited to just the revenue required to meet debt coverage and O&M expenses, limited rate revenue will be available to fund capital projects.

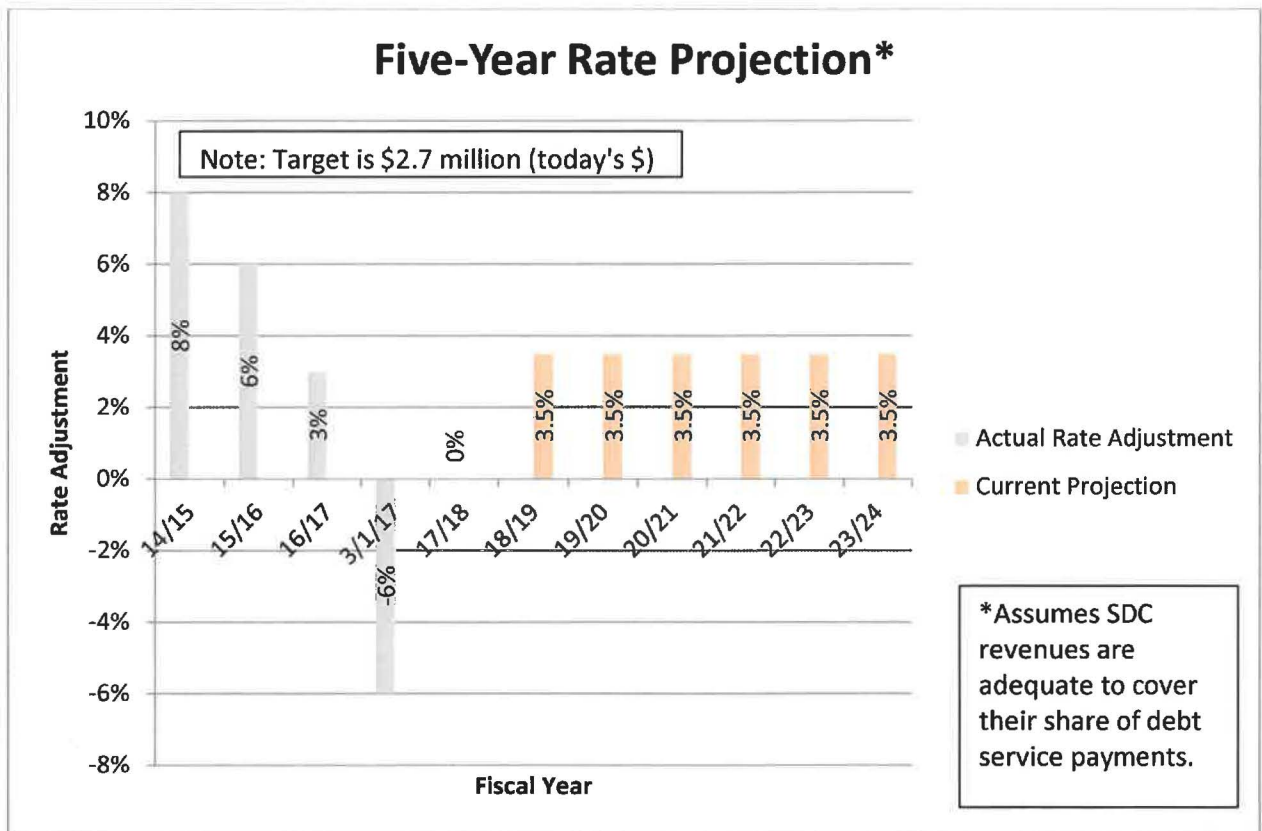
Identifying the appropriate level of capital funding must be balanced with the burden it places on the rate payers. It is vital to have enough capital funding available to replace the worst infrastructure in a reasonable time in order to reduce the risk of failures, sewer backups into basements, surcharging, sink holes, and environmental permit violations. It is also important to be able to address problems that result in recurring high operation and maintenance costs.

The remaining major capital needs in treatment are the solids process improvements and future permit renewal and implementation requirements. Additionally, staff continues to develop and implement capital projects to address long-standing collection system needs.

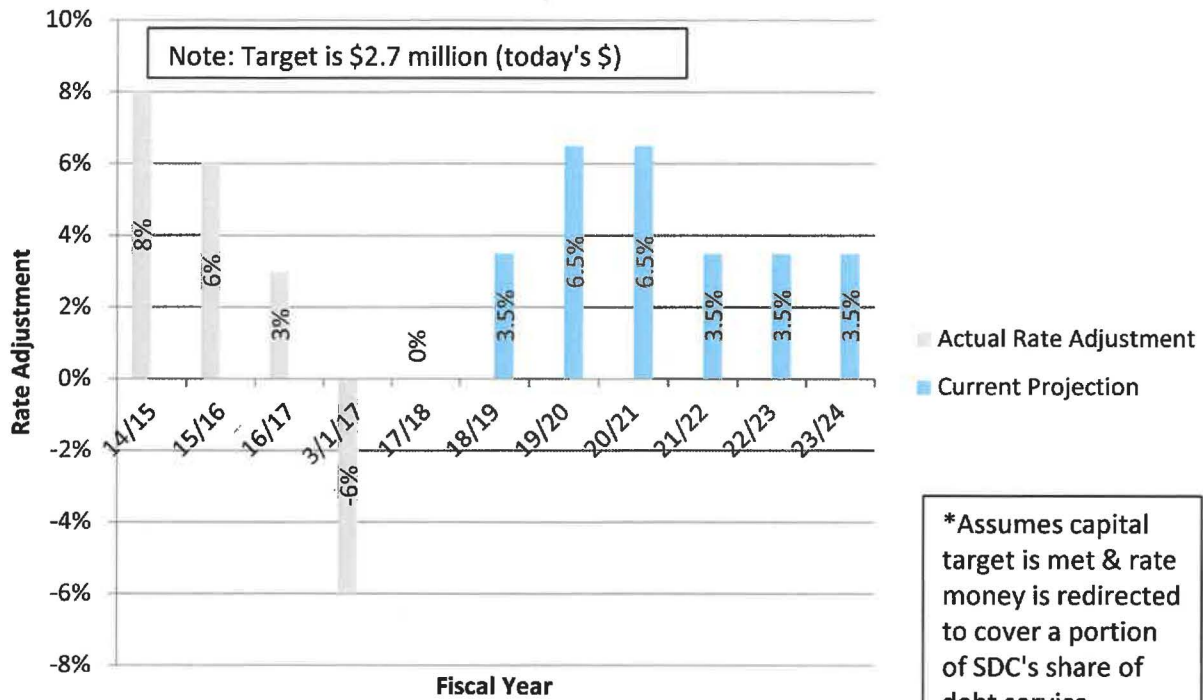
Council previously established program goals that resulted in an annual financial target of \$2.7 million (inflation adjusted) for capital projects. Like water, increases in local costs for some sewer construction projects have outpaced regional inflation indexes. However, the use of trenchless technologies, such as pipe bursting and cured-in-place pipe, provide for lower cost construction methods than traditional open trench methods and allow us to adequately address system needs without further inflationary adjustments for local conditions.

Recommendation:

A sewer rate increase of three-and-one-half percent is necessary effective July 1, 2018. This rate increase will allow the City to continue to meet debt service and O&M requirements and meet capital project program goals. The following graphs show recent past and projected future rate adjustments necessary to meet system requirements and provide desired levels of service. The first graph projects future rate increases necessary if SDC revenues are adequate to cover their share of future debt service payments. The second graph projects future rate increases necessary to meet capital financial targets and to redirect rate revenues to cover a portion of SDC's share of debt service payments.



Five-year Rate Projection*



TOTAL UTILITY BILL (Stormwater - 5%)

(Assumes rate increases of 3.5% sewer 7/1/18, 5% water 1/1/19, 5% stormwater 3/1/19)

2018-19 Average Monthly Utility Bills in Oregon Cities Single-Family Residential Customers - Total Utility Bill

Population 2016 PSU	City / District	800 cu ft	
		\$ / mo	Rank
627,395	Portland	\$188.24	1
9,090	Sweet Home	\$143.35	2
37,425	Lake Oswego	\$142.74	3
16,435	Lebanon	\$140.07	4
845	Adair Village	\$131.33	5
49,745	Tigard	\$125.40	6
11,915	Cornelius	\$122.81	7
19,145	Sherwood	\$120.75	8
4,665	Philomath	\$118.80	9
52,540	Albany	\$115.39	10
34,240	Oregon City	\$114.52	11
9,250	Independence	\$114.26	12
83,500	Bend	\$106.92	13
60,140	Springfield	\$101.24	14
24,795	Woodburn	\$96.25	15
95,385	Beaverton	\$94.35	16
99,340	Hillsboro	\$93.66	17
23,375	Forest Grove	\$92.01	18
162,060	Salem	\$91.93	19
33,405	McMinnville	\$89.01	20
108,150	Gresham	\$87.23	21
165,885	Eugene / EWEB	\$87.12	22
25,615	West Linn	\$86.37	23
58,240	Corvallis	\$84.93	24
9,745	Monmouth	\$78.42	25
37,505	Keizer	\$74.60	26
22,820	Roseburg	\$65.71	27
36,815	Grants Pass	\$62.23	28
	Average	\$106.06	

Utility bill calculation includes water, sewer, stormwater and transportation fees, if applicable
Rates are calculated on 3/4-inch meters for residential accounts only; all units calculated in cubic feet
800 cubic feet is the comparison used by the League of Oregon Cities

Note: Assumes no future rate adjustments in comparative cities.

TOTAL UTILITY BILL (Stormwater - 13%)

(Assumes rate increases of 3.5% sewer 7/1/18, 5% water 1/1/19, 13% stormwater 3/1/19)

2018-19 Average Monthly Utility Bills in Oregon Cities
Single-Family Residential Customers - Total Utility Bill

Population 2016 PSU	City / District	800 cu ft	
		\$ / mo	Rank
627,395	Portland	\$188.24	1
9,090	Sweet Home	\$143.35	2
37,425	Lake Oswego	\$142.74	3
16,435	Lebanon	\$140.07	4
845	Adair Village	\$131.33	5
49,745	Tigard	\$125.40	6
11,915	Cornelius	\$122.81	7
19,145	Sherwood	\$120.75	8
4,665	Philomath	\$118.80	9
52,540	Albany	\$115.96	10
34,240	Oregon City	\$114.52	11
9,250	Independence	\$114.26	12
83,500	Bend	\$106.92	13
60,140	Springfield	\$101.24	14
24,795	Woodburn	\$96.25	15
95,385	Beaverton	\$94.35	16
99,340	Hillsboro	\$93.66	17
23,375	Forest Grove	\$92.01	18
162,060	Salem	\$91.93	19
33,405	McMinnville	\$89.01	20
108,150	Gresham	\$87.23	21
165,885	Eugene / EWEB	\$87.12	22
25,615	West Linn	\$86.37	23
58,240	Corvallis	\$84.93	24
9,745	Monmouth	\$78.42	25
37,505	Keizer	\$74.60	26
22,820	Roseburg	\$65.71	27
36,815	Grants Pass	\$62.23	28
	Average	\$106.08	

Utility bill calculation includes water, sewer, stormwater and transportation fees, if applicable
Rates are calculated on 3/4-inch meters for residential accounts only; all units calculated in cubic feet
800 cubic feet is the comparison used by the League of Oregon Cities

Note: Assumes no future rate adjustments in comparative cities.

WATER ONLY

(Assumes 5% water rate increase 1/1/19)

2018-19 Average Monthly Utility Bills in Oregon Cities
Single-Family Residential Customers - Water Only Bill

Population 2016 PSU	City / District	800 cu ft	
		\$ / mo	Rank
627,395	Portland	\$76.81	1
845	Adair Village	\$75.83	2
49,745	Tigard	\$61.26	3
16,435	Lebanon	\$58.94	4
11,915	Cornelius	\$58.08	5
9,250	Independence	\$57.56	6
19,145	Sherwood	\$53.79	7
9,090	Sweet Home	\$52.58	8
52,540	Albany	\$49.39	9
37,425	Lake Oswego	\$48.92	10
4,665	Philomath	\$47.80	11
108,150	Gresham	\$43.03	12
9,745	Monmouth	\$40.61	13
95,385	Beaverton	\$38.56	14
83,500	Bend	\$38.11	15
34,240	Oregon City	\$37.71	16
23,375	Forest Grove	\$35.45	17
99,340	Hillsboro	\$32.74	18
60,140	Springfield	\$30.90	19
165,885	Eugene / EWEB	\$30.78	20
162,060	Salem	\$30.14	21
58,240	Corvallis	\$29.44	22
22,820	Roseburg	\$28.39	23
24,795	Woodburn	\$25.66	24
25,615	West Linn	\$25.13	25
36,815	Grants Pass	\$25.11	26
33,405	McMinnville	\$25.09	27
37,505	Keizer	\$17.31	28
	Average	\$41.97	

Rates are calculated on 3/4-inch meters for residential accounts only; all units calculated in cubic feet
800 cubic feet is the comparison used by the League of Oregon Cities

Note: Assumes no future rate adjustments in comparative cities.

SEWER ONLY

(Assumes 3.5% sewer rate increase 7/1/18)

2018-19 Average Monthly Utility Bills in Oregon Cities Single-Family Residential Customers - Sewer Only Bill

Population 2016 PSU	City / District	800 cu ft	
		\$ / mo	Rank
9,090	Sweet Home	\$89.77	1
627,395	Portland	\$81.52	2
16,435	Lebanon	\$77.85	3
24,795	Woodburn	\$70.59	4
37,425	Lake Oswego	\$70.45	5
4,665	Philomath	\$65.00	6
33,405	McMinnville	\$63.92	7
83,500	Bend	\$63.51	8
52,540	Albany	\$58.57	9
60,140	Springfield	\$55.75	10
34,240	Oregon City	\$53.87	11
845	Adair Village	\$53.00	12
11,915	Cornelius	\$51.08	13
23,375	Forest Grove	\$47.31	14
49,745	Tigard	\$47.20	15
9,250	Independence	\$45.99	16
19,145	Sherwood	\$45.73	17
37,505	Keizer	\$45.56	18
95,385	Beaverton	\$45.54	19
99,340	Hillsboro	\$44.82	20
25,615	West Linn	\$41.92	21
165,885	Eugene / EWEB	\$41.91	22
162,060	Salem	\$41.72	23
58,240	Corvallis	\$41.39	24
9,745	Monmouth	\$37.81	25
36,815	Grants Pass	\$33.53	26
108,150	Gresham	\$32.88	27
22,820	Roseburg	\$30.00	28
	Average	\$52.79	

Rates are calculated on 3/4-inch meters for residential accounts only; all units calculated in cubic feet
800 cubic feet is the comparison used by the League of Oregon Cities

Note: Assumes no future rate adjustments in comparative cities.

STORMWATER ONLY - 5%

(Assumes 5% stormwater rate increase 3/1/19)

2018-19 Average Monthly Utility Bills in Oregon Cities Single-Family Residential Customers - Stormwater Only Bill

Population 2016 PSU	City / District	800 cu ft	
		\$ / mo	Rank
627,395	Portland	\$29.91	1
162,060	Salem	\$15.77	2
19,145	Sherwood	\$15.61	3
60,140	Springfield	\$14.58	4
165,885	Eugene / EWEB	\$14.43	5
37,425	Lake Oswego	\$14.40	6
11,915	Cornelius	\$13.65	7
108,150	Gresham	\$11.32	8
9,250	Independence	\$10.71	9
49,745	Tigard	\$10.25	10
95,385	Beaverton	\$10.25	10
34,240	Oregon City	\$9.94	12
23,375	Forest Grove	\$9.25	13
99,340	Hillsboro	\$8.54	14
58,240	Corvallis	\$8.35	15
52,540	Albany	\$7.43	16
22,820	Roseburg	\$7.32	17
37,505	Keizer	\$6.89	18
25,615	West Linn	\$6.78	19
83,500	Bend	\$5.30	20
16,435	Lebanon	\$3.28	21
845	Adair Village	\$2.50	22
4,665	Philomath	\$2.00	23
9,090	Sweet Home	\$1.00	24
24,795	Woodburn	\$0.00	25
33,405	McMinnville	\$0.00	25
9,745	Monmouth	\$0.00	25
36,815	Grants Pass	\$0.00	25
	Average	\$9.98	

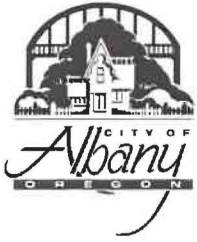
Note: Assumes no future rate adjustments in comparative cities.

STORMWATER ONLY - 13%
(Assumes 13% stormwater rate increase 3/1/19)

2018-19 Average Monthly Utility Bills in Oregon Cities
Single-Family Residential Customers - Stormwater Only Bill

Population 2016 PSU	City / District	800 cu ft	
		\$ / mo	Rank
627,395	Portland	\$29.91	1
162,060	Salem	\$15.77	2
19,145	Sherwood	\$15.61	3
60,140	Springfield	\$14.58	4
165,885	Eugene / EWEB	\$14.43	5
37,425	Lake Oswego	\$14.40	6
11,915	Cornelius	\$13.65	7
108,150	Gresham	\$11.32	8
9,250	Independence	\$10.71	9
49,745	Tigard	\$10.25	10
95,385	Beaverton	\$10.25	10
34,240	Oregon City	\$9.94	12
23,375	Forest Grove	\$9.25	13
99,340	Hillsboro	\$8.54	14
58,240	Corvallis	\$8.35	15
52,540	Albany	\$8.00	16
22,820	Roseburg	\$7.32	17
37,505	Keizer	\$6.89	18
25,615	West Linn	\$6.78	19
83,500	Bend	\$5.30	20
16,435	Lebanon	\$3.28	21
845	Adair Village	\$2.50	22
4,665	Philomath	\$2.00	23
9,090	Sweet Home	\$1.00	24
24,795	Woodburn	\$0.00	25
33,405	McMinnville	\$0.00	25
9,745	Monmouth	\$0.00	25
36,815	Grants Pass	\$0.00	25
	Average	\$10.00	

Note: Assumes no future rate adjustments in comparative cities.



TO: Albany City Council

VIA: Peter Troedsson, City Manager *PT 3/8*
Jeff Blaine, P.E., Public Works Engineering and Community Development Director *JB*

FROM: Rob Emmons, Assistant City Engineer *RE*
Ronald G. Irish, Transportation Systems Analyst *RGI*

DATE: March 6, 2018, for the March 12, 2018, City Council Work Session

SUBJECT: Transportation System Development Charge (TSDC) Project List Modifications

RELATES TO STRATEGIC PLAN THEME: • Great Neighborhoods

Action Requested:

None. For information only.

Discussion:

Albany's 2010 Transportation System Plan (TSP) included a list of projects needed to accommodate system demands through year 2030. The cost estimate for those projects was \$242 million in 2010 dollars. Of that amount, \$135 million was found to be growth related and eligible for Transportation System Development Charge (TSDC) improvement fee (TSDCi) funding. The TSDC fee established by Council was set at a lower rate than the maximum allowable rate and was estimated to generate only \$34 million through year 2030. That meant that only 25 percent of the TSDCi eligible project costs were actually fundable under the TSDC fee resolution adopted by Council. Council adopted a "funded list" that identified priority projects to receive funding. The funded list can be modified by moving projects on/off the list or increasing/decreasing funding for any one project. Unless modification to the TSDCi fee are also planned, the net impact of proposed modifications must not change the funded list's total dollar amount.

Recent TSP project list modifications, infrastructure funding agreements, and updated construction cost estimates have resulted in a need to adjust the TSDCi funded list. The proposed changes increase funding for some projects and decrease funding in a corresponding amount for others. Attachment 1 is provided as a vicinity map for impacted projects. The proposed changes are described below. All costs are expressed in 2010 dollars for consistency with the adopted TSDC methodology and funded list.

- Decreased Project Costs – At the May 22, 2017, City Council Work Session, Council directed staff to pursue construction of a traffic signal at the Gibson Hill Road/Crocker Lane intersection in lieu of the previous envisioned roundabout. That decision reduced construction cost estimates for intersection improvements. As a result, this project will also have decreased TSDCi funding:
 - Project I35 – Gibson Hill Rd/Crocker Lane intersection. This project cost has been modified to reflect the reduced construction cost of a traffic signal (\$410,000) as opposed to a roundabout (\$1,200,000). Its TSDCi funding will decrease from \$1,200,000 to \$410,000.

- **Increased Project Funding** - The TSDCi savings resulting from the reduced construction cost estimate for Project I35 allows those funds to be redistributed to other eligible near-term projects. Projects with increased TSDCi funding include:
 - Project L19B - This segment of Somerset Avenue is the segment from wetlands to Charlotte Street. The cost estimate will increase from \$483,000 to \$566,000, and its proposed TSDCi funding will increase from \$332,270 to \$566,000. This change is necessary to meet the terms of the City’s Intergovernmental Agreement with Greater Albany Public Schools (GAPS).
 - Project L23 - This segment of Knox Butte Road will be split into two sections; L23A and L23B. L23A is from Goldfish Farm Road 970 feet to the east, and L23B is from Timber Ridge Street 730 feet to the west. Overall, the cost estimate for L23 will increase by \$120,000 with a total of \$717,000 for L23A and \$659,000 for L23B. L23A will remain unfunded and the proposed TSDCi funding for L23B will increase from \$0 to \$194,750. This change is necessary to meet the terms of the City’s Purchase and Sale Agreement for the property at the NW corner of the intersection of Knox Butte Road and Timber Ridge Street.
 - Project L24 - This segment of Knox Butte Road will be split into two sections; L24A and L24B. L24A is from Timber Ridge Street 1,120 feet to the east, and L24B is from the UGB 8,495 feet to the west. Project L24 will retain its current overall cost estimate with \$896,000 for L24A and \$6,792,000 for L24B. The proposed TSDCi funding for L24A will increase from \$0 to \$224,000 and L24B will remain unfunded.
 - Project L52 - This segment of Goldfish Farm Road will be split into two sections; L52A and L52B. L52A is from Dogwood Avenue south 1,365 feet, and L52B is from Highway 20 north 2,320 feet. Project L52 will retain its current overall cost estimate with \$1,645,500 for L52A and \$2,798,500 for L52B. The proposed TSDCi funding for L52A will increase from \$0 to \$30,370 and will be used for right-of-way acquisition. L52B will remain unfunded
 - Project L42B - This segment of Crocker Lane is the segment from Gibson Hill Road north to the improvements recently constructed with a Local Improvement District. It will retain its current cost estimate of \$2,808,000 and proposed TSDCi funding will increase from \$0 to \$107,150. All of the TSDCi funds dedicated to the project will be for street improvements along the frontage of a subdivision application currently under review on Benton County map/tax lot 10S 04W36 01000.

The current cost of all TSP-listed projects, together with the proposed modifications are summarized below:

	Total Project Cost	TSDCi Eligible	TSDCi Eligible & Funded
Current	\$268 M	\$156 M	\$34 M
As Proposed	\$267 M	\$155 M	\$34 M

M = 2010 dollars in millions

Staff recommends Council conduct a public hearing on March 28, 2018, to review these proposed transportation project list modifications and, if appropriate, adopt the resolutions reallocating funding to the identified near-term projects without impacting the Transportation System Development Charge (TSDC) fee charged to new development.

Budget Impact:

The changes under consideration will shift TSDC funding between projects and will not modify the total TSDC fee rate charged to new development. Therefore, there is no budget impact.

JMR:kw

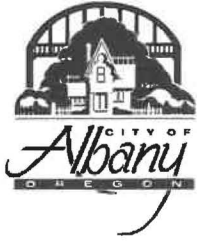
Attachments (1)

c: Jeni Richardson, P.E., Civil Engineer III

Matthew Ruettgers, Development Services Manager



ATTACHMENT 1
TRANSPORTATION SDC PROJECT FUNDING LIST MODIFICATIONS VICINITY MAP



TO: Albany City Council

VIA: Peter Troedsson, City Manager *PT 8/7*

FROM: John Bradner, Fire Chief
Mario Lattanzio, Police Chief *ML*
Jorge Salinas, Deputy City Manager

DATE: March 8, 2018, for the March 12, 2018, City Council Work Session

SUBJECT: Intergovernmental Agreement for CAD/RMS System Governance

RELATES TO STRATEGIC PLAN THEME: • Effective Government

Action Requested:

Staff is seeking Council approval to enter into an intergovernmental agreement (IGA) with Linn County Sheriff's Office (LCSO) that will provide an ongoing governance framework for the multi-agency CAD/RMS system.

Discussion:

In 2014, the City of Albany and Linn County Sheriff's Office jointly established, through informal agreements and a temporary IGA, the Willamette Valley Operations Consortium (WVOPS) to implement a computer-aided dispatch, records management, jail management, and mobile computer system serving law enforcement, fire, EMS, and emergency communications (WVOPS CAD/RMS). The WVOPS CAD/RMS was implemented in April 2017 by the Linn County Sheriff's Office, Albany Police Department, and Albany Fire Department.

The purpose of the WVOPS IGA is to ensure the continued operation of the WVOPS System, including the maintenance, enhancement, and replacement of WVOPS System components, and provide for the addition of other agencies to the WVOPS Consortium.

The following are key points of the intergovernmental agreement:

- Provides for the operation and management of the CAD/RMS system for the consortium members.
- Forms a Governance Committee comprised of the following originating member agencies:
 1. Linn County Sheriff's Office
 2. City of Albany Police Department
 3. City of Albany Fire Department
 4. Lebanon Fire District
 5. Sweet Home Fire District
 6. Benton County Sheriff's Office
 7. City of Corvallis Police Department
 8. City of Corvallis Fire Department
 9. Corvallis Regional Communications Center
 10. City of Philomath Police Department
 11. Linn County Sheriff's Office 9-1-1 Communications Center
 12. Linn County Rural Fire District Representative
- Establishes Governance Committee responsibilities, appointments, and voting authority.
- Establishes that contracts for hardware, software, maintenance, and support will be held by Linn County Sheriff's Office to leverage licensing cost savings.
- Establishes procedures for adding and withdrawing agencies from the Consortium.

Albany City Council

Page 2

March 8, 2018

Council's approval authorizes the Deputy City Manager/Chief Information Officer to enter into an intergovernmental agreement with Linn County Sheriff's Office that will provide a permanent governance framework for the multi-agency CAD/RMS system.

Budget Impact:

The requested action will have no additional budget impact. The Albany Police and Fire Departments will have the same financial obligation regarding the ongoing maintenance, upgrade, and operation of the CAD/RMS system.

JS:hr

Attachment

G:\Administrative Services\City Manager's Office\Staff Reports\WVOPS IGA for CAD.RMS - CCWS 03.12.18.docx

INTERGOVERNMENTAL AGREEMENT
FOR A WILLAMETTE VALLEY OPERATIONS CONSORTIUM

Between and Among:

Cities of Albany, Corvallis and Philomath, along with Linn County and Benton County, and the fire districts of Lebanon, Sweet Home, Harrisburg, Halsey-Shedd, Brownsville, Tangent, Scio, all governments subject to the provisions of Oregon law (collectively, the "Parties").

RECITALS

WHEREAS ORS 190.010 provides that units of government may enter into agreements for the performance of any or all functions and activities that a party to the agreements, its officers or agents, have authority to perform;

WHEREAS the Parties have certain public safety records needs, and the opportunity to pool those resources and needs will inure to the benefit of all the Parties, and agree that this opportunity can be best realized through joint action;

WHEREAS the City of Albany and Linn County Sheriff's Office jointly established in 2014 (through informal agreements and an IGA) a Willamette Valley Operations Consortium (WVOPS) for interoperable computer-aided dispatch, records management, jail management, and mobile computer system, serving law enforcement, fire, EMS, and emergency communications;

WHEREAS the purpose of this agreement is to ensure the continued operation of the WVOPS System, including the maintenance, enhancement, and replacement of WVOPS System components; and

DEFINITIONS

CAD: Computer Aided Dispatch
RMS: Records Management System
JMS: Jail Management System
MCT: Mobile Computer Terminal
WVOPS: Willamette Valley Operations Consortium

The SYSTEM MANAGER position for WVOPS will perform the combined roles and duties as detailed in Section F.1. (Operations and Maintenance). The System Manager will manage technical aspects of the system, coordinate system improvements, prepare and manage budgetary concerns and act as the point of contact for the system as a whole.

Now therefore the Parties agree as follows:

A. The System

1. The System is made up of components, that are detailed and defined as:
 - a. WVOPS Consortium controlled components. The WVOPS Consortium controlled System components shall generally consist of, and are defined as,

shared server infrastructure, servers, firewalls, switches, other hardware and software.

- b. Member controlled components. The Member controlled components are those which are owned and controlled by one or more Members independent of WVOPS Consortium governance but are critical components necessary for the common use and operation of the System under this Agreement. The controlling Member agrees to exercise good faith maintenance and continuing operation of the Member controlled components for common use in the System.
 - c. Third party controlled components. The System is dependent upon components in the WVOPS Consortium System, Member controlled components, and Third party controlled components, technology and/or infrastructure such as microwave, fiber, and leased circuits for interconnectivity of voice and data signals and other dependent components. These components are not managed by WVOPS Consortium or its members.
2. The parties agree that through oversight of the Willamette Valley Operations (WVOPS) Consortium, the aforementioned components (detailed in A(1)(a through c) of the CAD/RMS/JMS/MCT and Fire RMS system ("System") will be operated and managed for the common use of the Parties in accordance with this Agreement. The System components include WVOPS controlled components, Member controlled components, and Third party controlled components.
 3. The parties acknowledge and agree that through the original IGA between the City of Albany and the Linn County Sheriff's Office, the contract for all software, software maintenance and support, servers, and server maintenance and support, as well as all other existing components originally purchased for the System, are held by the Linn County Sheriff's Office. Additionally, the Linn County Sheriff's Office is the System service, maintenance and support agency for the WVOPS Consortium. Parties to this IGA are leveraging the site license provisions of the Linn County contract.

3.

B. Participation Classes

1. "Party" or "Parties" means the units of local government that are entering into this Agreement to jointly operate and maintain the System. Other units of local government may be added as additional Parties upon unanimous approval of the then current Governance Committee and provided the additional Party executes this Agreement. Approval of new Members will not require all existing Parties to re-execute this agreement, but only an Agreement between Linn County Sheriff's Office and the added Party, after a unanimous approval vote by the Governance Committee.
2. "Governance Committee Member" or "Member" means the entities that comprise the Willamette Valley Operations Governance Committee ("Governance Committee" or "Committee"), which governs the operations of the System. To be eligible to be a "Member," the entity must either be a Party to this Agreement or an agency, department or subdivision of a Party. Members must pay the full Subscriber Rate established by the Governance Committee.

3. "Subscriber" means a person or entity authorized by the Governance Committee to use the System in accordance with the terms and conditions of a valid Subscriber Agreement. Subscribers shall pay the full Subscriber Rate established by the Committees.
4. "User" means a person or entity authorized by the Governance Committee to use the System in accordance with the terms and conditions of a valid User Agreement. Users shall pay the User Rate established by the Governance Committee for that User.
5. "Affiliate User" means a person or entity authorized by the Governance Committee to use the System in accordance with the terms and conditions of a valid Affiliate User Agreement. Affiliate Users shall pay the Affiliate User Rate established by the Governance Committee for that Affiliate User.

C. Governance Committee Membership

1. The Linn County Sheriff's Office, the City of Albany Police Department and City of Albany Fire Department, the Lebanon Fire District, the Sweet Home Fire District, the Benton County Sheriff's Office, the City of Corvallis Police Department, the City of Corvallis Fire Department, the Corvallis Regional Communications Center, the City of Philomath Police Department, the Linn County Sheriff's Office 9-1-1 Communications Center, along with the Linn County Rural Fire District Representative, comprise the originating members of the Governance Committee upon signatures by their authorized representative.
2. In Linn County, Rural Fire District agencies who are not ambulance transport agencies, will elect annually, one voting Subscriber agency representative to serve collectively on their behalf on the Governance Committee.
 - The election of the Rural Fire District Governance Committee Member will take place during the month of June, 2018, and every two years thereafter, for a two-year term beginning July 1.
 - The elected Rural Fire District representative serving on the Governance Committee will be the Rural Fire District Executive, should a matter need to come before the Executives for a decision (See D.3.c)
 - Each of the Rural Fire District Subscribers is still entitled to the same rights as all other subscribers, including all rights and responsibilities.
3. Members may use the System as a benefit of membership. Use of the System is defined as connecting one or more points of the Member's system to the WVOPS servers, system or equipment, and interacting with data to or from the WVOPS servers.
4. Members may have requirements of mutual aid, and/or other State and Federal interoperability agreements that necessitate the facilitation of access by the Member's partner agencies. For fulfillment of these agreement requirements, the Governance Committee may allow others to use the System, when Member's bring forth the request for non-member access (Affiliate Users) to the Committee. The Committee shall not establish obligations, leases, or subscriptions that may affect or require access or use over any portion of the System by a specific Member or partner agency, without the express permission of that Member.

5. Obligations of Membership. In addition to the specific rights and obligations discussed elsewhere in this Agreement, while a Member, each Member shall:
 - a. Designate a regular representative to the Committee, and one or more alternate representatives. All representatives must have the authority to act on behalf of the Member. In case of a vacancy, the Member shall designate a replacement representative within 30 days of the vacancy occurring. All such designations shall be communicated in writing to the Committee.
 - b. Pay any and all invoices and meet other obligations related to payment for services received as a result of membership. This obligation extends to the payment of all Member agency equipment purchases and services to avoid liens and other actions that could affect the operation of the System. Membership shall in no way imply a joint venture or joint ownership or convey any financial obligations on the other Members, unless specifically accepted in writing.
 - c. Observe the established system maintenance, implementation and update schedules for any equipment or facilities connected to the System.
6. Privileges of Membership. In addition to the specific rights and privileges discussed elsewhere in this Agreement, while a Member, each Member may:
 - a. Use the System for any lawful purposes consistent with the design and operation of the System, as delineated by the Governance Committee;
 - b. Exercise the rights of Membership on the Committee.
7. Termination of Membership.
 - a. Any Member may voluntarily terminate its participation in the System upon no less than 6 months written notice of withdrawal to the Committee. The withdrawal date may only occur on June 30, following the minimum notice period.
 - b. The withdrawing Member shall make reasonable efforts to provide to the System, or allow the continuing use by the System of, any services, data, equipment or network provided by the withdrawing Member to support the operation of the System, and to facilitate continued data input, data collection and data synchronizations over any portion of the withdrawing Member's own system that had been designated to System purposes, or a reasonable alternative, upon such terms and conditions as the withdrawing Member shall require, at non-discriminatory rates. The withdrawing Member shall not unreasonably refuse to agree on terms for the continuing use up to the withdrawal date established in section C.7.a above, or such other date as the parties may agree upon.
 - c. The withdrawing Member shall not be responsible for any costs that are incurred by or for the remaining Members after the withdrawal date. The withdrawing Member shall remain responsible for any costs incurred or contractually agreed upon prior to the withdrawal date, to the extent permitted by law, up to the withdrawal date established in section C.7.a above, or such other date as the parties may agree upon.
 - d. Upon request by withdrawing Member made before or within sixty (60) days after the effective withdrawal date of termination, the System Manager will make available to the

withdrawing Member a complete and secure (i.e. encrypted and appropriated authenticated) download file of Member's data in an agreed-upon format, along with attachments in their native format. The System Manager will be available throughout this period to answer questions about data schema, transformations, and other elements required to fully understand and utilize Member's data file.

e. A Member's failure to abide by the terms and conditions of this Agreement may result in involuntary termination of membership as provided in the Default Section.

D. Operational Governance

1. The WVOPS Consortium system management structure and provisions concerning operations of the System are those provided for in this agreement, which sets forth general principles concerning structure, purpose, operations and similar matters.

2. Committee Authority and Responsibilities:

a. The operational responsibility of the Committee includes, but is not limited to: establishment of rates and other fees and charges; the allocation of expenditures and revenues among the Members as appropriate; and all other activities necessary or convenient to the efficient operation of the System.

b. The Committee shall develop and maintain appropriate documents that describe with particularity the configuration of the System, including services to support the operation of the System; and set forth the formula for the calculation of rates for services.

c. The Committee is responsible to ensure the completion of necessary installation, implementation, maintenance and replacement of mutually used servers and other System equipment. This work is to be completed by Linn County Sheriff's Office staff, and may also involve Member agency personnel as needed. The Committee will ensure completion of the technical and administrative functions necessary to maintain and operate the System. The Committee may modify the definition of the System by adopting a written system description as part of its provisioning plan.

d. The Committee is responsible to establish, maintain, and update a plan for the continued financial integrity of the System. The plan shall take into account financial obligations, update and upgrade costs, add-on costs, system enhancement and infrastructure needs, long-term financial planning, and provide to the extent possible for a predictable budget schedule. The intent is to deliver budget projections to WVOPS Consortium Members by January 15th, for the following fiscal year. The WVOPS Consortium will adhere to a July 1 to June 30 fiscal calendar.

e. The Committee may from time to time authorize a Member to add or subtract resources to or from the System. Such actions shall be consistent with the overall System objectives. When any change to the resources of the System is implemented, the impact of such changes on rates shall be reflected in the WVOPS Rate Model Plan.

f. The Committee, in its sole judgment and discretion, may elect to add a new Member agency to the Committee with full voting rights if it is determined by the Committee that

the addition of the agency will strengthen the System and create a more beneficial System for the Members. Such addition shall only take place with a unanimous vote by all Committee Members.

g. Subject to prior approval by the Committee, the Linn County Sheriff's Office may enter into subscription agreements and contracts that are reasonably necessary for the ordinary maintenance and operation of the system, as well as enhancement or modification of the system. Any such contracts or obligations shall be reflected in the WVOPS Rate Model Plan.

3. Committee Operation

a. Voting Authority.

- i. Each Member shall be entitled to one vote.
- ii. Each Member shall appoint a representative with authority to vote on behalf of the Member.
- iii. If the Member's representative is unavailable, the Member may delegate its voting authority to a proxy delegate, who is within their own agency or to another Governance Committee Member, by means of a written communication to the Chair of the Committee.

b. Quorum. A quorum of the Committee consists of a majority of voting Members. Notifications of meetings will be sent out, by way of email, to ensure a quorum will exist at the meeting, for actions to be taken. Member representatives will notify the Chair (by written communication, which may include email) of their proxy delegation. If a quorum exists, and unless otherwise specified in this Agreement, a decision or action on an issue may be approved by a majority vote of the Members present.

c. The Committee will strive for general agreement on all issues.

- i. In the case of tie votes, the issue shall be referred to the executives of each of the Governance Committee Member agencies for a decision made by majority vote.
- ii. Any Member may refer a Committee vote or action that would create a significant financial impact for that Member to the executives of each of the Governance Committee Member agencies for review and a decision on that Committee vote or action. The decision of the executives may not be delegated pursuant to Section 3.a.iii. and shall be unanimous.

d. Subcommittees. The Committee may create permanent or temporary subcommittees to facilitate discussion and guide decision-making of the Committee. The subcommittees report and make recommendations to the Committee.

e. Meetings:

- i. Regular meetings. The Committee shall meet not less than quarterly at dates and times agreed to by the Committee.

ii. Special meetings. Special meetings may be called by the Chair or 2 or more Members with not less than 48 hours' notice. Notice of the time and place, and subject(s) of the special meeting shall be sent by email to the designated Member representative and alternates.

iii. An agenda shall be prepared for each meeting and distributed in advance to the Members. The agenda shall identify significant issues to be presented, discussed, or considered at the meeting. Except in case of emergency, notice of agenda items involving a substantial change to Member rates, system enhancement, growth or upgrade contributions, or level of service; shall be given not less than two weeks in advance of the meeting.

iv. Minutes of each meeting shall be kept, in abbreviated form, that record the subject matter of significant items presented, discussed, or considered, and the results of any votes taken. A copy of the minutes of each meeting shall be distributed to the Members within 14 days following the meeting.

4. Officers and Duties

a. There shall be a Chair and a Vice-Chair of the Committee. The Chair and the Vice Chair shall rotate annually beginning at the first meeting of each fiscal year, on the basis of a rotation list of the Members' representatives established by the Committee. New Member representatives' names shall be added to the end of the then-current list.

b. The Vice Chair shall be from the agency that follows the Chair on the rotation list. In the event that the Chair position is vacated during the calendar year, the Vice Chair shall assume those duties and the next named Member representative in rotation shall serve as Vice Chair.

c. Serving as Chair or Vice Chair shall not limit a Member's right to vote.

d. The Chair is responsible to prepare an agenda for each meeting that identifies significant issues to be discussed at the meeting, including for reasonable documentation where necessary to enable Members to be prepared to vote on significant issues.

e. The Chair is responsible to ensure that the minutes of meetings are prepared, distributed, and retained. These files will be stored, and made available in accordance with F(1)(g).

E. System Administration

1. General operational and administrative decisions for the System shall be made by the Committee; provided, however, that individual agencies or groups of agencies that own, lease or otherwise control the components shall be responsible for agency-owned equipment and connection points. Such components shall be compatible with the System but are not regulated by the Committee.

2. The Committee will adopt, in writing, a System Operation and Administration Plan. Modifications to WVOPS-controlled components of the System shall only be made after approval by the Committee. Modifications to Member-controlled components of the

System shall only be made after reasonable prior written notice to the Committee. All modifications of WVOPS-controlled or Member-controlled components must comply with the System Operation and Administration Plan then in effect. This plan will include the following:

- a. Technical standards for server management, database management, system usage, access pathways, equipment type, security, access and the System's design.
 - b. Anticipated future development, enhancement or maintenance of the system, which shall include, but not be limited to, a long-range, multi-year plan for such system changes or maintenance.
 - c. Service level standards including but not limited to:
 - i. Data entry, and data maintenance;
 - ii. Minimum and preferred predictive maintenance schedule and procedure, including communication dissemination plan;
 - iii. Connectivity repair and service reestablishment priorities and timelines;
 - iv. On-hour and off-hours system outage and troubleshooting procedures and contact information;
 - v. Schematics of existing and future server and network layouts;
 - vi. System security standards including, data and physical security requirements for equipment and data storage sites;
 - vii. AC/DC loading requirements for emergency backup systems;
and
 - ix. Disaster plans and agreements, including back up contingencies for the System.
3. The Committee shall develop and maintain a System Infrastructure Description which will include at least the following:
- a. A written and/or graphic depiction of the System infrastructure, including location of major equipment and transmission routes. The WVOPS-controlled and Member- controlled components shall be separately described in an appendix to the System Operation and Administration Plan with identification of connection points within the System. This appendix shall be updated annually by the Committee or its designee;
 - b. A written and/or graphic depiction of the System's network topography, clearly describing the System's boundaries, firewalls, tie-ins, routes, DMZs, domain trusts, and more. This topography shall include the interfaces between the equipment and links which comprise the System, and any system or equipment which may attach to it, but are not under the control of the Committee;
 - c. A written and/or graphic description of each interface (software or hardware) to the System;

d. A description of ownership, maintenance agreements, contact information and other information necessary for maintenance, repair and security for each segment or server of the System;

e. An indication of any priority equipment or routes, as well as redundant routes, to allow for priority repair and/or special security and service considerations.

F. Operations and Maintenance *(Combined the roles of Sys Admin, Sys Manager, Financial)*

1. System Management for WVOPS Consortium will be handled by the Linn County Sheriff's Office, who will appoint a System Manager. This appointment will be made known to the Governance Committee Chair at the first meeting of each fiscal year. Should the System Manager be changed (or experience an extended leave of absence) Linn County Sheriff's Office will notify the Chair of the new System Manager within 10 business days. The System Manager will serve as staff to the Committee, and may vote on behalf of the Linn County Sheriff's Office on Committee business. System Management costs will be reflected and allocated in the WVOPS Rate Model Plan. Unless otherwise assigned by the Committee, the System Manager will be responsible for the following:

Operational responsibilities include:

- a. Develop and maintain the System Operation and Administration Plan and the System Infrastructure Description;
- b. Manage technical aspects of the system; track and repair technical issues; oversee technical issue resolutions and manage the preventative maintenance schedule;
- c. Inform the Committee and WVOPS Users of System issues; provide System use information to the Committee;
- d. Coordinate implementation and trainings, including working with Members to ensure data integrity, data entry standards, and data synchronization with third-party interfaces;
- e. Communicate with current and potential new users; ensure that System users are kept informed of those things that could impact daily use of the System;
- f. Ensure the WVOPS Consortium operates and is compliant with standards, protocols and policies, including but not limited to, those governed by Health Insurance Portability and Accountability Act (HIPPA), and Criminal Justice Information Systems (CJIS).
- g. Provide file share location where documents, meeting minutes, reference material and other WVOPS Consortium files will be stored, and accessed by Members.
- h. Perform any other duties as deemed necessary by the Committee.

Fiscal responsibilities include:

- g. Prepare, propose and manage the WVOPS budget per the System Operation and Administration Plan and the WVOPS Rate Model Plan;
- h. Invoice and collect Member fees and System improvement fees;

- i. Provide all accounts payable functionality including the payment of WVOPS expenses;
- j. Provide standard quarterly financial reports or on-demand financial reports as needed
- k. Assist with future budget projections and preparation; and
- l. Provide purchasing expertise and act to implement contracts executed by the Linn County Sheriff's Office after approval by WVOPS.
- m. Provide budget projections to WVOPS Consortium Members by January 15th, for the following fiscal year.

- 3. Nothing in this Agreement shall be construed to require the System Manager, or any of the above-mentioned Committee members to violate a law, rule, or regulation or to breach any contract.

G. Future System Expansion

- 1. One or more Members may propose plans for future expansion of WVOPS controlled components of the System, to the Committee for approval as set out in the voting provisions in section D.3 of this Agreement. Costs related to the expansion of WVOPS Controlled components, including implementation time/materials, will be projected by the System Manager for consideration with the plan, as will projected increases to ongoing maintenance and support costs.
- 2. No Member shall be obligated to pay for any part of a system expansion or system equipment, where a direct benefit for that Member does not exist except as agreed upon in the WVOPS Rate Model Plan.
- 3. Once any agreed-upon future expansion of the WVOPS controlled components is complete, that expansion shall become part of the System Operation and Administration Plan.
- 4. Future operations and maintenance costs of the System expansion shall be the responsibility of Members as defined within the WVOPS Rate Model Plan and the System Operation and Administration Plan.
- 5. Members may make changes to Member controlled components without Committee approval pursuant to section E.2 of this Agreement.

H. Rate Setting and Billing

- 1. The Committee shall review and update its rates annually. Rates shall be adopted by January 15 for the new fiscal year starting on July 1.
- 2. The existing WVOPS Agencies, along with future agencies, were previously given budget projection figures for fees and their share of maintenance and support contracts. This is, in large part, built upon certain assumptions of percentage of use of the software modules, and subject to change. This rate set in the budget projection figures will remain in effect until such time as all Member subscribers are functionally operating on the

system, new agencies or equipment need to be added to the system, or a comprehensive WVOPS Rate Model Plan is adopted.

3. Once all Member agencies are operational the Committee will adopt a written rate-setting methodology, known as the WVOPS Rate Model Plan, designed to recover costs of software licenses, software maintenance and support, hardware/server costs, hardware/server maintenance and support, connectivity costs to backup site, system enhancement, growth and upgrades, replacement of existing system components, contractual commitments, and reserves. The methodology shall, to the extent practicable, allocate costs fairly among the members while taking into consideration factors such as usage of specific modules, base system usage, original site license fees, and equitable usage of modules
4. The Committee, by and through the WVOPS System Manager, will invoice and collect revenues from Members, Subscribers, Users and Affiliate Users for the use of the System and if necessary, for System improvements.
5. Member contributions for future system enhancements, growth, or other upgrades will be tracked for historical purposes but will not be factored into rates.

I. Default

1. If any Member is reported to be in default (Defaulting Member), under this Agreement, by any other Member or WVOPS representative the Committee shall evaluate the report and notify the Defaulting Member in writing of the scope and nature of the default (Default Notice), if any. The following events shall constitute default under this Agreement:
 - a. Failure to make any payment when due hereunder;
 - b. Failure to perform in any material respect any obligations required to be observed or performed hereunder;
 - c. Willful and material interference by one Member to another Member's System-related operations;
 - d. Use of the System in a manner deemed to be inappropriate by the Committee.
 - e. Knowing and/or ongoing actions relating to the System which constitute actionable violation(s) of law or local regulations.
2. Remedies
 - a. Defaulting Member's Right to Cure. The Defaulting Member shall have the right to cure any breach or default under this Agreement within the soonest practical time, which shall not exceed 60 calendar days after the receipt of Default Notice. In the event that any breach or default is of a nature such that it may not reasonably be cured within 60 calendar days, the Defaulting Member shall have the right to submit a written plan to the System Manager detailing appropriate actions the Defaulting Member shall take to cure such breach or default. The Defaulting Member is solely responsible for consultation

with the System Manager and Governance Committee to ensure the remedial plan will result in a timely cure of default. Within the 60 calendar days period after receipt of Default Notice, the Defaulting Member must commence diligently pursuing appropriate action under the plan to cure the breach or default, in which event the Defaulting Member shall have a longer period of time to cure the breach or default so long as the Defaulting Member shall continue to be diligently pursuing appropriate action during such period; provided, however, that in no event shall such time period exceed 120 days from the date of receipt of the Default Notice. During the period allowed for cure of breach or default, the defaulting Member may, at the option of the Committee, retain the right to use the System, providing such use does not damage, diminish or otherwise negatively impact the System.

b. Remedies. If the Defaulting Member fails to timely cure any material default in a manner which maintains the integrity of the System, the Committee shall have the right to terminate the Defaulting Member's Membership. The Committee or any Member may elect to cure any default of a Defaulting Member to preserve one or more Member's rights that may be prejudiced as a result of such default; and exercise and pursue all other rights and remedies available to it under applicable law. In the event of a termination under this clause, the obligations under Subsections C.7.b. and C.7.c, "Termination of Membership", shall continue.

c. Except as otherwise provided in this Agreement, any right or remedy afforded to any Member under any provision of this Agreement on account of breach or default by another is in addition to, and not in lieu of, all rights or remedies afforded any Member under any other provision of this Agreement, by law or otherwise on account of the breach or default.

J. Ownership and Insurance

1. For insurance purposes, the current owner of record of the WVOPS controlled System components shall be described in the System Operation and Administration Plan. As the owner of record, the agency must maintain adequate insurance on the WVOPS controlled System components. If the agency ceases to be a Party, or ceases to be willing to serve as the owner of record and provides the Committee reasonable advance notice, the existing owner will transfer ownership to a willing new owner, who then agrees to insure the WVOPS controlled System components.
2. Other Member's rights regarding equipment will be assured in other provisions of this Agreement.

K. Indemnity

1. Subject to Subsection K.4 below, each Party agrees to defend, indemnify and save the other Parties harmless from any claim, liability or damage, including attorney fees, resulting from any error, omission or act of negligence on the part of the indemnifying Party, Member, its officers or employees, and agents in the performance of its responsibilities under this agreement.
2. Subject to Subsection K.4 below, each Party agrees to indemnify and hold the other Parties, Members, their officers, employees and agents harmless from its proportional

share of liability (each Member's proportional share shall be based on the total number of Members of the Committee) for the decisions and actions of the Committee, and for the decisions and actions to implement the Committee's decisions by the System Manager. Notwithstanding the assumption of liability under this Subsection K, the Parties are not liable for any action of the System Manager that violates the law, breaches a contract, or willfully causes damage or injury.

3. Each Party shall require that any independent contractors, licensees, invitees or vendors performing responsibilities under this Agreement have insurance coverage that the Party typically requires for the type of work, with each Party and its governing Board or Council members, officers, employees, and agents covered as additional insured's for general and any auto liability coverage. Each Party shall also require in any contracts with any independent contractors, licensees, invitees or vendors that the independent contractors, licensees, invitees or vendors agree to indemnify each of the Parties to this Agreement in accordance with the terms in Subsection K.1 above.
4. The Parties' indemnity and hold harmless obligations are subject to the limitations of the Oregon Tort Claims Act and the Oregon Constitution, as applicable. The Parties expressly recognize and agree that the indemnifying Party's obligation to indemnify, defend, protect and save another harmless is not a material obligation to the continuing performance of its other obligations, if any. The Parties also recognize their rights to any and all actions under the law. These obligations shall survive the expiration or termination of this Agreement.

In providing the services described or related to this agreement all the Parties are public bodies and shall maintain their public body status as specified in ORS 30.260. All the Parties understand and acknowledge that all Parties retain all immunities and privileges granted them by the Oregon Tort Claims Act (ORS 30.260 through 30.295) and any and all other statutory rights granted as a result of their status as local public bodies.

L. Limitation of Liability

Notwithstanding any provision of this Agreement to the contrary, no party shall be liable to any other party for any special, incidental, indirect, punitive or consequential damages, or damages for lost revenue or lost profits, whether foreseeable or not, arising out of, or in connection with such party's failure to perform its respective obligations hereunder, including, but not limited to, loss of profits or revenue (whether arising out of transmission or transport interruptions or problems, any interruption or degradation of service or otherwise), or claims of customers, whether occasioned by any constructions, reconstruction, relocation, repair or maintenance performed by, or failed to be performed by, the other party or any other cause whatsoever, including breach of contract, negligence, or strict liability, all claims for which such damages are hereby specifically waived. Except for the limitations on actions contained in the applicable provisions of the Oregon Tort Claims Act, nothing contained herein shall operate as a limitation on the right of a party hereto to bring an action for damages against any third party, including claims for indirect, special or consequential damages, based on any acts or omissions of such third party.

M. Notice

Any notices required or permitted by this Agreement shall be deemed given when personally delivered to the recipient; upon the date signed as delivered if the notice is sent by United States mail, postage prepaid, certified, return receipt requested; or upon delivery if sent by email.

All notices to Parties or Members of this agreement will be given to the Member Agency's Governance Committee representative, and Executive. For Users and Affiliate Users without a Governance Committee representative, notice will be given to the Executive.

All notices for the Linn County Sheriff's Office should be sent to the Linn County Sheriff's Office, 1115 SE Jackson Street, Albany, Oregon 97322 ATTN: WVOPS System Manager, or when delivered personally, given to the System Manager as identified under Section F.1.

N. Additional Agreements

This Agreement is intended to generally set forth the agreement among the Parties regarding the operation of the System and the obligations and benefits of membership in the System. However, the Parties may supplement this Agreement by entering into subsequent written agreements. This Agreement supersedes the Intergovernmental Agreement entered into between Linn County and the City of Albany as reflected in Linn County Board of Commissioners Resolution and Order 2014-354. In the event of conflict between this Agreement and any supplemental agreement(s) between the Parties, the terms of this Agreement will take precedence over all supplemental agreements.

O. Amendment Process

This Agreement may be amended only by written agreement among all Parties. Any amendment shall be executed by a person authorized to bind the Party to the amendment.

P. Partial invalidity

If any term or provision of this Agreement or the application to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

Q. Waivers

No waiver of any breach of any covenant or provision contained here shall be deemed a waiver of any preceding or succeeding breach of that covenant or provision, or of any other covenant or provision here contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

R. Effective Date; Term

This Agreement will become effective for the current Parties when executed by all the current Parties. The Agreement shall become effective for additional Parties approved by the Committee upon the date an agreement is executed between the additional Party and the Linn County Sheriff's Office. This Agreement shall be in effect indefinitely until at least two-thirds of the Member agencies' executives vote in favor of terminating the Agreement.

S. Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the "State of Oregon"

T. Dispute Resolution

The Parties are required to exert every effort to cooperatively resolve any disagreements that may arise under this Agreement. This may be done at any management level, including at a level higher than the Member representatives. In the event that the Parties alone are unable to resolve any conflict under this Agreement, they are encouraged to resolve their differences through mediation or arbitration, using such process as they may choose at the time.

IN WITNESS WHEREOF the parties have signed this Agreement as of the date first above written.

For Benton County:

Name: J. Scott Jackson
Title: Sheriff

Date

For Linn County:

Name: Bruce W. Riley
Title: Sheriff

Date

For the City of Albany:

Name: Jorge Salinas
Title: Assistant City Manager

Date

For the City of Corvallis:

Name: Mark Shepard
Title: City Manager

Date

For the City of Philomath:

Name: Ken Reuben
Title: Chief of Police

Date

For the Lebanon Fire District:

Name: Gordon Sletmoe
Title: Fire Chief

Date

For the Sweet Home Fire & Ambulance District:

Name: Dave Barringer
Title: Fire Chief

Date

For the Scio Rural Fire District:

Name: Doug Branch
Title: Fire Chief

Date

For the Tangent Rural Fire District:

Name: Scott Casebolt
Title: Fire Chief

Date

For the Halsey-Shedd Rural Fire District:

Name: Travis Hewitt
Title: Fire Chief

Date

For the Brownsville Rural Fire District:

Name: Kevin Rogers
Title: Fire Chief

Date

For the Harrisburg Fire & Rescue District:

Name: Bart Griffith
Title: Fire Chief

Date