

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Municipal Court Room
Monday, May 8, 2017
4:00 p.m.

MINUTES

CALL TO ORDER

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

ROLL CALL

Councilors present: Councilors Rich Kellum, Bill Coburn, Ray Kopczynski, Dick Olsen, Bessie Johnson, and Mike Sykes.

Councilors absent: None.

BUSINESS FROM THE PUBLIC

There was none.

TRANSPORTATION SYSTEM DEVELOPMENT CHARGES (TSDC) PROJECT LIST UPDATE

Transportation Systems Analyst Ron Irish described the three projects proposed for increased funding. He said Project L19 is in the Transportation System Plan (TSP) now. It will add a second right-turn lane from First Avenue onto the Lyon Street Bridge. The cost is increasing because it was originally thought to be a striping project, but the Oregon Department of Transportation (ODOT) says the intersection needs new signals. Match money may be available for this project.

There was a replacement page for page 17 for the Work Session packet on the dais (see agenda file).

Councilor Bill Coburn asked if ODOT will design and bid the project. Irish said Public Works will try to get them to do that.

Councilor Bessie Johnson asked if this project is preliminary to another project, or stand-alone. Irish said it's a stand-alone project.

Irish said Project I35 is the intersection of Crocker Lane and Gibson Hill. The intersection has a traffic light now. The increased amount for this project reflects a Council decision to install a roundabout at this intersection, which will require acquiring right-of-way. Councilor Dick Olsen asked what the property owners think about losing property to the project. Irish said they are not happy about it. Councilor Rich Kellum asked what would happen if the owners refuse to sell right-of-way. Irish said the City would have to adjust the project or start condemnation proceedings. Konopa asked if there is room to shift the project south. Irish said moving the roundabout south would misalign the Gibson Hill Road approach. Coburn said he would hate to do a condemnation or to have to buy the entire properties.

Irish said Public Works doesn't have enough information about the project yet to tell the owners exactly how much property would be needed. To do that, we will need to do a 30-percent design. Public Works has asked a consultant for a quote on that. Kellum asked if there was a big difference in the amount of land needed for the modern roundabout and the mini-roundabout. Irish said the mini-roundabout would almost fit in the existing right-of-way. A signal with no turn lanes would fit, and there is enough money in the TSDC account to construct it now. A signal with turn lanes will require some additional right-of-way and road reconstruction.

Councilor Ray Kopczynski asked about the fee methodology. Irish explained.

Public Works Engineering and Community Development Director Jeff Blaine said the funding update will create room to use funds for a roundabout but doesn't lock the Council into choosing a roundabout.

Councilor Mike Sykes asked what is the benefit of a solution that costs three times what a signal would cost? Irish said when Public Works brought the options to the Council, staff recommended a single-lane signal or a mini-roundabout. Public input showed that the full-size roundabout was the most popular option, and also the least popular. The Council then chose the roundabout.

Johnson asked if this is a good time to change direction from the large roundabout to the small one. She doesn't want to have to take people's property. Konopa said the discussion of the roundabout would be better done at another work session. Irish said staff's last direction from the Council was to proceed with right-of-way negotiations for the full-size roundabout. If the Council is having second thoughts, we probably should have another work session for discussion.

Kellum said he doesn't remember discussion of tearing recent work out to make the big roundabout. He thinks people will object if the City starts tearing out new concrete, especially when the project will cost another \$700,000. He thinks we should have an alternative in reserve.

Blaine said to avoid unneeded use of staff time, we should discuss what option we will move forward with now. The City received ODOT grant money for the previous improvements, so the cost difference to the City isn't significant. Kopczynski said he is okay with following the process for the full roundabout. Irish repeated that adopting tonight's resolution doesn't lock the Council into anything. The Councilors can change their minds up to the point where we start buying land. Sykes said if we spend money on the design and then decide not to build the roundabout, that money is gone. He asked how much it would be. Irish said he doesn't have a quote from the engineer yet.

City Manager Wes Hare said there are new people involved in the decision-making now, and we also need to proceed through the agenda. He suggested asking staff to bring a resolution back to another work session. Coburn suggested that Public Works go ahead with the 30-percent design and talk to the property owners before coming back to the Council.

Irish described the projects proposed for decreased funding. He said parts of Project L5 have already been built by ODOT and the railroad. The City probably won't be doing this project in the short term. Konopa asked if we should do sidewalk improvements. Irish said if the Council wants to leave some money in the project for sidewalks, they can do that.

Blaine said anything moved off the list could be put back on later if there was a need. Irish said the projects we propose moving money to are much more important in the short term than exactly which projects we move money from. Coburn suggested zeroing out Project L16, the new east/west collector, and moving some of that money to L5. Kellum said he doesn't agree with moving money from the east side of town to the west side of town. Discussion followed.

Irish said when we move SDC-funded amounts, we aren't really moving money, we're just making the project eligible for funding.

The Council directed Irish to revise his memo to shift the funds as described, leaving enough money in L5 to do sidewalks, and bring it to the Council's Regular Session Wednesday, May 10, 2017.

LOCAL FUEL TAX PROCESS

Engineering Manager/Assistant City Engineer Guy Graham handed out a list of questions for the Council and an excerpt from a League of Oregon Cities (LOC) article from 2007 (see agenda file). He reminded the Council that the discussion so far has only included arterial and collector streets, and that a gas tax alone won't fill the funding gap. He referred to the table on page 36 of the agenda packet, which shows deadlines for the November 7, 2017, election. The cost to put a measure on the ballot is approximately \$30,000.

Graham said the LOC article outlines the process for implementing a gas tax. He said he talked to staff at the City of Portland, City of Troutdale, and City of Bend. Portland and Troutdale got voter approval for their gas taxes, but Bend didn't. All three cities invested significant staff time, and used some consultant time, as well. Graham said it's good strategy to put local tax measures on the ballot when there are no competing funding measures. He said the public often doesn't understand how street maintenance and repairs are paid for. He believes it's important to take enough time to educate the voters.

Graham proposed an approach to getting voter buy-in that included making budget adjustments to help fill the funding gap, and forming a stakeholder group to do research, make recommendations to the Council, and do outreach in the community.

Graham asked the Council to consider the questions on his list. He said if the Council decides to go ahead with a gas tax measure, Public Works staff will provide a prioritized list of the top ten street projects at the May 22, 2017, Work Session.

Konopa asked if Public Works was recommending not putting a gas tax measure on the November ballot. Blaine said a gas tax is probably necessary, and they recommend going forward for November, with the answers to Graham's list of questions. Public Works' concern is that they would be able to get more voter support if they had a year or two to work on it. He suggested continuing discussions with the Council and making some decisions on internal funding. He thinks it would then be easier to get voter support.

Konopa said if we wait, we wouldn't see any additional funding for streets for several years. She thinks we need to go to the voters now. The Budget Committee recommended a gas tax two or three years ago. It's been in discussion for several years. A gas tax is the fairest way to get money to fix our streets. She suggests asking the voters first, before looking at other funding sources. Next year's election will be a political one, with competing measures on the ballot, and voters will be more likely to vote no.

Johnson said she thinks that if a gas tax is presented right and voters know exactly which streets will benefit, people will vote for it. Konopa said she thinks a gas tax should be designated for residential streets only.

Former Public Works Department Director and former City Councilor Floyd Collins said he thinks a gas tax measure doesn't have a chance without the residential benefit. He said the difference between a three-cent-per-gallon and a five-cent-per-gallon tax won't matter to voters, but there has to be a residential component. He would recommend budgeting now to restore street funds, including residential streets in the list, and accelerating to go to the ballot this November.

Blaine said previous years' borrowing of money from street accounts is in the memo in the agenda packet. He said there are many competing needs, so when you talk about re-establishing street funding sources, you will have to discuss priorities.

Sykes said if we do a street light at Crocker Lane and Gibson Hill instead of a roundabout, we could save \$750,000 for streets. He thinks a gas tax isn't fair. People who can afford newer, fuel-efficient or hybrid vehicles won't be paying as much as others.

Kellum said the first thing we need to do is to make voters understand how bad the situation is. We need to give them the cost per street to repair. When the voters understand this, then we can all prioritize. The voters will need to decide whether they want their street fixed or another library or park. He said the Council hasn't asked staff yet for the information it needs to make these decisions. Three cents per gallon is a drop in a swimming pool. The voters should know what the money will be spent on.

Kopczynski asked, if the Council has a hard time understanding funding mechanics, how much more trouble does the public have? No matter how many facts are presented, voters won't necessarily think about what's best for the overall community. They won't vote yes if their street isn't on the list. He thinks a gas tax is a no-brainer. He thinks if we have to present a gas tax over and over, we need to do it until it passes. These are our streets.

Coburn referred to Graham's cost figure of \$30,000 to put a measure on the ballot for a special election. He asked how much it would cost in a general election. Graham said it would be minimal. Coburn said the City needs to get its own funding in order, and waiting until 2018 would give us time to do that. He doesn't see value in rushing a measure to the voters if we aren't fairly certain it will pass.

Konopa said a gas tax is a simple option. The City has spent money sending other measures to election. If we are going to spend money on more studies or on a consultant, we might as well spend it on an election that will show us the will of the voters.

Kellum asked how close staff is to knowing how much a street costs. If voters can see how much it costs, the need will be more real. Blaine said there are several ways to show that cost. In July, Public Works gave the Council a list of how much work of a certain type could be done with a certain amount of money. Konopa said it would be helpful even to identify how many miles of slurry seal and crack seal could be done in one year for a certain amount.

Ray Hilts said Albany's gas prices are currently coming down. He doesn't think people will drive to Corvallis to save three or four cents per gallon on gas. He is in favor of putting a measure on the ballot this November.

Blaine said staff agrees that we need a gas tax. Their questions are about the timeline and the public outreach process. If the Council wants to put a measure on November's ballot, staff can do it, but they need the answers to the questions Graham handed out.

To answer the first question, Johnson said the Council needs to know what shape specific roads are in. Konopa said we need to identify streets citywide.

The Council prefers a five-cent-per-gallon tax, applied to both gas and diesel fuel. They said the tax should not be phased in, and should not sunset at a specific time. For outreach, they suggested producing fact sheets, meeting with the Chamber of Commerce, and putting information out on social media. They agreed that they do not want to wait for the state legislature to act, and that they do not want to hire an outside consultant.

Kellum said, in order to make a gas tax measure successful, we have to show the voters that the City is willing to look at all the things it spends money on. Hare said we should be careful how we characterize taking money from the street fund. The City lost a lot of money and ten percent of its employees, during the recession. We spread cuts over all departments. It isn't fair to say we took money from streets and put it somewhere else.

The Council directed staff to put together a list of needed street work and costs, including residential streets, and bring it back to the May 22, 2017, Work Session.

PROPOSAL FOR SOLAR PANELS ON FIRE STATIONS

Assistant City Manager/CIO Jorge Salinas said the proposal on the agenda is to partner with Energy Wise for solar panels on the fire stations. The panels would be installed and maintained by Energy Wise, which would sell the electricity produced back to the stations at ten percent below current rates. After nine years, Energy Wise would sell the systems to the City for \$1.00 per station. The life of the panels is 20 to 30 years. Energy Wise has already installed panels for the Greater Albany Public Schools District (GAPS), the Boys and Girls Club, and the Albany Regional Museum. Fire Chief John Bradner supports the proposal.

Johnson asked about maintenance for the systems. Peter Greenburg, owner of Energy Wise, said maintenance is minimal, mostly monitoring and cleaning. Salinas said maintenance would be covered by Energy Wise during the term of the contract.

The Council discussed where on the buildings the panels would be installed, and whether they would be visible from the street.

Coburn asked how many panels would be on each station. Greenburg said about a hundred on each of two stations, and about 150 on the North Albany station. Konopa asked how big the panels are. Greenburg said they are 39 by 77 inches. Coburn asked how many inverters would be on each station. Greenburg said two or three per 100 panels. Coburn asked how much they would cost. Greenburg said four to five thousand dollars per station. Coburn said the reason he's asking is that the agreement is for nine years, and the approximate life of the inverters is ten years. So it looks like a year after the City takes ownership of the system, it will have to spend up to \$15,000 to replace all the inverters. Greenburg said the standard warranty on the inverters is ten years, and he hasn't had any problem with them. He could pay extra for a longer warranty, but at the rate prices are coming down, it wouldn't be worth doing.

Coburn asked if the station roofs could handle the weight load of the systems. Bradner said during evaluation of the proposal, Building Maintenance okayed the roofs. Greenburg said they would have a structural engineer do an evaluation before they install the systems.

Greenburg explained the mechanics of power production by the panels and use by the buildings. Salinas said the City will buy the power produced from Greenburg, at a ten percent discount from power company rates.

Coburn asked if Greenburg had provided references. Bradner said he talked to the City of Dundee Fire Chief, who uses the system. He said it works exactly as Greenburg said, and the City of Dundee was ready to request more installations from Greenburg.

Kopczynski said the agreement states that the systems will save the City just under \$100 per month, which isn't a lot. There have been horror stories in the news in the last few years about the problems of some solar companies. He asked what would happen if Greenburg left the business. Greenburg said the systems will still make power, and his partner or his son would take over the business. Kopczynski noted that the City has no financial investment for the first nine years. He asked if we can ensure that the equipment becomes the City's if something happens to Energy Wise. Greenburg said that can be put into the agreement.

Salinas said this isn't costing the City anything. We're just buying solar power instead of power generated by fossil fuel.

Kellum asked about batteries for emergency backup power. Greenburg said that requires a different inverter and different, expensive batteries. Bradner said we have standby generators at all of our fire stations.

The Council agreed to authorize drafting an agreement for Council approval. Salinas said that once the contract is signed, the system would take a couple of weeks to install.

COUNCILOR COMMENTS

There were none.

CITY MANAGER REPORT

Hare reported that Kopczynski had asked about progress on bronze plaques for the new stations, and what they would cost. Hare doesn't have an estimate yet. It will be up to the Council whether they want to have plaques placed at the buildings.

ADJOURNMENT

There being no other business, the meeting was adjourned at 6:06 p.m.

Respectfully submitted,

Reviewed by,

Allison Liesse
Accounting Specialist

Wes Hare
City Manager