

# ALBANY CITY COUNCIL AGENDA

**Wednesday, May 22, 2024**  
**6:00 p.m.**

Council Chambers, City Hall  
333 Broadalbin Street SW  
Watch on YouTube: <https://www.youtube.com/user/cityofalbany>

Please help us get Albany's work done.  
Be respectful and refer to the rules of conduct posted by the main door to the Chambers and on the website.

1. Call to order and pledge of allegiance
2. Roll call
3. Special presentations
  - a. Albany Police Department Awards Presentation – Marcia Harnden [Verbal]
4. Public hearings
 

*Persons wanting to provide testimony during public hearings at city council meetings may:*

  - 1- *Email written comments to the staff contact, listed below, including your name and subject of the public hearing, before **noon on the day of the meeting.***
  - 2- *To testify virtually during the public hearing, register by emailing the staff contact, listed below, before **noon on the day of the meeting**, with your name; phone number; and if you are speaking for, against, or neutral on the project/subject. The mayor will call upon those who have registered to speak.*
  - 3- *Appear in person at the meeting and register to speak using the sign-up sheet on the table.*
  - a. Utility rate adjustments for Fiscal Year 2024-2025 – Rob Emmons [Pages 3-33]
 

*The staff contact for this public hearing is: [Rob.Emmons@albanyoregon.gov](mailto:Rob.Emmons@albanyoregon.gov)*

1) Resolution setting rates for wastewater system use	RES NO. _____ p. 16
2) Resolution setting rates for water use	RES NO. _____ p. 25
3) Resolution setting rates for stormwater management services	RES NO. _____ p. 29
5. Business from the public
6. First reading of ordinances
  - a. Parks Tree code ordinances – Jay Sharpe [Pages 34-41]
    - 1) Ordinance amending Albany Municipal Code 7.98 to increase number of protected trees and prohibit activities that could harm protected trees      ORD NO. \_\_\_\_\_ p. 36
    - 2) Ordinance amending Albany Development Code title 9 to prohibit activities that could harm protected trees      ORD NO. \_\_\_\_\_ p. 39



7. Award of contracts
  - a. Contract for the building permitting software system – Sean Park [Pages 42-43] MOTION \_\_\_\_\_
  - b. Award of contract for ST-23-01, Washington Street Area Improvements – Staci Belcastro [Pages 44-47] MOTION \_\_\_\_\_
  - c. Award of contract for ST-24-01, Queen Ave: Highway 99E to Marion Street – Staci Belcastro [Pages 48-51] MOTION \_\_\_\_\_
  
8. Adoption of consent agenda
  - a. Approval of minutes [Pages 52-57]
    - 1) May 6, 2024, city council work session
    - 2) May 8, 2024, city council meeting

MOTION: \_\_\_\_\_
  
9. Staff reports
  - a. Personnel changes for the Police Department – Marcia Harnden [Page 58] MOTION \_\_\_\_\_
  - b. Personnel changes in Human Resources Department – Holly Roten [Pages 59-61] MOTION \_\_\_\_\_
  - c. Salary grade adjustments for City Clerk – Holly Roten [Page 62] MOTION \_\_\_\_\_
  
10. Business from the council
  
11. City manager report
  
12. Next meeting dates  
Monday, June 10, 2024; 4:00 p.m. work session  
Wednesday, June 12, 2024; 6:00 p.m. meeting
  
13. Adjournment

*This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: [cityclerk@albanyoregon.gov](mailto:cityclerk@albanyoregon.gov)*

*Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.*



# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager *ES/13*  
Chris Bailey, Public Works Director *CB*

FROM: Robert Emmons, P.E., Assistant City Engineer *RE*

DATE: May 9, 2024, for the May 22, 2024, City Council Meeting

**SUBJECT:** Public Hearing: Utility Rate Adjustments for Fiscal Year 2024-2025

Relates to Strategic Plan theme: Great Neighborhoods, A Safe City, A Healthy Economy, An Effective Government

## Action Requested:

Staff recommends City Council hold a public hearing, deliberate, and act on the attached resolutions.

## Discussion:

At the April 8, 2024, City Council Work Session, staff provided a summary of water, sewer, and stormwater utility needs and provided recommendations for rate adjustments in fiscal year 2024-2025. The April 8 council memo is provided as Attachment A and includes detailed descriptions of the needs for each utility. The council is holding a public hearing on the rate increases shown below to consider implementing resolutions.

- Two (2) percent sewer rate increase, effective July 1, 2024
- Four (4) percent water rate increase, effective January 1, 2025
- Six (6) percent stormwater rate increase, effective March 1, 2025

Attachments B, C, and D provide resolutions for each of the recommended increases. The sewer rate resolution also includes an increase for Significant Industrial Users (SIU) to \$955 to reflect the increase in fees charged to the City by the Oregon Department of Environmental Quality (DEQ) for these permits. As they have done for each of the last few years, DEQ increased the SIU fee to \$955 effective November 1, 2023. The City's practice has been to adjust the SIU fee described in the rate resolution to match the amount charged to the City by DEQ.

## Budget Impact:

Sewer: A 2 percent sewer rate increase is estimated to generate \$400,000 in additional rate revenue to the sewer fund.

Water: A 4 percent water rate increase is estimated to generate \$640,000 in additional rate revenue to the water fund.

Stormwater: A 6 percent increase is estimated to generate \$300,000 in additional rate revenue to the stormwater fund.

RE:kc

Attachments (4)

- c: Kristin Preston, P.E., Operations Manager (via email)  
Ryan Beathe, P.E., Civil Engineer III (via email)  
Jeff Babbitt, Public Works Business Manager (via email)  
Patty McInnes, Public Works Customer Service Supervisor (via email)



# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager

FROM: Chris Bailey, Public Works Director *CB*

DATE: March 26, 2024, for the April 8, 2024, City Council Work Session

**SUBJECT:** Utility Rate Adjustments for Fiscal Year 2024-2025

Relates to Strategic Plan theme: A Safe City; An Effective Government

## Action Requested:

Staff recommends City Council provide direction regarding utility rate adjustments for Fiscal Year (FY) 2024-2025.

## Discussion:

Each year, Public Works staff provides annual revenue and expenditure reports for the three water utilities, recommends rate adjustments, and provides five-year rate projections necessary to meet levels of service established by council. All of the utilities are discussed at one time to better understand the combined impacts of utility rates on the community.

Based on council feedback from this work session, staff will develop new rate resolutions for each utility, which will be adopted following a public hearing in April. The effective dates of the new rate resolutions will be the traditional times of year that adjustments are implemented (sewer is the first to occur in the fiscal year):

- Sewer – July 1, 2024
- Water – January 1, 2025
- Stormwater – March 1, 2025

This memo provides a summary of each recommendation for FY 2024-2025. Attachment A provides a more detailed discussion of water, sewer, and stormwater revenues and requirements with an updated five-year rate projection. Attachment B provides community comparisons for utility bills.

### *Sewer Rates*

A two (2) percent rate increase effective July 1, 2024, is required to respond to inflationary and other cost increases throughout sewer programs and to meet the council's approved financial target for annual capital projects of \$3.6 million (inflation adjusted). In addition to the rate increase, staff recommends increasing the permit fees for Significant Industrial Users (SIU) to \$955 to reflect the increase in fees charged to the City by the Oregon Department of Environmental Quality (DEQ) for these permits. As they have done for each of the last several years, DEQ raised the SIU fee to \$955 in November of last year. The City's practice has been to adjust the SIU fee described in the rate resolution to match the amount charged to the City by DEQ.

### *Water Rates*

A four (4) percent rate increase effective January 1, 2025, is required to respond to inflationary and other cost increases and to move closer to the council's approved financial target for annual capital projects of \$3 million (inflation adjusted).

*Stormwater Rates*

In June 2018, the council approved a funding plan consisting of a series of 17 percent per year increases that began in 2019 and was completed with the rates set for fiscal year 2023-24. The goal of this plan was to create an additional \$1.8 million (inflation adjusted) in annual stormwater revenue by 2025 to pay for new regulatory requirements and begin addressing deferred maintenance. This goal has been achieved. In the rate memo and presentation last fiscal year, staff communicated that a new revenue target would be built for the stormwater utility so that a new rate forecast could be performed. This new revenue target is similar to the structure of the rate revenue target in the more senior water utilities and includes the operating revenue forecast, an In Lieu of Franchise Fee (ILFF) transfer to the street fund, and an increasing capital project goal. To achieve those objectives, a stormwater rate increase of six (6) percent is required.

*Residential Utility Bill Impact*

The following table identifies 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 two percent sewer increase, a four percent water rate increase, and a six percent stormwater increase.

<b>Proposed Rate Increase</b>	<b>Monthly Increase</b>	<b>Total Monthly Charges</b>
2% Sewer	\$1.39	\$69.62
4% Water	\$2.37	\$62.08
6% Stormwater	\$0.97	\$17.28
<b>Total:</b>	<b>\$4.73</b>	<b>\$148.98</b>

Unlike residential customers, commercial and industrial customers do not use water and sewer services in predictable and uniform ways. Impacts to the total monthly bill of any individual commercial or industrial customer are likely to be unique to that customer depending on their circumstances. For these reasons, summarizing the impacts to these groups of customers does not fit neatly into a single table. A more detailed discussion of potential increases in monthly charges for these customers will take place at the city council work session.

Community comparisons for both individual utility bills and total bills are provided as Attachment B. The total utility bill described in this table includes all utilities within each community (sewer, water, stormwater, transportation, and other city service utility charges).

**Budget Impact:**

Sewer: A two percent sewer rate increase is estimated to generate \$400,000 in additional rate revenue to the sewer fund.

Water: A four percent water rate increase is estimated to generate \$640,000 in additional rate revenue to the water fund.

Stormwater: A six percent increase is estimated to generate \$300,000 in additional rate revenue to the stormwater fund.

CB:kc  
 Attachments (2)

## 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 (O&M) and capital project 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 still cover some stormwater related costs on street capital projects. Grant funding is used to augment revenues when available.

There are three components to the cost of running and maintaining each utility's expenditures. The three expenditure components are:

- Debt Service
- Operations and Maintenance
- 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 and annual revenue generation. Repayment of debts are often made through a combination of rate funds and SDCs, when eligible.

**Operations 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 regulatory requirements within each of the utilities that have operating, monitoring, enforcement, and reporting obligations the City must comply with in order 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 utility infrastructure will reduce the risk of system failures that can lead to interruption of service or violation of health or environmental standards and ensures adequate capacity in these systems is available for future growth of the City. 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, but 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 Revenue:** 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 the water utility, 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 increases, 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. Significant weather events can also influence expenditures in the sewer and stormwater utilities.

**Unforeseen Capital Needs:** Staff can project and identify most of the substantial capital needs with enough notice that there is time to plan and incorporate them 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 tightening for all three utilities, more stringent regulations with important financial implications are anticipated for the sewer fund in the near term. The largest driver of near-term costs for the sewer utility is the renewal of Albany's NPDES discharge permit. This permit allows discharge of treated wastewater effluent under strict conditions. The city's existing NPDES permit is outdated and has been administratively extended since 2005. DEQ has begun the process of renewing that permit with the goal of issuing the City a draft renewal permit in the fall of 2024. Permit renewal involves expensive and complicated studies, some of which have already been completed, and detailed and thorough analysis of the proposed permit conditions. City staff is working with professional wastewater engineering consultants and legal counsel to do this analysis and respond to the draft permit conditions. While staff works diligently to manage its impacts, implementation of the new NPDES discharge permit will be more costly than the existing permit due to water quality regulations that have become more stringent since the current permit was issued in 2000. The full financial impacts of these future regulatory requirements cannot be precisely calculated at this time, but staff is aware of and has budgeted for anticipated operating and capital expenses associated with permit renewal and compliance for the coming year.

### ***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 (FY) 2023-2024 is approximately \$20.1 million. This is slightly higher than the revenue estimated during the budget development process.

**SDC Revenue** - SDC revenues vary year to year depending on the pace of development in the community. The City anticipates it will receive approximately \$1,050,000 in FY 2023-2024. For the future projections, staff has assumed \$770,000 in annual SDC revenue. This is equivalent to approximately 139 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:**

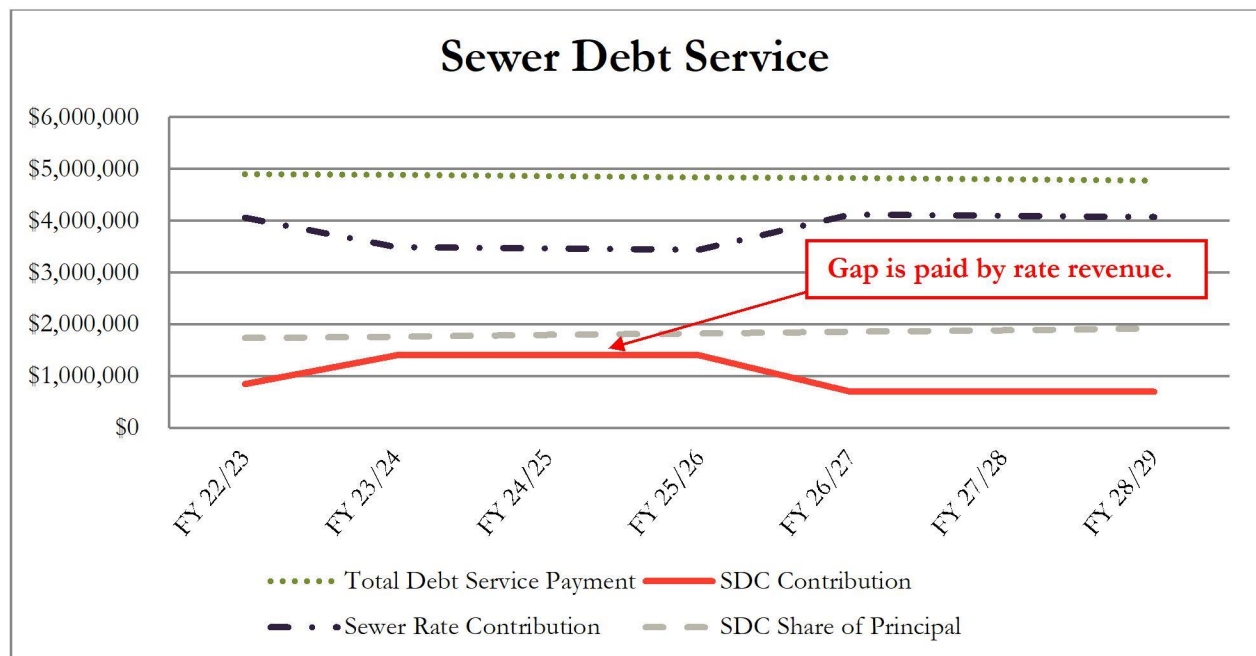
**Debt Service** - In order to complete the Water Reclamation Facility (WRF) and Talking Water Gardens (TWG) wetlands projects, the City borrowed approximately \$77.2 million. While the City was able to secure low-interest

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 TWG amounts to approximately \$4.6 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 debt for these 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 FY 2024-2025 this will equal approximately \$2.5 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 2024-2025, SDCs share of the payment equals \$1.8 million.

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. This loan financed the design and construction of the wet weather lift station and associated force main located near Water Avenue and Montgomery Street and paid for repairs and improvements to the RFI. This project was completed in late 2020. The debt service payment associated with the approximately \$11.8 million loan is offset with savings from recent refinancing and conclusion of the annual payments for TWG property. Consequently, debt service requirements for this loan have not required rate increases. Payments for this loan are approximately \$617,000 per year and began in FY 2021-2022.

For several years, staff has discussed with council that sewer SDC revenue has not been keeping pace with the amount of debt required to be paid by SDCs each year. When there is not enough SDC revenue to cover its share of the annual debt payment, rate revenue is used to make up the difference. Based on current revenues, SDCs are not paying their assigned share of this debt. According to the original distribution of debt service payments, in FY 2023-2024, SDCs were expected to pay \$1,763,100 and rates were to pay \$2,503,800. In actuality because SDC revenue has not been high enough to maintain its share of the debt payment for several years, SDCs only paid \$1,400,000 and rates paid the remainder. This situation is expected to continue for the remainder of the debt service payments for this loan, with the actual amount that SDCs pay toward debt varying with actual SDC revenue collected each year. Staff does not expect SDC revenue to ever pay its full share of this debt payment for the remainder of the loan. 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 pay a larger share of the debt obligation. For instance, SDC revenue in FY 2021-2022 was higher than expected, and staff expects SDC revenue in the current fiscal year to end higher than budgeted. For that reason, staff expects to be able to pay more toward debt with SDC revenue in FY 2023-2024 (\$1,400,000) than was available in previous years.





Operations and Maintenance - Rising employment, chemical, and overhead costs impact the O&M budget. For the five-year projection, a five percent per year increase in O&M expenses has been used. Actual increases in personnel and overhead costs have been more than five percent, and some materials, such as chemicals, have had extremely high increases year over year. Through active management of operating costs and efficiencies in operations, the department has been able to keep rate increases at or under the forecasted inflationary increases.

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. The pressure on available capital funds continues to grow because SDC revenue is not predicted to be adequate to cover the SDC share of debt service and operating costs (personnel and materials) continue to rise. In balancing the capital needs of the system with available revenue from both SDCs and rates, staff has had to choose to defer routine pipe replacement projects in some years. In FY 2021-2022 for instance, staff chose not to program sewer pipe replacement projects that would replace the worst of the existing small diameter sewer mains based on our asset management data. Instead, those funds were directed toward a large capital project, the Cox Creek Interceptor project. This was a calculated risk and, unfortunately, the city experienced failures in some of the small pipes which were deferred. Those failures had to be repaired as an emergency capital project, which is more expensive than a planned project and dips into the capital reserve funds.

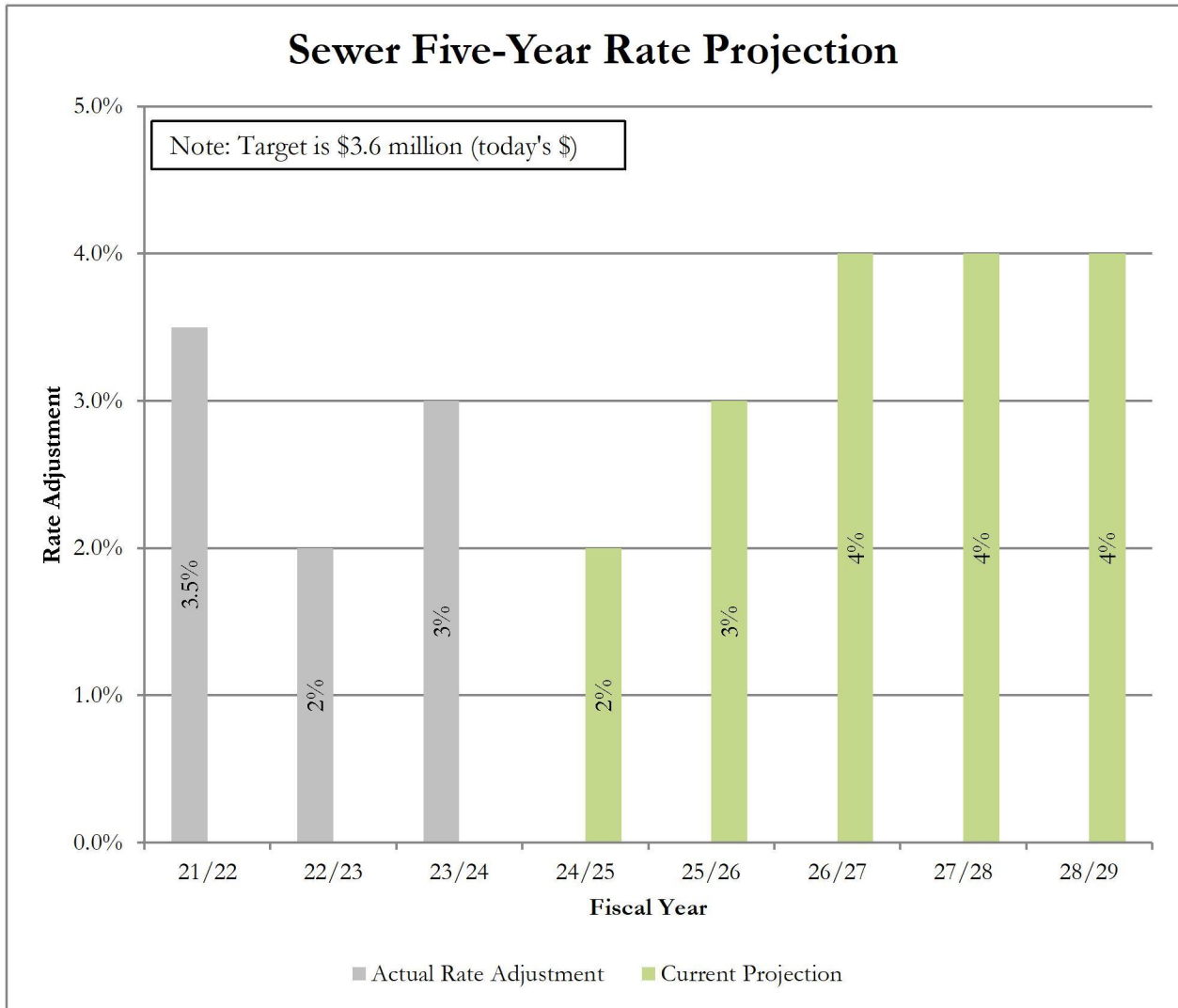
Identifying the appropriate level of capital funding must be balanced with the burden it places on the rate payers. It is vital to have enough capital funding available to replace the worst infrastructure in a reasonable time in order to reduce the risk of failures, sewer backups into basements, surcharging,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

Council previously established program goals that resulted in an annual financial target of \$3.6 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, to date, have allowed us to adequately address system needs without further inflationary adjustments for local conditions. Staff has also aggressively pursued state and federal funding for our most important sewer capital projects. Awards from state and federal appropriations will help offset the burden that would otherwise fall almost entirely on sewer ratepayers.

### *Summary*

#### **Recommendation:**

A sewer rate increase of two (2) percent effective July 1, 2024, is necessary to allow the City to continue to meet debt service and O&M requirements and also maintain the annual funding target of \$3.6 million for capital projects. The following graph shows recent past and projected future rate adjustments necessary to meet system requirements and provide desired levels of service.



### ***Water Revenue and Rate Picture***

The following is a summary of the revenue and expenditure needs for the water system:

#### **Revenues:**

Rate Revenue - The current estimated total water rate revenue the City will receive in FY 2023-2024 is approximately \$15.5 million. This is slightly higher than the revenue estimated during the budget development process.

SDC Revenue - 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 \$420,000 in SDC revenue, which is slightly above what was assumed during the budget development process. For future projections, staff has assumed \$400,000 in annual SDC revenue. This is equivalent to approximately 118 home starts in a year. This estimate reflects the most recent development activity the City has been seeing. 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 \$1.92 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.

Operations and Maintenance - Rising employment, chemical, and overhead costs impact the O&M budget. For the five-year projection, a five percent per year increase in O&M expenses has been used. As with the sewer operating programs, actual increases in personnel, materials, and overhead costs have been more than five percent, and some materials, such as chemicals, have had extremely high increases. Through active management of operating costs and efficiencies in operations, the department has been able to keep rate increases at or below inflationary estimates.

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. Identifying the appropriate level of capital funding must be balanced with the burden it places on the ratepayers. 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 recently completed Water Master Plan Update has identified several major capital projects the city will need to program into the budget in the next 5 to 10 years. Currently, the largest annual reoccurring need is to invest in replacement of pipes in the water distribution system.

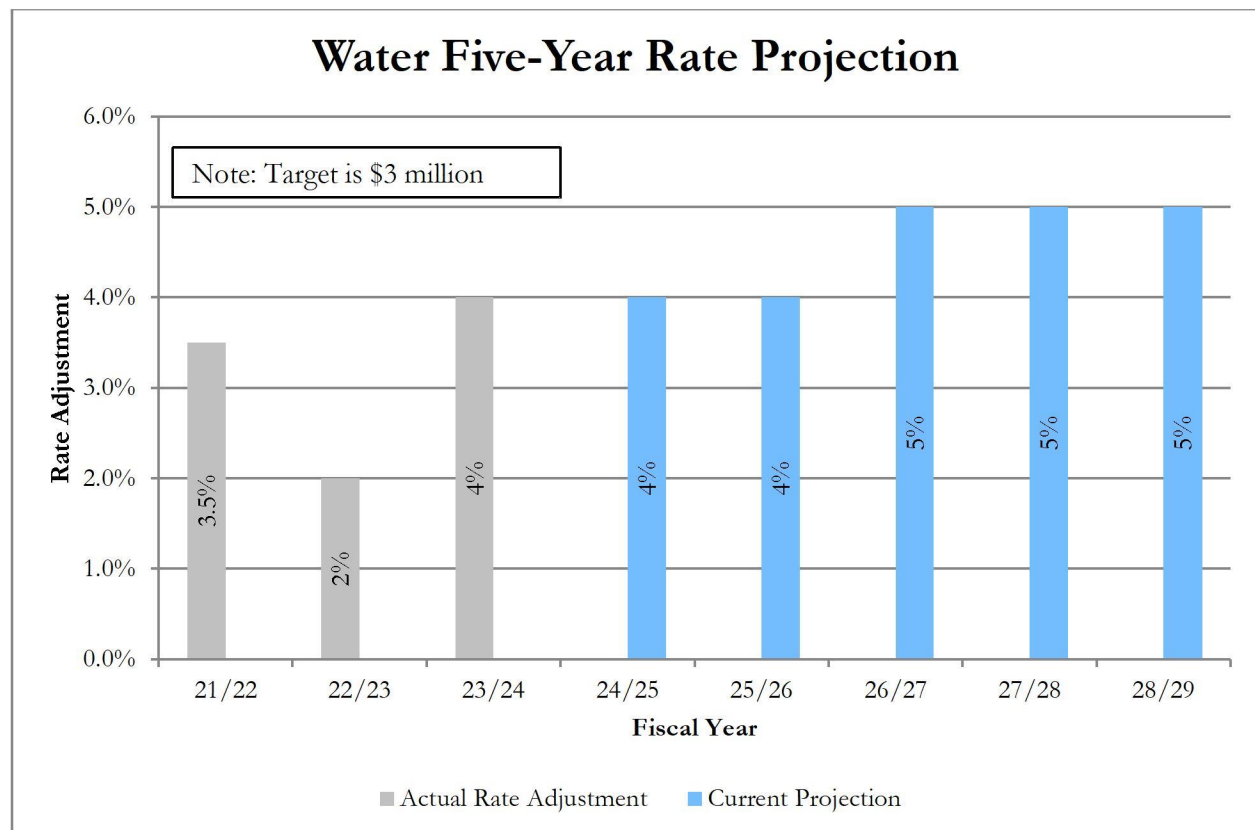
The water loss in the system has been reduced in the recent past and is currently estimated at approximately nine percent. This has been achieved through focused efforts to replace failing lines and an ongoing dedication

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.

Staff has developed a water pipe assessment program that evaluates the risk and consequences of failure for each water main. This assessment methodology was further refined in the recent Water Master Plan Update to assist with prioritizing pipe replacement projects, maximizing the available capital funding, and avoiding catastrophic failures and all of the consequences they bring. This approach informs the distribution system capital projects planned for the five-year Capital Improvement Program. The pipe assessment program will continue to be refined in future years.

**Recommendation:**

A water rate increase of four (4) percent is recommended effective January 1, 2025. This rate increase will allow the City to continue to meet debt service and O&M 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 stormwater rate revenue the City will receive in FY 2023-2024 is approximately \$3.9 million. This closely matches the revenue estimated during the budget development process.

SDC Revenue – The council adopted the first stormwater SDC methodology and set SDC rates effective January 1, 2024. As with the sewer and water utilities, SDC revenues will vary year to year depending on the pace of development in the community. Staff did not budget for any SDC revenue to be collected in the current biennium, and to date the city has collected less than \$1,000. Staff will monitor stormwater SDC revenue for the remainder of the biennium in order to forecast future revenue from SDCs to use in budgeting and overall utility management. It will likely be several years before the city has collected adequate SDC revenue to pay for the SDC-eligible portion of any future stormwater capital project.

#### **Expenditures:**

Debt Service - There are currently no stormwater related debts.

Operations and Maintenance - The stormwater system has no treatment plants, reservoirs, lift stations, or other traditional fixed facilities, which means the O&M costs for stormwater are much lower than those for water and sewer. This does not mean, however, that the stormwater utility is immune from rising O&M costs. With growth comes additional stormwater infrastructure and increased regulation. For instance, stormwater regulations now require stormwater quality facilities such as roadside planters, each of which creates a maintenance obligation for the city. In the last few years, hundreds of these new water quality facilities have been installed with new development, road reconstruction, and other capital improvements. This trend is expected to continue as development, redevelopment, and road reconstruction takes place. For this reason, we are forecasting growth in O&M costs due to the need to hire additional maintenance staff and purchase additional equipment to maintain our growing stormwater infrastructure.

For the five-year projection, a five percent per year increase in O&M has been used for ongoing costs. Additionally, two new stormwater maintenance FTE are planned to be added over the next five years.

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 funding is relatively new, most of the City's stormwater infrastructure is not. More than 14 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.

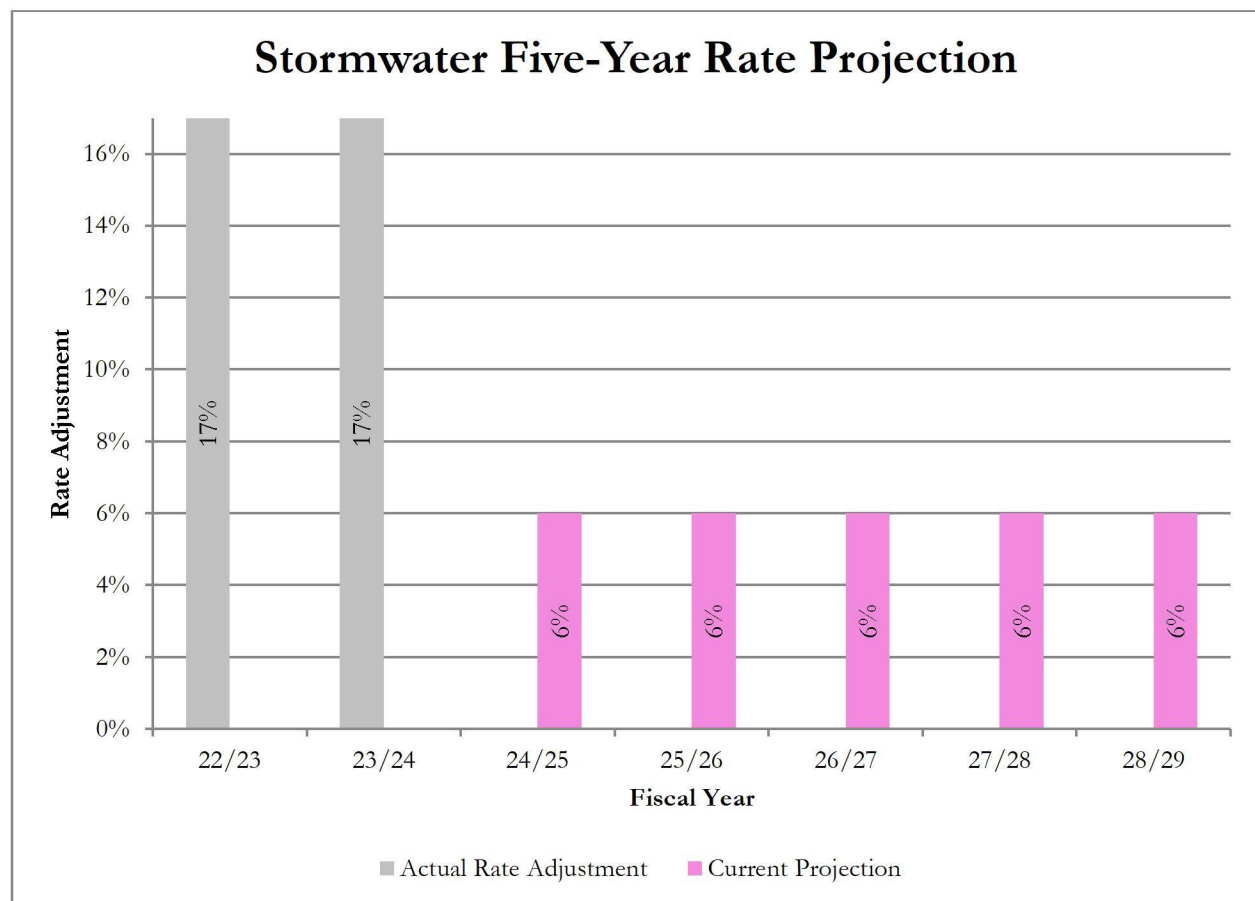
Capital - The City needs to invest in capital projects to replace failing and/or undersized infrastructure, much of which is described in the Stormwater Master Plan. Significant portions of Albany's piped stormwater system are failing. Similarly to the wastewater collection system, pipe segments within the stormwater conveyance system are inspected and assigned a condition rating. To date, more than 15 miles of pipe are identified as being in a failed condition or are anticipated to fail in the next 10 years. The cost estimate to repair the pipe segments in this condition alone is close to \$50 million. While many stormwater pipes were installed decades ago, the city is only now building a capital replacement fund to repair or replace the most critically failing components of our stormwater system. Until funds allow a routine pipe replacement program, frequent street flooding, sink holes, and property damage should be anticipated.

As part of an evaluation of street maintenance needs in 2017, staff estimated that the street fund was spending, on average, \$490,000 (inflation adjusted) to fund stormwater improvements associated with planned street projects. This included costs for stormwater quality improvements, addressing capacity constraints, and replacing failing pipes. Staff includes this amount annually as part of the rate revenue forecasting, and stormwater capital funds are now available to pay for the stormwater infrastructure associated with street improvement projects.

A stormwater master plan update was completed in 2021 and identified the location of undersized pipes and other capital improvements needed in the stormwater system. Projects from the stormwater master plan will be incorporated into the City's Capital Improvement Program, and staff will discuss options for funding these capital projects with the city council in future presentations.

**Recommendation:**

In June 2018, the council approved a funding plan consisting of a series of 17 percent per year increases that began in 2019 and was completed with the rates set for fiscal year 23-24. The goal of this plan was to create an additional \$1.8 million (inflation adjusted) in annual stormwater revenue by 2025 to pay for new regulatory requirements and begin addressing deferred maintenance. This goal has been achieved. In the rate memo and presentation last fiscal year, staff communicated that a new revenue target would be built for the stormwater utility so that a new rate forecast could be performed. This new revenue target is similar to the structure of the rate revenue target in the more senior water utilities and includes the operating revenue forecast, an In Lieu of Franchise Fee (ILFF) transfer to the street fund, and an increasing capital project goal. To achieve those objectives, a stormwater rate increase of six (6) percent is required.



ATTACHMENT B**TOTAL UTILITY BILL***(Assumes rate increases of 2% sewer 7/1/24, 4% water 1/1/25, 6% stormwater 3/1/25)***2023-24 Average Monthly Utility Bills in Oregon Cities**  
Single-Family Residential Customers - Total Utility Bill

Population 2023 PSU	City / District	800 cu ft	
		\$ / mo	Rank
648,097	Portland	\$214.77	1
41,396	Lake Oswego	\$185.53	2
55,868	Tigard	\$166.77	3
10,028	Sweet Home	\$164.69	4
13,159	Sandy	\$164.18	5
20,329	Lebanon	\$161.89	6
57,997	Albany	\$157.98	7
1,496	Adair Village	\$148.92	8
10,274	Independence	\$147.75	9
117,107	Gresham	\$147.67	10
5,823	Philomath	\$147.30	11
38,049	Oregon City	\$147.18	12
61,669	Corvallis	\$145.24	13
14,387	Cornelius	\$144.62	14
110,874	Hillsboro	\$144.05	15
20,868	Sherwood	\$139.03	16
101,165	Beaverton	\$136.72	17
27,360	West Linn	\$135.19	18
182,726	Salem	\$134.69	19
63,078	Springfield	\$127.54	20
34,612	McMinnville	\$126.98	21
106,275	Bend	\$124.68	22
27,044	Woodburn	\$117.99	23
40,102	Grants Pass	\$108.23	24
27,551	Forest Grove	\$107.96	25
177,339	Eugene / EWEB	\$102.41	26
11,019	Monmouth	\$100.62	27
39,169	Keizer	\$99.61	28
24,258	Roseburg	\$74.05	29
	Average	\$138.77	

Utility bill calculation includes water, sewer, stormwater, transportation, and city service 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



## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION SETTING RATES FOR WASTEWATER SYSTEM USE AND REPEALING RESOLUTION NO. 7193

WHEREAS, the Albany City Council has duly adopted prior ordinances declaring their intent to establish a wastewater rate structure that is based on the principle that all users pay their equitable share of wastewater system costs; and

WHEREAS, it is necessary that users with relatively homogeneous wastewater loading are grouped together and rates are developed for the average loadings in that group; and

WHEREAS, the rate structure should be designed to generate revenues adequate to properly operate and maintain the wastewater system, to comply with regulatory requirements, to fund wastewater system capital projects, and to meet debt service requirements; and

WHEREAS, Resolution No. 4920 clarified the definition of “commercial unit” and provides useful context and history should it be necessary to interpret the current resolution; and

WHEREAS, Resolution No. 5055 clarified the application of the term “dwelling unit” to multi-family housing types and provides useful context and history should it be necessary to interpret the current resolution; and

WHEREAS, Chapter 10.06 of the Albany Municipal Code sets forth requirements to manage and recover the costs of an industrial pretreatment program as detailed in federal regulations 40 CFR Part 403; and

WHEREAS, the Oregon Department of Environmental Quality (DEQ) currently charges an annual fee for each “significant industrial user” served by the Albany wastewater system; and

WHEREAS, the council reviews utility rates annually, with this year’s evaluation being completed at the May 20, 2024, council work session; and

WHEREAS, a **2 percent** increase in revenue is recommended to cover debt and operating expenses and to meet annual revenue targets for capital projects.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the rates and charges for wastewater service as specifically described in Exhibit “A” (attached hereto) are hereby adopted; and

BE IT FURTHER RESOLVED that Resolutions No. 4920 and 5055 are superseded by this resolution only to the extent of a conflict with this resolution, in which case this resolution shall control; and

BE IT FURTHER RESOLVED that Resolution No. 7193 is repealed effective **July 1, 2024**; and

BE IT FURTHER RESOLVED that the rates established by this resolution shall be effective **July 1, 2024**.

DATED THIS 22ND DAY OF MAY 2024.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



## EXHIBIT A

## RESIDENTIAL

For each residential customer, the monthly bill for wastewater service shall be computed as follows:

$$A = (\text{fixed charge} \times B) + (\text{volume rate} \times C)$$

where: A = monthly bill  
 B = the number of dwelling units for residential customer  
 C = the monthly water consumption expressed in hundreds of cubic feet (Ccf)

and where: Fixed charges and volume rates by fiscal year are included in the rate schedule below.

## RATE SCHEDULE

Customer Class	Fiscal Year (effective July 1) 2024-25
<b><i>Fixed Charge</i></b>	
Residential	<del>\$43.626</del> <b>\$44.50</b>
<b><i>Volume Rate (\$/Ccf)<sup>1</sup></i></b>	
Residential	<del>\$3.076</del> <b>\$3.14</b>

<sup>1</sup> Ccf = one hundred cubic feet or approximately 750 gallons

**Fixed Charges:**

Residential customers include all single-family and multi-family housing units, including manufactured or mobile home parks. Duplexes and other multi-family units will be charged a monthly fixed charge for each dwelling unit. For purposes of clarifying wastewater fixed charges, “dwelling unit,” as that term is applied to duplexes, residential parks, and other multi-family units, shall be defined as any place of human habitation designed for occupancy based upon separate leases, rental agreements, or other written instruments. Current rental practices will not be dispositive of the question of how a dwelling is “designed” for occupancy.

The City’s past practice of charging a separate fixed charge component for each bedroom of a “quad” or “quint” type apartment so long as each such bedroom is designed for occupancy by virtue of a separate lease, rental agreement, or other written instrument is hereby affirmed. The number of fixed charge components of the monthly wastewater bill for a “quad” or “quint” apartment shall not exceed the number of toilets available for the discharge of human waste into the City’s sanitary wastewater system. By way of illustration, a “quad” unit, which has four bedrooms (each of which is designed for occupancy based on a separate lease, rental agreement, or other written instrument) and which has two toilets to be shared among the occupants of the “quad,” shall have the fixed charge component of the bill capped at two fixed charge components. If a similar “quad” had four toilets, the fixed charged portion of its bill would be four fixed charge components. If a similar quad had five or more toilets available for occupants use, it would still only be charged four fixed charge components because it contains four habitable bedrooms (each of which is designed for occupancy based on a separate lease, rental agreement, or other written instrument).

**Volume Rates:**

The volume rates for residential customers will be calculated using “average” winter water meter readings from City installed or private water meters as approved herein. The monthly average will be calculated using the monthly water meter readings from November, December, January, and February. Each July the residential customer’s wastewater bill will be adjusted using the monthly average water meter readings from those previous winter months.

For residential customers with no water meter history including new connections, accounts with no recent water meter history, and new homeowners in a home with previous water meter history, six (6) Ccf will be used to calculate the monthly bill until the monthly average using the winter water meter readings can be calculated and applied.

If a customer disagrees with the assigned volume rate, the customer will be required to submit evidence supporting a reduced volume rate for review by the Public Works Director, or his/her designee. The Public Works Director, or his/her designee, may adjust the assigned rate provided that sufficient evidence (as determined by the Director) has been submitted by the customer to justify the adjustment. The decision of the Public Works Director is final.

For residential customers that are not connected to City water and are designated as 'wastewater only' customers, eight (8) Ccf will be used to calculate the volume portion of the monthly bill.

**Alternative Volume Rates:**

Current customers, as of the effective date of this resolution, receiving potable water for human consumption from an existing well may apply to install approved metering facilities to measure water use for wastewater billing purposes. To be eligible for this option, customers must receive prior written approval from the Public Works Director based upon standards promulgated for determining suitability of such facilities. This option is only available to current customers lawfully served by an existing potable water supply.

The metering facilities (meter type, meter size, piping configuration, etc.) and all other conditions (property and facility access provisions, meter testing, etc.) must be in accordance with standards established by the Public Works Director. All costs associated with this alternative wastewater billing option will be borne solely by the customer.

Nothing herein exempts any property, property owner, or wastewater customer from any requirement to be connected to the City water system established by any other ordinance or regulation.

**COMMERCIAL**

For each commercial customer, the monthly bill for wastewater service shall be computed as follows:

$$A = (\text{fixed charge} \times B) + (\text{volume rate} \times C)$$

where: A = monthly bill  
 B = the number of commercial units served by the wastewater service  
 C = the monthly water consumption expressed in hundreds of cubic feet (Ccf).

and where: Fixed charge and volume rate for the customer class and fiscal year are included in the rate schedule below.

**RATE SCHEDULE**

Customer Class	Fiscal Year (effective July 1) 2024-25
<b><i>Fixed Charges</i></b>	
Commercial	
Low	<del>\$ 5.447</del> <b>\$5.56</b>
Medium	<del>\$21.056</del> <b>\$21.48</b>
High	<del>\$24.332</del> <b>\$24.82</b>
<b><i>Volume Rates (\$/Ccf)<sup>1</sup></i></b>	
Commercial	
Low	<del>\$ 8.656</del> <b>\$8.83</b>
Medium	<del>\$ 11.022</del> <b>\$11.24</b>
High	<del>\$18.022</del> <b>\$18.38</b>

<sup>1</sup> Ccf = one hundred cubic feet or approximately 750 gallons

**Customer Classification:**

Commercial accounts will be classified according to their strength of wastewater as described in the Commercial Customer Classification List (Appendix A). If a commercial customer cannot be easily categorized, the customer will be asked to submit estimated wastewater flow and strength data with a description of the type of business activities to the Public Works Director. The Public Works Director will make the final determination of customer classification for each commercial customer.

For commercial customers where a single water meter serves a building with multiple commercial uses, the classification for the entire account will normally be based on the single highest classification within the building. For example, if a building contains both offices and restaurants, the entire account bill would be calculated using the rates for a restaurant customer. In addition, for commercial customers where a single water meter serves a building with multiple commercial uses, the monthly fixed charge will be based on the number of commercial units being served by the wastewater service.

For the purpose of clarifying wastewater fixed charges “commercial unit” shall be defined as each portion of a commercial use that has plumbing fixtures connected to the sanitary wastewater system and which is designated for occupancy based upon a property right. Property right for purposes of this definition includes ownership, a leasehold interest, or any contractually-based right to occupancy of 12 or more hours in any 24-hour period.

**Monthly Water Consumptive Use for Volume Rate:**

- Average Winter Water Use. The volume rates for most commercial customers will be calculated using “average” winter water meter readings from City-installed or private water meters as approved herein. The monthly average will be calculated using the monthly water meter readings from November, December, January, and February. Each July the commercial customer’s wastewater bill will be adjusted using the monthly average water meter readings from those previous winter months.

- Actual Water Use. For commercial customers whose water meter readings, from City-installed or private water meters as approved herein, vary widely on a monthly basis due to changes in business sales or other non-irrigation factors (including but not limited to: restaurants, grocery stores, mortuaries, motels, industrial launderers, and others as the City may determine), the volume rates will be calculated using the actual water meter reading from the previous month.
- No Water Use History. Some commercial customers will have no water meter history including new connections, accounts with no previous water meter history, accounts receiving water service from a well, or a new business in a building with previous water meter history. For those new customers, the City will use the average water meter reading of existing customers in the same commercial classification (e.g., low, medium, high) provided that the existing customer(s) are similar in operation and scale as the new customer. That information will generally be used to calculate the monthly bill until a history for the account can be established. Should no similar existing customer exist, the City will use 8 Ccf for low strength commercial, 20 Ccf for medium strength commercial, and 35 Ccf for high strength commercial customers as the basis for calculating the monthly bill.

It may take as long as a year of water meter history to establish a specific customer's average use of the system if billed using "average" winter water meter readings. It will take only one (1) month of water meter history to establish the specific customer's actual use of the system if billed using actual water meter readings from the previous month.

If a type of customer within the general classification system has a specific "average" winter water use history that differs greatly from the water use history of the classification as a whole, then the specific history may be used until a history for the account can be established. If a commercial customer disagrees with the City's determination regarding their water use for billing purposes, the customer will be required to submit wastewater flow and strength data with a description of the type of business activities to the Public Works Director. The Public Works Director will make the final determination of customer use of the system for each commercial customer.

#### **Alternative Volume Rates:**

Current customers, as of the effective date of this resolution, receiving potable water for human consumption from an existing well may apply to install approved metering facilities to measure water use for wastewater billing purposes. To be eligible for this option, customers must receive prior written approval from the Public Works Director based upon standards promulgated for determining suitability of such facilities. This option is only available to current customers lawfully served by an existing potable water supply.

The metering facilities (meter type, meter size, piping configuration, etc.) and all other conditions (property and facility access provisions, meter testing, etc.) must be in accordance with standards established by the Public Works Director. All costs associated with this alternative wastewater billing option will be borne solely by the customer.

Nothing herein exempts any property, property owner, or wastewater customer from any requirement to be connected to the City water system established by any other ordinance or regulation.

**INDUSTRIAL**

Process Wastewater. For process wastewater from each industrial customer, the monthly bill for wastewater service shall be computed as follows:

$$A = (\text{Flow} \times \text{Flow unit charge}) + (\text{BOD} \times \text{BOD unit charge}) + (\text{TSS} \times \text{TSS unit charge})$$

where: A = monthly bill  
Flow, BOD, & TSS = data collected monthly from the industrial customer's waste stream

and where flow, BOD, & TSS unit charges for the industrial customer class are included in the monthly rate schedule below.

## RATE SCHEDULE

**Customer Class*****Industrial Unit Charges***

Flow (\$/Ccf) <sup>1</sup>	<del>\$4.287</del>	<b>\$4.37</b>
Biochemical Oxygen Demand (BOD) (\$/lb.)	<del>\$1.104</del>	<b>\$1.13</b>
Total Suspended Solids (TSS) (\$/lb.)	<del>\$1.477</del>	<b>\$1.51</b>

<sup>1</sup> Ccf = one hundred cubic feet or approximately 750 gallons

Non-Process Wastewater. For industrial customers that do not have separate water meter service to supply the non-process portions of their facilities, the monthly bill for domestic (non-process) wastewater service shall be billed at the Commercial-Low Strength rate and the domestic use shall be estimated using the following formula:

$$A = (B \times C \times D) / (748 \text{ gallons per Ccf})$$

where: A = estimated domestic discharge per month  
B = average number of full-time employees during the month based on monthly employment data  
C = the total number of working days in the month  
D = the average discharge allowance per employee per day, estimated to be 15 gallons per day

Each industrial customer without separate water meter service to supply the non-process portions of their facilities shall submit monthly employment and operating information to the City of Albany. Submitted information shall include the industry's number of full-time equivalent employees that month and the total number of production days that month.

Wastewater Discharge Permit. A Wastewater Discharge Permit may be required for any significant industrial user (SIU) as defined by Chapter 10.06 of the Albany Municipal Code. Chapter 10.06 also defines the requirements and conditions that must be addressed by the permittee and provides the authority to establish a permit fee. The permit fee is designed only to recover the direct costs paid to the Oregon Department of Environmental Quality (DEQ) as follows:

Wastewater Discharge Permit Fee	
	Annual Fee
Significant Industrial User	<del>\$928</del> <b>\$955</b>

**OTHER****Commercial and Contracted Waste Haulers:**

For commercial and contracted waste haulers transporting and discharging domestic septic tank waste, waste from chemical toilets, or other waste as may be approved, the monthly bill for wastewater service shall be computed as follows:

Holding Tank and Chemical Toilet Waste:

$$A = B \times C$$

where: A = monthly bill  
 B = total monthly volume discharged in gallons  
 C = ~~(\$0.182)~~ ~~\$0.18~~ **(\$0.186)** **\$0.19** per gallon

Septic Tank Cleanings:

$$A = B \times C$$

where: A = monthly bill  
 B = total monthly volume discharged in gallons  
 C = ~~(\$0.181)~~ ~~\$0.18~~ **(\$0.185)** **\$0.19** per gallon

Valley Landfill:

$$A = B \times C$$

where: A = monthly bill  
 B = total monthly volume discharged in gallons  
 C = ~~(\$0.061)~~ ~~\$0.06~~ **(\$0.062)** **\$0.06** per gallon

For commercial or contracted waste haulers without a specific rate specified above, the potential customer shall work with City of Albany staff to develop cost-of-service rates. Rates will be codified if the service agreement becomes a long-term arrangement.

## APPENDIX A

**CITY OF ALBANY COMMERCIAL CUSTOMER CLASSIFICATION  
COMBINED AVERAGE STRENGTH CATEGORIES & STANDARD INDUSTRIAL  
CLASSIFICATION**

**Waste Characteristic Allocation:**

The City of Albany does not have a monitoring program for all commercial customers and consequently does not have specific monitoring data on all of Albany's commercial customers. However, an extensive project was undertaken by the City of Portland Bureau of Environmental Services (BES) to determine wastewater characteristics by Standard Industry Classification (SIC) codes based upon monitoring data for Portland's customers and using data from other cities.

The City of Portland's wastewater characteristic study data is based on BOD and TSS information from commercial customers in Portland and 28 additional cities, and the customer list is representative of the Albany commercial businesses. The City of Salem is also using the Portland BES data to classify their commercial customers. Albany will continue to refine this database as additional waste characterization data becomes known.

**COMMERCIAL LOW-STRENGTH (UP TO 450 MG/L COMBINED BOD/TSS)****Offices & Services:**

- Accounting, Auditing, and Bookkeeping Services (8721)
- Adjustment and Collection Services (7322)
- Amusement & Recreation Services NEC (7999)
- Banks & Credit Unions (6021, 6022, 6141)
- Barber & Beauty Shops (7241, 7231)
- Child Day Care Services (8351)
- Computer and Computer Software Stores (5734)
- Correctional Institutions (9223)
- Employment Agencies (7361)
- Engineering Services (8711)
- Gasoline Service Stations (5541)
- Individual and Family Social Services (8322)
- Insurance Agents, Brokers, and Service (6411)
- Investment Advice (6282)
- Legal Services (8111)
- Libraries (8231)
- Medical & Dental Offices & Clinics (including chiropractors, health practitioners, optometrists)  
(8011, 8021, 8041, 8042, 8049)
- Motels (7011)
- Museums and Art Galleries (8412)
- Nursing Care Facilities (8051)
- Schools (Elementary & Secondary) and Educational Services (8211)
- Taxicabs (4121)
- Title Insurance (6361)
- Trucking - local with storage (4214)

**General Retail Businesses:**

- Apparel, Accessory, Jewelry & Shoe Stores (5699, 5641, 5651, 5944, 5661)
- Auto equipment/supplies, new/used - NEC (5599)
- Beer, Ale, & Liquor Stores - wholesale & distribution (5181 & 5921)
- Boat Dealers (5551)
- Book Stores (5942)
- Coin-Operated Laundries (7215)
- Department Stores (5311)
- Floor Covering Stores (5713)
- Florists (5992)

Groceries, wholesale & distribution (5141)  
 Hobby, Toy, and Game Shops (5945)  
 Home Furnishings & Hardware Stores (5719, 5251)  
 Miscellaneous food stores - minimarts without kitchens (5499)  
 Musical Instrument Stores (5736)  
 Paint, Glass, and Wallpaper Stores (sales but no mixing) (5231)  
 Sporting Goods Stores and Bicycle Shops (5941)  
 Tobacco Stores and Standards (5993)  
 Used Merchandise Stores (5932)  
 Video Tape Rental (7841)

**COMMERCIAL MEDIUM-STRENGTH (451 - 1,125 MG/L COMBINED BOD/TSS)**

Automotive/Mechanical repair &/or wash:

Airports, Flying Fields, and Airport Terminal Services  
 Automotive Repair Shops NEC (7539)  
 Carwashes (7542)  
 Motor Vehicle Dealers - used cars (5521)

Specialty with medium-strength waste discharge:

Dry Cleaning Facilities (7216)  
 Restaurants, Eating Places, Bars, & Taverns (5812)  
 Funeral Services and Crematories (7261)  
 Hospitals (8060)  
 Junior Colleges and Technical Institutes (8222)  
 Meat and Fish Markets, Including Freezer Provisioners (5421)  
 Paints/Varnishes/Lacquers/Enamels mixing (2851)  
 Photofinishing Laboratories (7384)  
 Recreational Vehicle Parks (7033)  
 Trucking - local with storage (4212)

**COMMERCIAL HIGH-STRENGTH (GREATER THAN 1,126 MG/L COMBINED BOD/TSS)**

Automotive:

Exhaust System Repair (7533), Transmission Repair (7537), Tire Shop (7534), General  
 Automotive Repair (7538-see printout), Automotive Services (7549), Armature Rewinding  
 Shop (7694)  
 Motor Vehicle Dealers - new cars (5511)

Specialty with high-strength waste discharge:

Candy, Nut, and Confectionery Stores (5441)  
 Disinfecting and Pest Control Services (7342)  
 Fire Protection (9224)  
 Grocery Stores with garbage disposals (5412)  
 Industrial Launderers (7218)  
 Malt Beverage Brewery (2082)  
 Pharmaceutical Preparations (2834)  
 Retail Bakeries - with kitchen (5461)  
 Printing & Stamping on Fabric Articles - silk screening (2396)  
 Trucking - long distance, not local (4213)  
 Passenger car rental, no drivers for hire (7514)





RESOLUTION NO. \_\_\_\_\_

A RESOLUTION SETTING RATES FOR WATER USE AND REPLEALING RESOLUTION NO. 7194

WHEREAS, the water fund is primarily dependent upon water rate revenues for its funding; and

WHEREAS, the rate structure should be designed to generate revenues adequate to properly operate and maintain the water system, to comply with regulatory requirements, to fund water system capital projects, and to meet debt service requirements; and

WHEREAS, the council reviews utility rates annually, with this year's evaluation completed at the April 8, 2024, council work session; and

WHEREAS, the council initially implemented a low-income assistance program in 2006 (Resolution No. 5166), and the latest revision to that program was in October 2021 (Resolution No. 7060); and

WHEREAS, a **4 percent** increase in revenue was recommended to cover debt and operating expenses and to meet annual revenue targets for capital projects.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the rates and charges for water service as specifically described in Exhibit "A" (attached hereto) are hereby adopted; and

BE IT FURTHER RESOLVED that Resolution No. 7194 is repealed effective **January 1, 2025**; and

BE IT FURTHER RESOLVED that the rates established by this resolution shall be effective **January 1, 2025**.

DATED THIS 22ND DAY OF MAY 2024.

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

EXHIBIT AI. SERVICE FEES AND CHARGES

Description	Reference	Charge			
		Customer Type	Property Owner	Non-Property Owner	
Account Deposit	AMC 11.01.040(2a)	Residential	no deposit	\$100	
		Multi-family & Non-residential	no deposit	\$100	
New Account – Service Fees	AMC 11.01.040(5)	Regular working hours \$20			
Restore Service	AMC 11.01.060(5)	Regular working hours \$45 After hours \$60			
Financial Institution Returned Item	ORS 30.701(5)	\$35			
Past Due and Disconnection Notice	AMC 11.01.060(4)	\$10 per occurrence			
Tampering Fees	AMC 11.01.080(9)	\$100			
Meter Testing at Customer's Request	AMC 11.01.090(1b)(ii)	<u>Meter Size</u> ¾-inch Larger than ¾-inch	<u>Service Charge Deposit</u> \$15 Actual Cost		
Drop-in Meter Installation	AMC 11.01.100(2)(3)	<u>¾" meter</u> \$275	<u>1" meter</u> \$340	<u>1-1/2" meter</u> \$1,771	<u>2" meter</u> \$1,883
Full Installation with meter (Excludes system development charges)	AMC 11.01.100(2)(3)	<u>¾" meter</u> \$2,950	<u>1" meter</u> \$2,975	<u>1-1/2" meter</u> Actual Cost	<u>2" meter</u> Actual Cost
Reduction of Meter Size (based on size of meter to be installed)	AMC 11.01.100(5b)	<u>¾" meter</u> \$275	<u>1" meter</u> \$340	<u>1-1/2" meter</u> \$1,771	<u>2" meter</u> \$1,883
Main Extensions	AMC 11.01.120(2h)	Actual Cost Plus 15% Overhead			
Fire Service Extensions	AMC 11.01.150(1)	Actual Cost Plus 15% Overhead			
Unauthorized Use of Fire Hydrant	AMC 11.01.180(1)&(4)	\$50 + <del>\$4.32</del> <b>\$4.49</b> per 100 cubic feet			
Metered Use of Hydrant	AMC 11.01.180(4)	Refundable Deposit	\$75.00		
		Set Up	\$25.00		
		Bulk Rate	<del>\$4.32</del> <b>\$4.49</b> per 100 cubic feet		
		Relocation Rate	\$25.00		
		Monthly Base Charge	<del>\$123.27</del> <b>\$128.20</b>		

II. RESIDENTIAL, MULTI-FAMILY, AND NON-RESIDENTIAL WATER SERVICEA. WATER CUSTOMERS INSIDE CITY LIMITS

Applicable to all residential, multi-family, and non-residential customers receiving water service within the Albany city limits.

A residential customer is defined as a customer whose meter serves only one single-family dwelling unit. All dwelling units served by individual meters shall be charged the residential rate for service. For example, the residential rate shall apply where separate water meters provide service to each side of a duplex. Multi-family customers are defined as customers whose meter services more than one dwelling unit. For the purposes of this rate resolution, dwelling unit shall be defined as any place of human habitation designed for occupancy based upon separate leases, rental agreements, or other written instruments.

Non-residential customers are defined as customers whose meter is for any use other than residential and multi-family. Some examples of non-residential uses include but are not limited to commercial, industrial, institutional, and food processing. Examples of institutional uses include schools, hospitals, and nursing homes.

MONTHLY RATE:

Customer Class/ Meter Size	Base Charge (\$/month)	Consumption Charge		
		Block 1	Block 2	Block 3
Nonresidential & Multi-Family		<i>Consumption Level (hundred cubic feet)</i>		
¾ inch or less	<del>\$22.66</del> <b>\$23.57</b>	First 17	Next 17	Over 34
1 inch	<del>\$33.12</del> <b>\$34.44</b>	First 18	Next 18	Over 36
1½ inch	<del>\$75.47</del> <b>\$78.49</b>	First 21	Next 21	Over 42
2 inch	<del>\$120.81</del> <b>\$125.64</b>	First 25	Next 25	Over 50
3 inch	<del>\$241.85</del> <b>\$251.52</b>	First 28	Next 28	Over 56
4 inch	<del>\$377.84</del> <b>\$392.95</b>	First 30	Next 30	Over 60
6 inch	<del>\$755.47</del> <b>\$785.69</b>	First 31	Next 31	Over 62
8 inch	<del>\$838.67</del> <b>\$872.22</b>	First 40	Next 40	Over 80
10 inch	<del>\$838.67</del> <b>\$872.22</b>	First 92	Next 92	Over 184
12 inch	<del>\$838.67</del> <b>\$872.22</b>	First 92	Next 92	Over 184
		<i>Consumption Rate (\$/100 cubic feet)</i>		
Nonresidential		<del>\$4.08</del> <b>\$4.24</b>	<del>\$2.97</del> <b>\$3.09</b>	<del>\$2.82</del> <b>\$2.93</b>
Multifamily		<del>\$3.91</del> <b>\$4.07</b>	<del>\$2.93</del> <b>\$3.05</b>	<del>\$2.73</del> <b>\$2.84</b>
Residential		<i>Consumption Level (hundred cubic feet)</i>		
¾ inch or less	<del>\$22.66</del> <b>\$23.57</b>	First 6	Over 6	NA
1 inch	<del>\$33.12</del> <b>\$34.45</b>	First 6	Over 6	NA
1½ inch	<del>\$75.47</del> <b>\$78.49</b>	First 6	Over 6	NA
2 inch	<del>\$120.81</del> <b>\$125.64</b>	First 6	Over 6	NA
		<i>Consumption Rate (\$/100 cubic feet)</i>		
All Meters		<del>\$5.05</del> <b>\$5.25</b>	<del>\$3.20</del> <b>\$3.33</b>	NA
<i>Low-Income Assistance Program Surcharge – Residential Bills Only</i>				\$0.35

B. WATER CUSTOMERS OUTSIDE CITY LIMITS

Applicable to all residential, multi-family, and non-residential customers receiving water service outside the Albany city limits and are not served by water lines previously operated by the North Albany County Service District (NACSD).

MONTHLY RATE

Rates by class as listed under Section I.A, Water Customers Inside City Limits, with a 10 percent surcharge on said rates for service outside the city limits.

C. WATER CUSTOMERS OUTSIDE CITY LIMITS IN BENTON COUNTY

Applicable to all residential, multi-family, and non-residential customers outside city limits and served by water lines previously operated by the North Albany County Service District (NACSD).

MONTHLY RATE

The water rates adopted by the Benton County Commissioners acting as the governing body of the NACSD consistent with the contractual agreement between NACSD and the City of Albany.

D. CITY OF MILLERSBURG

The City of Millersburg will pay their share of capital expenses and cost to produce water at the Albany-Millersburg Water Treatment Plant according to the Albany-Millersburg Intergovernmental Agreement for Jointly Owned Water Facilities.

III. SPECIAL CONDITIONS APPLYING TO ALL CUSTOMERS

If water service is provided through a single meter to a facility that contains a mixture of customer classes, the customer class with the higher consumption rates shall be used for calculating the consumption portion of the bill. For example, all water used in a building that contains both non-residential and multi-family uses will be billed at the non-residential consumption rate.

Meter readings from meters that measure flow in 1,000-gallon increments shall be converted to hundred cubic foot units prior to applying the appropriate consumption charge for calculating the water bill.

Water used during construction of a building shall be metered and billed at the rate appropriate for the type of facility being constructed. For example, water used during construction of a single-family residence will be billed at the residential rate. When, during construction, setting a meter is impracticable, the amount of water used shall be estimated and billed at the appropriate rate for the type of facility being constructed.



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION SETTING RATES FOR STORMWATER MANAGEMENT SERVICES AND REPEALING RESOLUTION NO. 7195

WHEREAS, rain falling onto developed property collects and runs off impervious or saturated surfaces and drains into stormwater inlets, pipes, drainage ditches, and creeks, and ultimately discharges to various local waterways; and

WHEREAS, when not properly managed, stormwater can flood streets, cause property damage, erode streams, and carry pollutants into local waterways, causing harm to habitat and aquatic species; and

WHEREAS, the existing stormwater system assets of piped and open conveyances are valued at more than \$100 million and should be properly maintained; and

WHEREAS, proper operation and maintenance of stormwater systems is essential for public health and safety; and

WHEREAS, local waterways that receive stormwater are valuable community assets and are subject to federal and state water quality regulations; and

WHEREAS, the City of Albany must comply with stormwater regulatory requirements (National Pollutant Discharge Elimination System, Municipal Separate Storm Sewer System, Phase II permit) that require significant resources; and

WHEREAS, the Albany City Council finds that a dedicated and reliable source of funds is necessary in order to support stormwater services that meet regulatory requirements and proactively manage and maintain the City's stormwater system; and

WHEREAS, the city council has determined that implementing a stormwater utility and service charge is the most appropriate and equitable means of providing a dedicated and reliable source of funds; and

WHEREAS, the stormwater service charge is not a tax subject to the property tax limitation of Article XI - Section 11b of the Oregon Constitution; and

WHEREAS, all developed property in the City either uses or benefits from the City's stormwater management program and no developed property is exempt from the stormwater service charge; and

WHEREAS, the city council has determined that undeveloped properties shall not be charged for stormwater services; and

WHEREAS, the city council reviews utility rates annually, with this year's evaluation completed at the April 8, 2024, council work session; and

WHEREAS, a **6 percent** increase in revenue is recommended.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the rates and charges for stormwater services as specifically described in Exhibit "A" (attached hereto) are hereby adopted; and

BE IT FURTHER RESOLVED that Resolution No. 7195 is repealed effective **March 1, 2025**; and

BE IT FURTHER RESOLVED that the rates established by this resolution shall be effective **March 1, 2025**.

DATED THIS 22ND DAY OF MAY 2024.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

## EXHIBIT A

### STORMWATER SERVICE CHARGES

Stormwater service charges shall apply to all developed properties and are established for two rate classes: single-family residential (SFR) and non-single-family residential (NSFR). The stormwater service charge has two parts: a base charge and an impervious surface charge.

The base charge recovers costs attributed to customer-related services, such as billing and account maintenance, plus costs attributed to management of stormwater related to general use areas, such as streets and sidewalks in public rights-of-way. All developed property (SRF and NSFR) benefit from the City's efforts to manage stormwater by reducing flooding, keeping streets passable during storm events, and protecting water quality. All customers will pay the same base charge per account.

The impervious surface charge recovers costs attributed to increased stormwater runoff from impervious surface area outside of the public right-of-way. The amount of total impervious surface on a typical single-family residence serves as the base unit for determining a property's billable impervious surface area. In Albany, the typical single-family residential property has a total of 3,200 square feet of impervious area when all impervious surfaces are included. This typical single-family residential amount of impervious area is defined as one (1) equivalent residential unit or ERU.

The Public Works Director (Director) or his/her designee is responsible for determining the amount of billable impervious surface on a property. In making that determination, the Director may use aerial mapping, building plans, or other available tools. On-site measurement of the amount of impervious surface area on a property is not required to make this determination.

### SINGLE-FAMILY RESIDENTIAL RATES

Each developed SFR property shall be billed a base charge and an impervious surface charge for one (1) ERU. The impervious surface charge is tiered in recognition of variations in SFR building footprints throughout the City. The building footprint includes the surface area of the main building.

The monthly stormwater bill for a single-family residential customer shall be computed as follows:

$$A = (\text{base charge}) + (\text{impervious surface charge} \times B)$$

where: A = monthly bill  
B = 1 ERU

and where: base charge and impervious surface charges by tier are shown in the rate schedule below.

#### SFR RATE SCHEDULE:

	Tier 1 1,350 <sup>1</sup> or less	Tier 2 Between 1,351 and 3,150 <sup>1</sup>	Tier 3 3,151 <sup>1</sup> or more
<b>Single-Family Residential Customer</b>			
<i>Base Charge</i>	<del>\$ 11.58</del> <b>\$12.27</b>	<del>\$ 11.58</del> <b>\$12.27</b>	<del>\$ 11.58</del> <b>\$12.27</b>
<i>Impervious Surface Charge (\$/ERU)</i>	<del>\$ 3.51</del> <b>\$3.72</b>	<del>\$ 4.73</del> <b>\$5.01</b>	<del>\$ 5.92</del> <b>\$6.28</b>
<b>Total monthly SFR stormwater bill</b>	<del>\$ 15.08</del> <b>\$15.99</b>	<del>\$ 16.30</del> <b>\$17.28</b>	<del>\$ 17.50</del> <b>\$18.55</b>

<sup>1</sup>Building footprint only – square feet

### NON-SINGLE-FAMILY RESIDENTIAL RATES

NSFR properties include commercial or industrial uses, schools, government, duplexes, mobile home parks, multiple-family units, or mixed commercial-residential properties, and all other non-single-family residential properties.

The monthly stormwater bill for each NSFR property shall include a base charge and an impervious surface charge. The base charge is the same one used for SFR accounts.

The impervious surface charge for NSFR properties is based on the amount of measured impervious area. The Director or his/her designee is responsible for determining the billable impervious surface area on a property.

The impervious surface charge for each NSFR customer is calculated by multiplying the rate per ERU by the number of ERUs for each property or account. The number of ERUs is determined by dividing the total billable impervious area by 3,200 square feet (the area of one ERU) and rounding to the nearest tenth.

The monthly stormwater bill for a non-single-family residential customer shall be computed as follows:

$$A = (\text{base charge}) + (\text{impervious surface charge} \times B)$$

where: A = monthly bill  
B = the billable impervious area expressed in ERUs

and where: base charge and impervious surface charge rates are shown in the rate schedule below.

RATE SCHEDULE:

**Non-Single-Family Residential Customer**

<b>Base Charge</b>	<del>\$ 11.58</del> <b>\$12.27</b>
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<b>Impervious Surface Charge (\$/ERU)<sup>1</sup></b>	<del>\$ 4.73</del> <b>\$5.01</b>
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<b>Monthly NSFR stormwater bill<sup>2</sup></b>	<b>varies by account</b>
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<sup>1</sup> ERU = Equivalent Residential Unit. One ERU is 3,200 square feet of impervious surface coverage

<sup>2</sup>The total monthly NSFR stormwater bill cannot be less than the Tier 2 SFR monthly bill

## NON-SINGLE-FAMILY RESIDENTIAL CREDITS

The NSFR stormwater credit program recognizes on-site stormwater management improvements that exceed minimum requirements may reduce the City's stormwater management costs.

Credits for the identified programs can be cumulative as long as the aggregate impervious surface charge reduction does not exceed 25 percent. In no case shall the application of credits result in a final NSFR monthly bill that is less than the Tier 2 SFR monthly bill.

To be eligible for a credit, the customer must submit a completed credit application form with all required supporting documentation along with a credit application fee of \$50.00. Eligible credit programs are described below:

**On-Site Structural Stormwater Control Credit:** NSFR credits may be allowed for an approved, on-site, structural stormwater control that provides detention, reduces runoff volume, or improves stormwater quality. The intent of the credit is to recognize efforts of property owners to better manage stormwater when stormwater controls are not required as part of a proposed development or other regulatory requirement.

To be eligible for a credit, prior approval of design and construction is required. All facilities eligible for credit must also be designed, constructed, and maintained to the City's Engineering Standards and Standard Construction Specifications; or as otherwise approved by the Director or his/her designee. The Director may require an engineering report, hydrologic analysis, an operation and maintenance plan, or any other documentation he/she determines necessary to confirm the reported performance of a stormwater facility.

Facilities installed to meet development or other regulatory requirements are not eligible, even if they exceed minimum performance standards. Facilities determined by the Director or his/her designee to be of no benefit to the City's stormwater systems are also not eligible. Final determination of facility eligibility is made at the discretion of the Director.

The credit will be calculated by determining the amount of impervious surface routed to the eligible facility(ies), multiplying that area by 25 percent and converting it to an ERU (rounded to the nearest tenth). The dollar value of the credit will be calculated by multiplying the resultant ERU by the impervious surface charge rate. The maximum credit allowed is 25 percent of the impervious surface charge on the relevant stormwater bill.

At the discretion of the Director or his/her designee, the credit may be terminated if the customer fails to maintain the facility in proper working order, the property changes ownership, the drainage characteristics of the property change, the property is redeveloped, or the property boundaries change.

The City may request periodic site visits and periodic submittals of maintenance inspection reports to verify that the stormwater facilities, for which the customer is receiving a credit, are installed and maintained in good working order. Failure to allow access or to provide requested reports may be cause for termination of the credit received.

**Oregon Department of Environmental Quality (DEQ) 1200-Z Credit:** Properties that operate in compliance with an approved 1200-Z permit from the Oregon DEQ are eligible for up to a 25 percent impervious surface charge credit for that portion of the property covered by the 1200-Z permit. The property owner may be required to provide documentation or allow inspection by City staff in order to demonstrate, to the Director's or his/her designee's satisfaction, compliance with the 1200-Z permit. Final determination of credit eligibility is made at the discretion of the Director.

**Education Credit:** Albany is required to implement a public education and outreach program. An informed and knowledgeable community is crucial to the success of a stormwater management program since it helps to ensure greater support and greater compliance. Directing educational programs toward specific groups of appropriate school-age children can help to inform and educate our community.

A credit program for education services may be available for certain schools. To be eligible for this credit, the applicant school would provide access to students within the target grade level of the City's Public Education and Outreach Program for City or City-sponsored presentations. In order to be eligible for a credit, both the applicant school and the City must agree to program terms, and the Director or his/her designee shall determine credit eligibility.

The credit for this program is up to 25 percent of the impervious surface charge on the stormwater bill for the educational facility providing access to students.

**Other Credits:** The Director may consider requests for stormwater credit for other facilities or programs provided the customer can demonstrate those programs or facilities exceed minimum regulatory requirements and they reduce the City's stormwater management costs.

## APPEALS

Customers with questions about their stormwater bill will be provided informal opportunities to ask questions about their bill, and the City will work to help the customer understand how the bill is calculated for their property. If, after the bill calculation has been explained and is understood, the customer still disagrees with the bill, the customer may formally appeal the bill.

**Initial Appeal:** Any customer who disagrees with the calculation of the stormwater service charges for his or her property may apply to the Director for reconsideration of the stormwater service charge. The formal appeal requires payment of a \$25.00 appeal fee, must state the grounds for reconsideration, and must be filed in writing with the Director no later than thirty (30) days after date of the billing. The Director shall review the request to determine whether an error was made in the calculation of the service charge. If an error has been made in the calculation, the Director may approve a change to the service charge. If the appeal is denied, the reason(s) for denial will be reduced to writing and provided to the customer.

**Appeal to City Manager:** An appeal of the Director's decision may be brought before the City Manager within thirty (30) days of the date of the Director's decision on the initial appeal. The request must state the grounds for reconsideration of the Director's decision and must be filed in writing with the City Manager. If the City Manager determines that an error has been made in the calculation, the City Manager may approve a change to the service charge. If the appeal is denied, the reason(s) for denial will be reduced to writing and provided to the customer. The decision of the City Manager shall be final.



**Successful Appeal:** If an appeal of charges is successful, the revised service charge shall be applied to the account beginning with the bill that was the subject of the initial appeal, a credit will be applied to the account, and the \$25.00 appeal fee will be refunded. The revised service charge will be reflected in future billings for the property until the physical characteristics of the property change or until the rate resolution is changed.

## **GENERAL UTILITY INFORMATION**

**Billing Accounts:** In cases where multiple utility accounts exist on one parcel, e.g., commercial retail mall, multi-family apartment units, etc., the City will work with the property owner to either bill one of the accounts for stormwater services for the full parcel or a new account may be created in the property owner's name and that account will be billed for the stormwater services for the parcel. If a non-single-family residential customer has two or more parcels associated with a single business operation, e.g., a commercial building and an adjacent parking lot, those parcels may be consolidated into one bill for stormwater billing purposes.

**Monthly Bills:** Bills will be rendered monthly. Bills for new accounts or closed accounts, or bills that for any other reason cover a period of time more or less than the normal billing period, shall be prorated. Stormwater service charges are not subject to vacancy credits and will not be discontinued when properties become vacant. However, under conditions where the City discontinues billing for other utility services, it may, at its discretion, choose to also discontinue billing for stormwater services.

**Commencement:** The stormwater service charge shall commence upon connection to the City's water or sewer system; or upon completion, occupancy, or use of the improvements, whichever comes first. Areas that are annexed to the City or under contract to annex shall become subject to the stormwater service charge on the date of annexation or the date of the annexation contract, whichever comes first.

**Adjustments, Back-Billing, Credits, and Refunds:** When the utility determines a customer has been mistakenly charged too much for stormwater services, the utility will apply a credit to the account based on the date the error first occurred, the date the current customer became responsible for the bill, or a period not to exceed six years, whichever is less. If the date cannot be reasonably determined, the utility will estimate the amount of the credit based on a period not to exceed six years.

When the utility determines a customer has not been charged or has not been charged enough for stormwater services, the utility will back-bill the account based on the date the error first occurred, the date the current customer became responsible for the bill, or a period not to exceed one year, whichever is less. If the date cannot be reasonably determined, the utility will estimate the bill for a period not to exceed one year. Customers who receive such a delayed bill will be offered the opportunity to make arrangements for installment payments.

**Unified Billing:** The stormwater service charge shall be billed and collected by the City in the same manner and at the same time as water and sewer service charges. Partial payments on the account shall be applied first to the stormwater charge, second to the sewer charge, and finally to the water charge. The customer shall not be allowed to specify a different allocation of payment.


**Delinquent Accounts:** An account is delinquent 10 calendar days after the date of the bill. Delinquent accounts will receive written notice of the delinquency and may be subject to administrative service charges and service discontinuation until the entire bill balance is paid in full. An interest charge may be added to the unpaid balance, at a rate of nine percent per annum.

**Collection:** Any balances due on delinquent accounts may be recovered by civil action in the name of the City against the property owner, the person, or both. Change of ownership or occupancy of premises found delinquent shall not be cause for reducing or eliminating the debt due. Should the City find it necessary to collect any delinquent fees or charges for stormwater services, it shall be entitled to use any means provided by the laws of the State or permitted by the Charter and ordinances of the City. Fees and charges that are delinquent may be subject to interest charges at nine percent per annum. Any interest charge due hereunder, which is not paid when due, may be recovered in an action at law by the City.



# MEMO



**TO:** Albany City Council  
**VIA:** Peter Troedsson, City Manager   
**FROM:** Kim Lyddane, Parks and Recreation Director  
**DATE:** May 13, 2024, for the May 22, 2024, City Council Meeting

**SUBJECT:** Discussion on amending Albany Municipal Code 7.98, Albany Development Code 9.203

### Action Requested:

Staff requests that the City Council amend Albany Municipal Code 7.98.020(8) and 7.98.404(2) Tree Regulation Definitions and Permits Required. Staff also requests that Albany Development Code 9.203(2) be changed to reflect the new tree regulation definition.

### Discussion:

Through an ongoing review of the Albany Municipal Code (AMC), and the need to preserve Oregon native trees along with the City's tree canopy, staff are recommending changes to assist those efforts.

Chapter 7.98.020 of the AMC was last updated in 2001 to provide regulations regarding removal of large diameter trees, but the definition of "removal" was broad, leaving other avenues for property owners to aid the demise of a tree in order to fit the current definition and ultimately be approved for removal. Changing the definition of "remove" and "removal" will close the loophole property owners are currently using to classify trees as appropriate for removal.

The Albany Parks and Recreation Department also recommends that Albany Development Code 9.203 be updated with the above definition. The new definition of "Remove" in the AMC will be applied to "Fell" in the ADC.

To continue preserving the City's tree canopy, the Albany Parks and Recreation Department recommends amending AMC 7.98.404(2) to require a removal permit for all trees with a circumference equal or greater than five and one quarter feet.

### Budget Impact:

None.

KL

Attachments: ordinance



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING ALBANY MUNICIPAL CODE (AMC) 7.98 TO INCREASE NUMBER OF PROTECTED TREES AND PROHIBIT ACTIVITIES THAT COULD HARM PROTECTED TREES

WHEREAS, the City of Albany prioritizes tree protection; and

WHEREAS, the parks and recreation department and Parks Commission are reviewing the Albany Municipal Code to make adjustments to increase tree protection, and

WHEREAS, the current City tree code allows activities that could harm protected trees; and

WHEREAS, it is reasonable to increase the number of protected trees;

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

Section 1: The text of the Albany Municipal Code is hereby amended as shown in Exhibit A of this ordinance.

Section 2: A copy of this ordinance shall be filed in the office of the city clerk of the City of Albany, and these changes shall be made to the Albany Municipal Code.

Passed by the Council: \_\_\_\_\_

Approved by the Mayor: \_\_\_\_\_

Effective Date: \_\_\_\_\_

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

# AMC Tree Protection Update

## 7.98.020 Definitions.

(1) “Certified arborist” means a person certified by the International Society of Arboriculture as having specialized knowledge, experience, and training related to arboriculture.

(2) “City Forester” means the person designated by the Parks and Recreation Director to be the authorized representative in matters concerning the urban forest of the City of Albany.

(3) “Critical root zone” means the area around a tree where roots are critical to a tree’s survival. The critical root zone is estimated and expressed as a circle around the center of a tree’s trunk, where the radius is calculated by adding one foot for every one inch of trunk diameter plus the tree trunk’s radius; where all tree measurements are consistent with those for establishing tree circumference. For example, a tree with a tree circumference of 6.5 feet would have a trunk radius of 1 foot and diameter of 25 inches. The critical root zone would be a circle with a radius of 26 feet (1 ft + (25 in \* 1 ft/in)) from the center of the tree’s trunk and have a total diameter of 52 feet.

(4) “Hazardous or dangerous tree” means a tree that is classified as a hazardous or dangerous tree by the Parks, Recreation, and Tree Advisory Commission.

(5) “Person” means any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity, or their legal representatives, agents, or assigns.

(6) “Public trees” means trees located on property designated as a public park and trees located in public right-of-way not defined as street right-of-way.

(7) “Parks and Recreation Director” means the person designated by the City Manager to supervise the Parks and Recreation Department and who is charged with certain duties and responsibilities by this chapter, or the duly authorized representative.

~~(8) “Remove or removal” means to fell or sever a tree or the intentional use of any procedure, the natural result of which is to cause the death or substantial destruction of the tree. Removal does not in any context include normal pruning of trees.~~

**“Remove” or “Removal” means to cut down a tree or remove 40 percent or more of the crown, trunk, or root system of a tree; or to damage a tree so as to cause the tree to decline or die. The term "removal" includes, but is not limited to, topping, damage inflicted upon a root system by application of toxic substances, operation of equipment and vehicles, storage of materials, change of natural grade due to unapproved excavation or filling, or unapproved alteration of natural physical conditions. The term "removal" does not include normal trimming or pruning of trees.**

(9) “Significant tree” means:

(a) Any heritage, rare, threatened, or endangered tree of any size as defined or designated under state or federal law; or

(b) Any tree designated as significant by the Parks, Recreation, and Tree Advisory Commission by virtue of heritage parameters or size.

(10) “Street trees” means trees located in public rights-of-way within the City.

(11) “Tree” means a self-supporting, perennial woody plant characterized by one main trunk or in some cases multiple trunks, and one main canopy of leaves, usually growing to a height of 15 feet or higher.

(12) “Tree circumference” means the distance measured around the trunk of a tree at four and one-half feet above the mean ground level from the base of the trunk. The circumference of a tree with multiple trunks is determined by adding together the individual trunk circumferences greater than six inches. (Ord. 6006 § 1, 2022; Ord. 5948 § 1 (Exh. A), 2020; Ord. 5495 § 1, 2001; Ord. 5096 § 2, 1993).

**7.98.040 Permits required.**

(1) A permit shall be obtained from the City Forester, applying criteria developed by the Parks, Recreation, and Tree Advisory Commission, before planting, pruning, or otherwise affecting a street tree.

(2) A permit shall be obtained from the City Forester, applying criteria contained in AMC [7.98.180](#), for the removal of individual trees equal to or greater than ~~six and one-half~~ **five and one-quarter feet** in circumference on all property within the city limits of the City of Albany.

(3) With a permit, adjacent property owners may plant street trees so long as the selection, location, and planting of such trees is in accordance with this chapter.

(4) Any street tree planted that does not comply with this chapter may be removed by the City at the direction of the Parks, Recreation, and Tree Advisory Commission. The cost of such removal will be borne by the person or persons who planted the tree.

(5) Permits shall be valid for a period of 180 days following the date of issuance. (Ord. 6006 § 1, 2022; Ord. 5948 § 1 (Exh. A), 2020; Ord. 5495 § 1, 2001; Ord. 5096 § 2, 1993. Formerly 7.98.090).



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING ALBANY DEVELOPMENT CODE TITLE 9 TO PROHIBIT ACTIVITIES THAT COULD HARM PROTECTED TREES

WHEREAS, the City of Albany prioritizes tree protection; and

WHEREAS, the parks and recreation department and Parks Commission are reviewing the Albany Development Code to make adjustments to increase tree protection; and

WHEREAS, current city tree code allows activities that could harm protected trees; and

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

Section 1: The text of the Albany Development Code is hereby amended as shown in Exhibit A of this ordinance.

Section 2: A copy of this ordinance shall be filed in the office of the city clerk of the City of Albany, and these changes shall be made to the Albany Development Code.

Passed by the Council: \_\_\_\_\_

Approved by the Mayor: \_\_\_\_\_

Effective Date: \_\_\_\_\_

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

## Development Code Tree Protection Update

9.203 Definitions. For the purposes of the following sections, these definitions apply:

(1) **Critical Root Zone:** The area around a tree where roots are critical to a tree's survival. For the purposes of this section, the critical root zone is estimated and expressed as a circle around the center of a tree's trunk, where the radius is calculated by adding one foot for every one inch of trunk diameter plus the tree trunk's radius, and where all tree measurements are consistent with those for establishing Tree Circumference. For example, a tree with a Tree Circumference of 6.5 feet would have a trunk radius of 1.0 feet and diameter of 25 inches. The critical root zone would be a circle with a radius of 26 feet (1ft + (25 in \* 1ft/in)) from the center of the tree's trunk and have a total diameter of 52 feet. [Ord. 5947, 1/1/21]

~~(2) **Fell:** To remove or sever a tree or the intentional use of any procedure the natural result of which is to cause the death or substantial destruction of the tree. Fell does not in any context include normal pruning of trees. [Ord. 5947, 1/1/21]~~

**(2) Fell:** to cut down a tree or remove 40 percent or more of the crown, trunk, or root system of a tree; or to damage a tree so as to cause the tree to decline or die. The term "removal" includes, but is not limited to, topping, damage inflicted upon a root system by application of toxic substances, operation of equipment and vehicles, storage of materials, change of natural grade due to unapproved excavation or filling, or unapproved alteration of natural physical conditions. Fell does not in any context include normal trimming or pruning of trees.

(3) **Tree:** A living, standing, woody plant. [Ord. 5764, 12/1/11; Ord. 5947, 1/1/21]

(4) **Tree Circumference:** The circumference of a tree is measured at 4-1/2 feet above mean ground level from the base of the trunk. To obtain the circumference of a tree with multiple trunks, add the individual trunk circumferences, which are greater than 6 inches in circumference. [Ord. 5445, 4/12/00; Ord. 5947, 1/1/21]

9.204 Applicability. Except as provided below, Site Plan Review approval is required for the felling of 5 or more trees larger than 25 inches in circumference (approximately 8 inches in diameter) on a lot or property in contiguous single ownership in excess of 20,000 square feet in any zone.

The following activities are exempt from Site Plan Review under this section. Notwithstanding the foregoing, all tree felling activities located within Significant Natural Resource Overlay districts must meet the applicable requirements of Article 6: [Ord. 5764, 12/1/11; Ord. 5947, 1/1/21]

(1) The action of any City official or of any public utility necessary to remove or alleviate an immediate danger to life or property; to restore utility service or to reopen a public street to traffic.

(2) Felling of any tree that is defined as a nuisance under the Albany Municipal Code.

(3) Any felling necessary to maintain streets or public or private utilities within a public right-of-way or utility easement provided the Tree Commission or City Forester approved the proposed tree felling. [Ord. 5445, 4/12/00]

(4) Felling of trees planted as Christmas trees. [Ord. 5635, 1/11/06]





(5) Felling of trees on property under a Forest Stewardship Plan approved by the Oregon Department of Forestry. [Ord. 5635, 1/11/06]



# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager 

FROM: Sean Park, Information Technology Director 

DATE: May 10, 2024, for the May 22, 2024, City Council Regular Meeting

**SUBJECT:** Contract for the Building Permitting Software System  
 RELATES TO STRATEGIC PLAN THEME: An Effective Government

### Action Requested:

Staff recommends that council approve, by motion, a five-year contract with Accela, Inc., with the option for one five-year extension, to be paid in five annual installments.

### Discussion:

Accela is an enterprise permitting application for government agencies, and is used by Community Development for commercial, residential, and industrial permit and inspection management. Accela is currently an on-premise system administered by the City, which was implemented in 2013. On June 26, 2023, Council approved, by motion, to extend the Accela maintenance and support contract for three years (2023-2026).

The vendor, Accela, Inc., has informed the City that the on-premise platform is being retired, and will no longer receive software upgrades or security updates, as of June 30, 2025. Accela, Inc. is phasing out the on-premise system and replacing it with Accela SaaS (software-as-a-service) hosted on the vendor's cloud systems. The announcement of this phase-out was unexpected, and the City cannot complete a competitive bidding process for a replacement system, and implement the system, within the one-year window.

With Accela being a critical component of permit and inspection operations across the City and considering the complexity of migrating the system to SaaS, staff recommend a migration from on-premise Accela to Accela SaaS as soon as possible to minimize the risks of running an out-of-date system. This will allow the new system to be in place before the current system reaches end-of-life while minimizing disruption to City customers.

Costs will increase by moving to the Accela SaaS platform. There is a one-time migration cost of \$86,000, which includes vendor conversion of all permits and inspection processes, workflows, and reports. Currently, the annual (ongoing) cost is \$43,175.66. The annual costs for the Accela SaaS platform are as follows:

#### Initial Five-Year Term

2024-25	\$90,000
2025-26	\$95,000
2026-27	\$100,000
2027-28	\$105,000
2028-29	\$111,000



Five-Year Extension

2029-30	\$117,000
2030-31	\$123,000
2031-32	\$130,000
2032-33	\$137,000
2033-34	\$144,000

**Budget Impact:**

The total cost for the Accela building permitting software system over the 10-year term is \$1,238,000 (including the one-time migration cost) and will be paid from the IT department's budget, 70113010-602300.



# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager *PT 5/15*  
Chris Bailey, Public Works Director *CB*

FROM: Staci Belcastro, P.E., City Engineer *SB*  
Andrew Monaco, Engineering Associate I *AM*  
Carl Berg, P.E., Civil Engineer II *CAB*

DATE: May 9, 2024, for the May 22, 2024, City Council Meeting

**SUBJECT:** Award of Contract for ST-23-01, Washington Street Area Improvements  
Relates to Strategic Plan theme: Great Neighborhoods

### Action Requested:

Staff recommends that Council, by motion, award this contract in the amount of \$3,504,650 to the low bidder, Pacific Excavation of Eugene, Oregon.

### Discussion:

On May 8th, 2024, bids were opened for ST-23-01, Washington Street Area Improvements. There were six bids submitted for this project, ranging from \$3,504,650 to \$4,928,056.50. The Engineer's estimate was \$4,000,000. A bid summary is provided as Attachment 1.

#### *Project Description*

This project includes construction of a two-inch asphalt grind and inlay overlay on Washington Street between First Avenue and Pacific Boulevard. Washington Street is a major gateway to Albany's Historic downtown and the riverfront. The existing pavement is deteriorated due to age. In addition to street improvements, this project includes replacement of approximately 380 linear feet of storm drainpipe, sidewalk repairs, and curb ramps will be replaced to improve accessibility and meet current Americans with Disabilities Act requirements. The water lines in and around Washington Street are deteriorated, requiring frequent maintenance, having exceeded their service life. This project also includes construction of approximately 9,000 linear feet of 4-inch to 12-inch ductile iron water line replacement. A vicinity map is included as Attachment 2.

#### *Summary of Estimated Project Costs*

Based on the project bid and anticipated related costs, a summary of the total estimated project cost is shown in the table found on the next page. Amounts are rounded to the nearest \$100.

Project Components	Estimated Cost
<b>I. Engineering Costs</b>	
a. Engineering	\$150,000
b. Construction Inspections	\$150,000
<i>Engineering Subtotal</i>	\$300,000
<b>II. Construction Costs</b>	
a. Construction Contract	\$3,504,700
b. Construction Contingency (10%)	\$350,000
c. Other Construction Costs (Survey, Testing)	\$50,000
<i>Construction Subtotal</i>	\$3,904,700
<i>Total Estimated Project Cost</i>	\$4,204,700
<i>Project Budget</i>	\$3,735,000
<i>Under/ (Over) Project Budget</i>	(\$469,700)

**Budget Impact:**

Street and accessibility improvements will be funded from the Street Capital and Restoration Fund (25040250) and the ADA Capital Reserves Fund (25040265). Water line improvements will be funded from the Water System Capital Projects Fund (61540450). The estimated overage of \$469,700 is due to water line improvements. There are adequate reserves in the Water Capital fund to cover the estimated overage. Additionally, approximately \$350,000 of the total contract amount are contingency funds that are held to deal with changed conditions encountered during construction. While these funds may be required to complete the project, if changes are minimal, much of the contingency can be saved to partially offset the overage.

CAB:AM:ss

Attachments (2)

- c: Kristin Preston, Operations Manager
- Robb Romeo, Transportation Manager
- Jeff Kinney, Water Operations Supervisor
- Jeff Babbitt, Public Works Business Manager

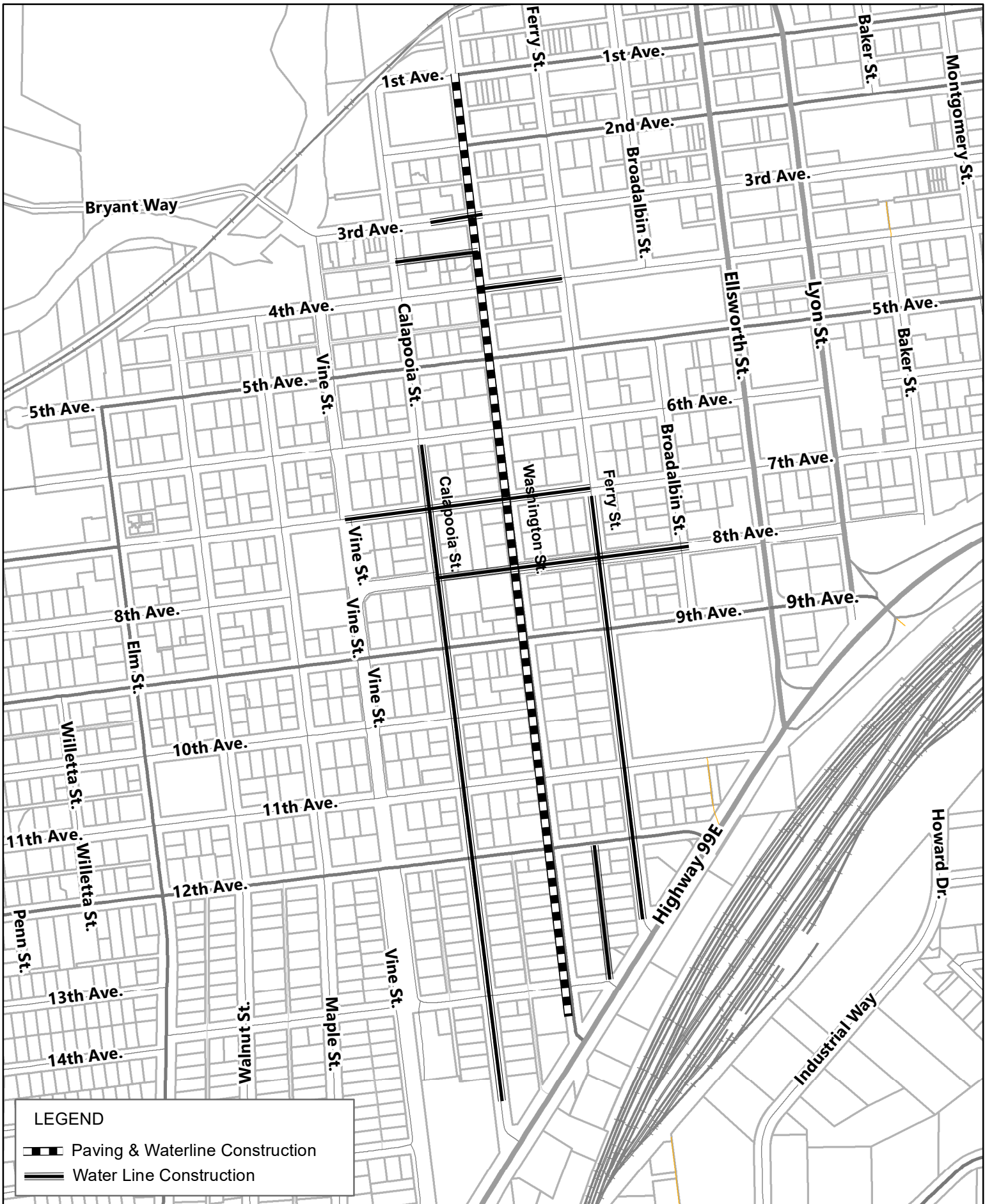


**CITY OF ALBANY, OREGON**  
**Public Works Department**  
**Construction Contract Bids**

**Project:** ST-23-01, Washington Street Area Improvements

**Bid Opening:** May 8th, 2024

Engineer's Estimate	Pacific Excavation, Inc. (Eugene, OR)	Northcore USA LLC (Albany, OR)	Turney Excavating, Inc. (Keizer, OR)	K & E Excavating, Inc. (Salem, OR)	North Santiam Paving Co. (Stayton, OR)	Emery & Sons Construction Group, LLC (Salem, OR)
\$4,000,000.00	\$3,504,650.00	\$3,835,115.00	\$4,256,549.50	\$ 4,587,795.00	\$ 4,641,434.00	\$4,928,056.50

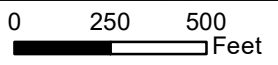


**LEGEND**

-  Paving & Waterline Construction
-  Water Line Construction



**ATTACHMENT 2**  
 ST 23-01, Washington Street Area Improvements  
 Project Vicinity Map





# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager *ST/5*  
Chris Bailey, Public Works Director *CB*

FROM: Staci Belcastro, P.E., City Engineer *SB*  
Chris Cerklewski, P.E., Civil Engineer III *CLC*

DATE: May 7, 2024, for the May 22, 2024, City Council Meeting

**SUBJECT:** Award of Contract for ST-24-01, Queen Avenue: Highway 99E to Marion Street

Relates to Strategic Plan theme: Great Neighborhoods

**Action Requested:**

Staff recommends that Council, by motion, award this contract in the amount of \$4,054,374.00 to the low bidder, North Santiam Paving Company of Stayton, Oregon.

**Discussion:**

On Tuesday, May 7, 2024, bids were opened for ST-24-01, Queen Avenue: Highway 99E to Marion Street. There were four bids submitted for this project, ranging from \$4,054,374.00 to \$4,739,819.00. The Engineer’s estimate was \$4,900,000. A bid summary is provided as Attachment 1.

*Project Description*

This project includes approximately 2,700 linear feet of asphalt pavement rehabilitation on Queen Avenue between Highway 99E (Pacific Boulevard) and Marion Street, including storm drain replacements, new curb ramps and sidewalk repairs. In addition to the street construction, approximately 2,300 linear feet of 12-inch and 8-inch ductile iron water line will be constructed on Queen Avenue between Ferry Street and Marion Street. This project also includes minor sewer main improvements within the project area. A project vicinity map is provided as Attachment 2.

*Summary of Total Estimate Project Costs*

Based on the project bid and anticipated related costs, a summary of the total estimated project cost is shown in the following table. The amounts have been rounded to the nearest \$100.

Project Components	Estimated Cost
<b>I. Engineering Costs</b>	
a. Engineering	\$175,000
b. Construction Inspection	\$125,000
<i>Engineering Subtotal</i>	\$300,000





<b>II. Construction Costs</b>	
a. Construction Contract	\$4,054,400
b. Construction Contingency (10%)	\$405,400
c. Pacific Power Street Lighting Costs	\$50,000
<i>Construction Subtotal</i>	\$4,509,800
<i>Total Estimated Project Cost</i>	\$4,809,800
<i>Project Budget</i>	\$4,800,000
<i>Under/ (Over) Project Budget</i>	(\$9,800)

**Budget Impact:**

This project will be funded from the Street Capital and Restoration fund (25040250), Water System Capital Projects fund (61540450), Stormwater Capital Projects fund (62540550) and Sewer System Capital Projects Reserves (60140350). There are adequate reserves in all four funds to cover the estimated overage of \$9,800. Additionally, approximately \$400,000 of the total estimated project cost is contingency funds that are held to deal with changed conditions during construction. While these funds may be required to complete the project, if changes are minimal, much of the contingency can be saved resulting in the project coming in under budget.

CLC:ss  
 Attachments 2

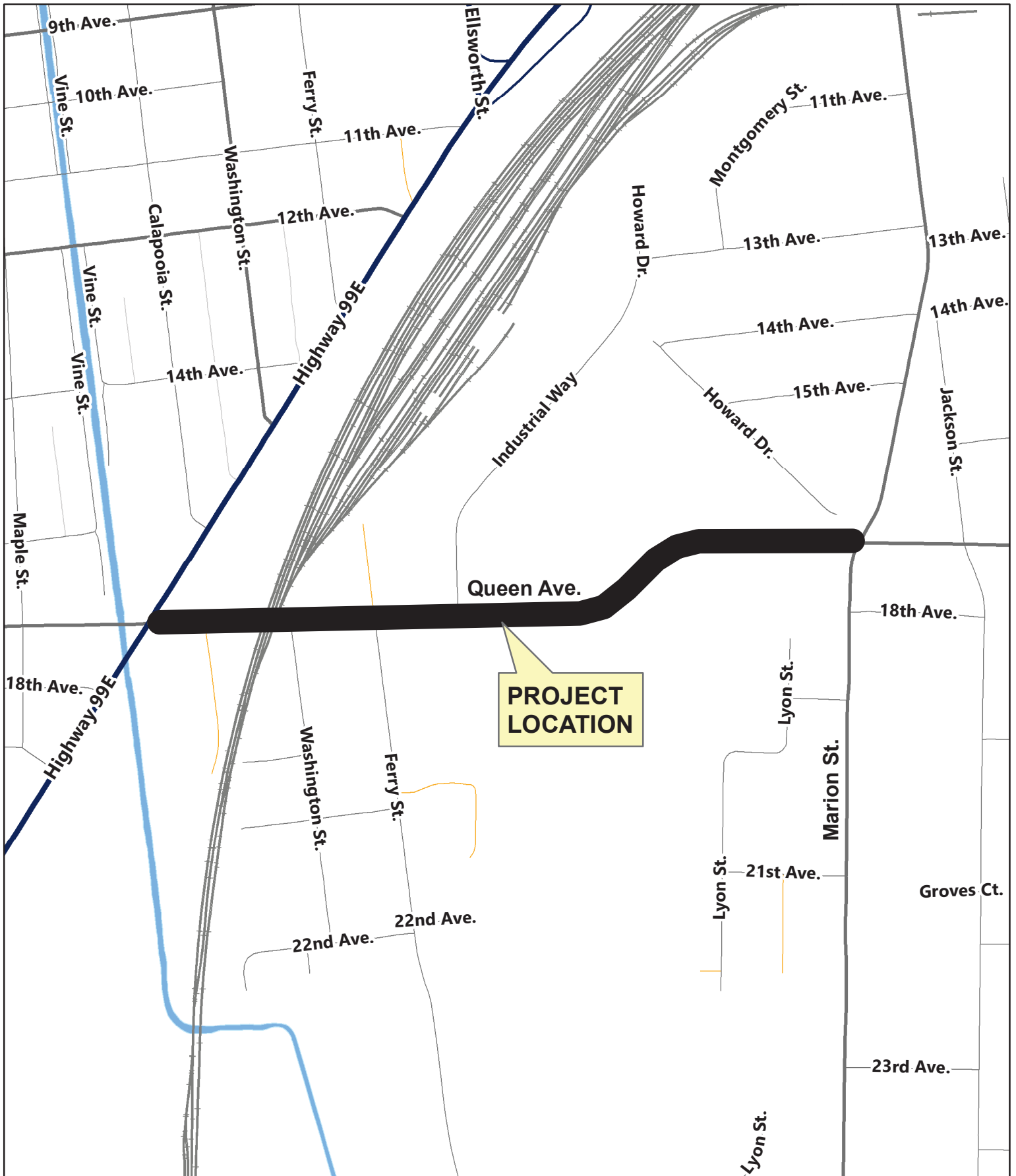


**CITY OF ALBANY, OREGON**  
**Public Works Department**  
**Construction Contract Bids**

**Project:** ST-24-01, Queen Avenue: Highway 99E to Marion Street

**Bid Opening:** Tuesday, May 7, 2024

Engineer's Estimate	North Santiam Paving Co. (Stayton)	K&E Excavating, Inc. (Salem)	Turley Excavating, Inc. (Salem)	Northcore USA LLC (Albany)
\$4,900,000	\$4,054,374.00	\$4,481,395.00	\$4,484,348.50	\$4,739,819.00



**ATTACHMENT 2  
ST-24-01, QUEEN AVENUE REHABILITATION: HIGHWAY 99E TO MARION ST.  
VICINITY MAP**





## MINUTES

Monday, May 6, 2024

Work Session

Council Chambers, City Hall

Approved: DRAFT

### Call to Order and Pledge of Allegiance

Mayor Alex Johnson II called the meeting to order at 4:00 p.m.

### Roll Call

Councilors present: Mayor Alex Johnson II and Councilors Matilda Novak, Steph Newton, Ray Kopczynski, Jackie Montague, Marilyn Smith, and Ramycia McGhee

Councilors absent: None

### Business from the Public

Camron Settlemier spoke against the proposed vacation of Thurston Street.

### Water Master Plan

**4:04 p.m.**

Civil Engineer III Ryan Beathe presented slides.\* He acknowledged the work of engineering firms and City staff in creating the plan. He summarized each chapter of the plan, and talked about the studies still needed before projects can be prioritized.

Councilor Steph Newton asked about the cost of a viability study for the Vine Street water plant. Beathe said the scope of the study hasn't been defined yet.

Councilor Matilda Novak said she is concerned about North Albany. She said the pump station needs immediate attention to increase capacity and make it seismically sound. Beathe said North Albany is a priority for staff.

Councilor Jackie Montague suggested that the viability study be done as soon as possible. Councilor Ramycia McGhee asked how often a viability study is done? Beathe said it's a one-time effort.

Johnson II asked if the study includes cleaning up waste in or near our water supply. Beathe said there are other programs that deal with cleanup.

Johnson II asked for a tour of the Vine Street facility to be arranged for the council.

### Thurston and Jefferson Vacation Right-of-Way

**5:09 p.m.**

Engineering Manager/Assistant City Engineer Aaron Hiemstra described the proposed vacation. He said there are two ways to start the vacation process. This particular request would be hard for a member of the public to initiate because of the requirements of ODOT Rail. Staff is asking the council to initiate the vacation.

Newton asked why the City is giving up right-of-way. Why not wait for development to happen?

Montague asked Hiemstra to clarify the order of the proposed vacation and obtaining easements. Hiemstra said the city vacates the right-of-way but retains access easements. Property owners along the vacated right-of-way would not be able to block public access to the Dave Clark Path.

Director of Community Development Matthew Ruetters explained the process of a City-initiated vacation. He said it will include notification of nearby property owners and public hearings.

The council agreed that staff should pursue initiation of the vacation, making sure to address Settlemier's concerns in the staff report.

Recreational Immunity

**5:26 p.m.**

Parks and Recreation Director Kim Lyddane said that as a result of several lawsuits, Senate Bill 1576 amends Oregon's recreational immunity law to broaden the definition of "recreational" and require cities smaller than 500,000 population to opt in by resolution. A resolution will be on the consent agenda for the council's Wednesday, May 8, 2024, meeting for approval.

Goldfish Farm Road Right-of-Way Acquisition Update

**5:31 p.m.**

City Engineer Staci Belcastro said part of Goldfish Farm Road is under City jurisdiction, and part is still maintained by Linn County. The county has agreed to improve its part to City standards and transfer jurisdiction to the City. The City agreed to pay for acquisition of right-of-way for the improvements. Construction is expected to start in summer of 2025, and includes replacement of the Cox Creek bridge, new sewer line, and bike lanes.

McGhee asked if the road would be lighted. Belcastro said she will find out and report when she has more information.

Business from the Council

**5:42 p.m.**

Newton distributed a handout\* based on her discussion with staff about the fees the City pays on red-light-camera tickets. She suggested loosening the requirements for a diversion. She also asked about the contract term and the cost of the cameras. She quoted Oregon Revised Statute sections regulating sign requirements related to the use of traffic cameras. She said she has experience in the field of traffic psychology, and there are other solutions besides the cameras.

Councilor Marilyn Smith said she would not be able to attend the regular council meeting on May 8.

City Manager Report

**6:03 p.m.**

City Manager Peter Troedsson said he recommends a tour of the Vine Street water plant. It is "phenomenally expensive" to retrofit a brick building.

Troedsson also introduced Xengxiong Nhalong, from Laos, who is visiting the City of Albany on a Young Southeast Asian Leaders Initiative (YSEALI) fellowship. He is Interested in sustainable forest management.

ADJOURNMENT

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

Respectfully submitted,

Reviewed by,

Allison Liesse  
City Clerk

Peter Troedsson  
City Manager

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing [cityclerk@albanyoregon.org](mailto:cityclerk@albanyoregon.org).*



**MINUTES**

Wednesday, May 8, 2024  
Meeting  
Council Chambers, City Hall

**Approved: DRAFT**

Call to Order

**6:00 p.m.**

Mayor Alex Johnson II called the meeting to order at 4:00 p.m.

Roll Call

Councilors present: Mayor Alex Johnson II and Councilors Steph Newton, Matilda Novak, Jackie Montague, Ray Kopczynski, and Ramycia McGhee

Councilors absent: Marilyn Smith (excused)

Special Presentation

- a. If I Were Mayor contest winners **6:00 p.m.**  
Johnson II introduced the winners of Albany's "If I Were Mayor" contest Reagan Winn, Chelsey Lopez, and Hadley Huzefka, who each shared about their contest submissions.
- b. Linn County Veterans Day Parade **6:00 p.m.**  
Chair of the Linn County Veterans Day Parade Committee Christine Ferguson shared a document\* about Col. Thomas H. Kirk Jr., who will speak at the upcoming Veterans Day event.
- c. Public Works Week recognition **6:25 p.m.**  
Chris Bailey thanked public works staff for their work and shared a video\*.

Business from the Public

**6:27 p.m.**

None

Adoption of resolutions

**6:27 p.m.**

- a. Approving and adopting the City of Albany, ADA Transition Plan  
Library Director Eric Ikenouye introduced the item.

MOTION: Councilor Jackie Montague moved to adopt the resolution. Councilor Ray Kopczynski seconded the motion, which passed 5-0 and was designated Resolution No. 7314.

- b. Exemption from competitive bidding to purchase a generator for WTP-24-01 **6:29 p.m.**  
City Engineer Staci Belcastro outlined the need for the proposed generator and how it would be funded.

MOTION: Montague moved to adopt the resolution. Kopczynski seconded the motion, which passed 5-0 and was designated Resolution No. 7315.

Award of contracts

- a. ST-23-03, Fourteenth Ave, Clay St, and Geary St overlay **6:32 p.m.**



Civil Engineer II Carl Berg gave an overview of the project.

MOTION: Kopczynski moved to approve the contract as written. Councilor Steph Newton seconded the motion, which passed 5-0.

- b. ST-24-04, 2024 slurry seal project **6:34 p.m.**  
Engineering Associate I Andrew Monaco gave an overview of the project.

MOTION: Councilor Ramycia McGhee moved to approve the contract as written. Newton seconded the motion, which passed 5-0.

- c. SS-25-01, Cox Creek interceptor sewer phase 3 **6:36 p.m.**  
Civil Engineer III Chris Cerklewski gave an overview of the project. Responding to questions from Kopczynski and Montague, Cerklewski said that staff experienced lower project costs this year than in recent years and that all the phases of the Cox Creek interceptor project are roughly the same length.

MOTION: Montague moved to approve the contract as written. McGhee seconded the motion, which passed 5-0.

Adoption of consent agenda **6:39 p.m.**

- a. Appointments
- 1) Accepting Terry Virnig's resignation from the Budget Review Committee and Transportation Advisory Commission
  - 2) Appointing Michael Thomson to the Budget Review Committee
  - 3) Appointing Oscar Hult to the Tourism Advisory Committee
  - 4) Appointing Alex Rice to the Transportation Advisory Commission
- b. Approval of minutes
- 1) February 26, 2024, city council work session
  - 2) March 11, 2024, city council work session
  - 3) April 8, 2024, city council work session
  - 4) April 10, 2024, city council meeting
- c. Recommendations to OLCC
- 1) Approve change of ownership full on-premises commercial liquor license for Elmer's Restaurants, Inc dba Elmer's Breakfast Lunch Dinner
- d. Adoption of resolutions
- 1) Authorize the City's participation in a submittal for Safe Streets and Roads for All grants RES NO. 7316
  - 2) Access Easement for SP-18-23 RES NO. 7317
  - 3) Emergency Access Easement for SP-18-23 RES NO. 7318
  - 4) Water Easement for SP-18-23 RES NO. 7319
  - 5) Opting into recreational immunity RES NO. 7320
- e. Approval of agreements
- 6) Linn County Ambulance Service Area mutual aid agreement RES NO. 7321

MOTION: Kopczynski moved to adopt the consent agenda as written. McGhee seconded the motion which passed 5-0.



Business from the council

**6:39 p.m.**

Newton spoke about the city's new contract concerning red-light cameras. Newton said she would like to see a change to the city's ticket diversion policy, stating that all drivers, regardless of age, should be able to complete a diversion program on their first ticket. City Manager Peter Troedsson said the change sounds reasonable, but he would like to take the proposal to a meeting of court stakeholders to see if there would be any unintended consequences before making any changes.

Newton, Montague, and Councilor Matilda Novak discussed the red-light cameras and if they were an appropriate investment. Novak shared an email\* from Police Chief Marcia Harnden about traffic violations in the area of the soon-to-be installed North Albany red-light camera.

McGhee shared about a recent event and Johnson II spoke about the "If I Were Mayor" contest.

City manager report

**6:57 p.m.**

Troedsson shared his gratitude to Public Works staff on the occasion of Public Works week.

Recess to executive session to discuss litigation or litigation likely to be filed in accordance with ORS 192.660 (2)(h)

**6:58 p.m.**

Johnson II read the executive session script and recessed the city council into executive session in accordance with ORS 192.660 (2)(h) to discuss litigation or litigation likely to be filed.

Johnson II recessed the council meeting at 6:59 p.m. for a break and reconvened at 7:10 p.m. in executive session.

Reconvene

**7:52 p.m.**

Johnson II reconvened the council into regular session at 7:52 p.m.

ADJOURNMENT

There being no other business, the meeting was adjourned at 7:53 p.m.

Respectfully submitted,

Reviewed by,

Gabe Shepherd  
Deputy City Clerk

Peter Troedsson  
City Manager

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing [cityclerk@albanyoregon.gov](mailto:cityclerk@albanyoregon.gov).*



# MEMO



TO: Albany City Council

VIA: Peter Troedsson, City Manager *PT 5/15*

FROM: Marcia Harnden, Police Chief *MH*

DATE: May 1, 2024, for the May 22, 2024, City Council Regular Session

**SUBJECT:** Personnel Changes for the Police Department

## Action Requested:

Staff requests that the City Council, by motion, approve the following personnel requests effective September 1, 2024:

- Deletion of 1.0 FTE Police Support Services Manager
- Addition of 1.0 FTE Police Records Supervisor (N130)
- Addition of 1.0 FTE Police Communications Supervisor (N140)

## Discussion:

The Police Department received notice that our current police support services manager will retire August 31, 2024. Currently, this one position oversees the records, property & evidence, and communications (911 dispatch) workgroups, which encompass a total of 19 employees. The police support services manager position was created in July 2021 in response to budget constraints. The current manager is in an extremely unique position to be able to supervise all three workgroups because of his past employment experience; he has experience both as a records clerk and as a communications specialist and maintains certifications for both. Prior to July 2021, there were two separate supervisors to divide up the workload. One supervisor managed the communications unit, and one supervisor managed the records and property & evidence units.

It is important to consider the amount of liability that is attached to each of these positions. If a record were to be released without being properly redacted, it could lead to potential litigation or it could hinder an investigation. If property and evidence isn't carefully tracked and monitored, it could lead to a dismissal of charges, or a conviction being overturned. For communications, a call dispatched with the wrong information can create a safety concern for both the officers involved and the individuals contacted. Additionally, a warrant entered incorrectly or a warrant that is not cleared due to already being served or recalled, can lead to a wrongful arrest. For these reasons, along with the workload of supervising such a large number of employees and the unique qualifications needed for each workgroup, it is necessary to once again have two supervisory positions.

The police records supervisor will oversee the records and property & evidence units, which includes supervising 7.25 FTE. The police communications supervisor will oversee dispatch, which includes supervising 11.00 FTE. The police department administrative staff have selected an external recruitment for each position, with the goal of opening the positions up for application in June 2024 and placement as early as September 1. The current police support services manager has agreed to work back as late as December 2024 to assist with training the new employees selected for each position.

The action was reviewed and approved by Human Resources Director Holly Roten.

## Budget Impact:


The budget impact for the remainder of this biennium is \$68,500.

MH:de



# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager 

FROM: Holly Roten, Human Resources Director

DATE: May 10, 2024, for the May 22, 2024, City Council Meeting

**SUBJECT:** Personnel Changes in the Human Resources Department

## Action Requested:

Staff requests that the City Council, by motion, authorize the following personnel changes in the Human Resources Department:

- Reclassify 1.0 FTE Human Resources Business Partner (N150) to Human Resources Manager (N160) effective June 1, 2024.
- Add 1.0 FTE Risk Manager (N150) effective August 1, 2024.

## Discussion:

The City's Human Resources (HR) Department is currently comprised of six full-time employees who provide service to all employees including management within the organization as well as the City's expansive number of employment applicants through a wide range of services from recruitment to retirement and everything that occurs throughout the course of an employee's career. As a full-service Human Resources Department, HR staff manages recruitment and selection, benefits plan design and administration, classification and compensation, leave administration, citywide training, employee performance management, DEI initiatives, employee and labor relations, collective bargaining, workplace investigations, policy development, regulatory compliance efforts and reporting, risk management and safety programming, and other functions to support nearly 450 City employees across nine departments and five bargaining and non-bargaining groups.

September 2023 saw the launch of the Oregon Paid Family Medical Leave (PFML) Insurance program, which provides paid leave for eligible employees who require time off when many of life's most important moments impact their health, families, and safety. The addition of PFML has added significant work time and volume to our department as we navigate and assist employees with the intricacies of this new State program, answering questions about the integration of PFML with other City leave benefits, and assisting with the complex documentation requirements and timesheet coding needed to ensure accurate tracking and that we're meeting legal requirements for three different state and federal leave laws. At the same time as we've seen this increase with leave administration volume, we have also seen a notable increase in our day-to-day volume related to recruitment, onboarding and offboarding, and general benefits administration.

Due to this sustained increase in volume, we have evaluated the department structure and determined that in order for our department to function effectively and meet day-to-day demands while also continuing to place the appropriate focus on mid- to long-range projects and priorities, it is necessary to reclassify our current HR Business Partner to an HR Manager position. The HR Manager will assume the supervision of three HR programs coordinators and oversee the day-to-day operations of the department including our "bread and butter" items such as all aspects of recruitment and selection, benefits administration, leave administration, citywide training, and the City's performance management program to include review and approval of employee

performance evaluations and any corresponding pay increases. The HR manager will also assist the HR director with performance management consultations with supervisors, employee accommodation requests, and employee relations matters, as needed, as well as program audits and policy compliance and updates. Designating a front-line supervisor for our day-to-day program areas and operations will also improve overall service delivery to our employees, department supervisors and directors, employment candidates, and outside partnerships as a result of improved staff communication and more regular team check-ins and trainings, providing greater consistency with the application of HR policies and practices.

Having an HR Manager position to oversee day-to-day functions and assigned HR staff will allow the HR Director to have a greater focus on labor relations, including collective bargaining with our four unions, employee relations issues and consultation with supervisors related to performance management concerns, more timely completion of workplace investigations and employee accommodation requests, an improved presence with department management teams, prioritization of policy audits and updates needed to comply with changes in the law, benefits and compensation plan research and design, best practice assessments, evaluation of current business needs to identify areas for deployment of new technologies to realize efficiencies, as well as the business functions of the department including budgeting, strategic planning, key performance indicators, requests for proposals, contracting, and benefits plans administration. The HR Director will supervise the HR Manager and also supervise the requested risk manager position and work closely with that individual to further develop the City's risk management, loss control, and safety programming.

As part of this request, we are also seeking the Council's approval to add a full-time Risk Manager position to the department. The City's risk management efforts are currently spread across various departments, with each department contributing to the effort, with no one individual to coordinate and oversee the City's overall risk management program and collective needs. The risk management function is very fragmented and has historically been a band-aided effort, with Human Resources, Finance, the City Manager's Office, the City Attorney, the Emergency Manager/Safety Officer and each of our department heads and their management teams filling in various gaps. Given the size and complexity of our organization, the City is long overdue for a dedicated risk management position. This was first identified on our Best Practices Assessment from City/County Insurance Services nearly ten years ago. Perhaps the tipping point for the organization is the insurance renewal we've received this year, which reflects a more than a 20% premium increase due to a dramatic rise in claims for general liability, auto physical damage, and property. Our partners at CIS have renewed their recommendation for a risk management position following the most recent best practice assessment completed earlier this year and in light of the City's negative claims trend. A concerted effort is needed to surround these issues; evaluate current practices, policies, and activities; identify areas of exposure; and implement training, policies, and programming to effectively manage and reduce the City's risk.

This new Risk Manager position would serve all departments as part of central services and would be tasked with planning, managing, developing, and administering the risk management, loss control, and safety programs and activities for the City including identifying, evaluating, and preventing potential exposure to financial loss. The position would develop policies and procedures and coordinate training and development, employee communications, services, and activities across all City departments. The new Risk Manager position would assume the safety programming duties of the City's current Emergency Manager/Safety Officer, allowing the emergency manager to focus full-time on emergency management, which has been an identified need for many years. The Finance Manager currently has additional duties associated with risk management that would also be transitioned to the new Risk Manager position, allowing the finance manager to focus on budget, audit, and the supervision of day-to-day finance functions including payroll and accounts payable/receivable. It is worth noting that the City's payroll function has also seen a sharp increase in volume and complexity following the implementation of PFML. Overall, the addition of the Risk Manager position would provide much needed bandwidth to both Human Resources and Finance, as well as for those within each City department tasked with risk management functions, in being able to surround the overall risks to the City. Among the many duties, this

position will also be tasked with establishing a new citywide Risk Management Committee in partnership with all City departments and will coordinate the committee's efforts and standardization of practices, policies, and procedures.

**Budget Impact:**

The reclassification of the HR Business Partner to HR Manager will cost approximately \$5,600 for the remainder of the current biennium. The Human Resources program has sufficient funds to cover this increased cost.

The addition of the Risk Manager position will cost approximately \$144,000 for the remainder of the current biennium. The Central Services budget has sufficient funds to cover this increased cost.

HR

c: Jeanna Yeager, Finance Director



# MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager

*AS/15*

FROM: Mary Dibble, Central Administrative Officer

DATE: April 30, 2024, for the May 22, 2024, City Council Meeting

**SUBJECT:** Salary Grade Adjustment for City Clerk

Relates to Strategic Plan theme: Effective Government

## Action Requested:

Staff requests that the City Council, by motion, approve a salary grade adjustment the City Clerk classification from N130 to N135, effective June 1, 2024.

## Discussion:

The City Manager's Office will begin recruitment for the City Clerk position in the fall of 2024 in order to fill the vacancy that will be created by a retirement in January 2025. In preparation for the recruitment, staff reviewed the job description and asked Human Resources to conduct a salary survey.

The City Clerk position is central to several critical activities that have legal, policy, and process related impacts citywide such as elections; required filings with other agencies; records management; public meetings, hearings, and noticing; citizen advisory groups; and parliamentary procedure. Additionally, new legal requirements around public meetings have added to the level of expertise that is required for this position and associated responsibilities. The current wages were found to be behind market. In order to conduct a successful recruitment for this critical position, it is necessary to adjust the salary as noted above.

This action was reviewed and approved by Human Resources Director Holly Roten.

## Budget Impact:

If approved, the budget impact for the remainder of the 2023-2025 biennium is approximately \$760 for wages and benefits. There are adequate funds in the City Manager's Office budget to accommodate this increase.

MD