



ALBANY CITY COUNCIL AGENDA

Monday, January 22, 2024
4:00 p.m.

Council Chambers, City Hall
333 Broadalbin Street SW

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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 roll call
2. Business from the public
3. Private property impound towing rates – Kris Schendel [Pages 2-4]
Discussion
4. Pavement management funding discussion – Chris Bailey [Pages 5-8]
Information
5. Business from the council
6. City manager report
7. 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@cityofalbany.net.

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: Marcia Harnden, Police Chief
Peter Troedsson, City Manager *8/1/18*

FROM: Kristopher Schendel, Senior Code Compliance Officer

DATE: January 10, 2024, for the January 22, 2024, City Council Work Session and January 24, 2024, City Council Regular Session

SUBJECT: Albany Private Property Impound Rates
Relates to Strategic Plan theme: Effective Government

Action Requested:

Staff requests the City Council amend Albany Res. No. 7287 setting private property impound towing rates as allowed through Albany Municipal Code 13.90.130.

Discussion:

On December 13, 2023, Albany City Council adopted Res. No. 7287, to update private property impound rates that had been set on February 8, 2017, via Res. No. 6569. After Res. No. 7287 was adopted, staff sent the new rates to all tow companies that held a valid Private Property Impound Permit with the City of Albany. In doing so, it was discovered that the Hookup Fees (Class A, B, and C), the After-Hours Release Fee, and the Release at Scene (RAS) fees (Class A, B, and C) had decreased, which was not the intent of Res. No. 7287. Through some research, staff found that while preparing the resolution for council adoption on December 13, 2023, that they had been working off an outdated rate sheet. This was an error, as staff did not intend to reduce Hookup Fees, the After-Hours Release Fee, or RAS Fees.

Staff recommends that the City Council amend Res. No. 7287 to correct this error.

Budget Impact:

None.

KS

Attachments: Albany Municipal Code 13.90.130 Exhibit A (corrected rates).



RESOLUTION NO. _____

A RESOLUTION AMENDING PRIVATE PROPERTY IMPOUND TOWING RATES RESOLUTION NO. 7287

WHEREAS, Albany Municipal Code (AMC) Chapter 13.90.130 allows the city council to set maximum towing rates by resolution; and

WHEREAS, the council adopted Resolution No.7287 on December 13, 2023, setting private property impound rates; and

WHEREAS, it was later found that staff was working off an out of date rate sheet; and

WHEREAS, it was not the intent of staff to lower rates within the resolution.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the private property impound towing rates set forth in Exhibit A are hereby amended.

DATED AND EFFECTIVE THIS 24TH DAY OF JANUARY 2024.

Mayor

ATTEST:

City Clerk

Exhibit A

The terms used if not defined under the Albany Municipal Code may be found under the Oregon Revised Statutes or Oregon Administrative Rules.

Basic Fees for Towing may not exceed

Class A Hookup Fee	\$ <u>175165</u>
Class B Hookup Fee	\$ <u>200198</u>
Class C Hookup Fee	\$ <u>350300</u>

The following fees may be added, as appropriate if documented on a receipt

Towed Mileage up to a maximum of 7 miles (mileage measured to the 1/10th of a mile):	
Class A	\$7.00
Class B	\$7.50
Class C	\$8.00
Labor/Standby Time on Scene in excess of 30 minutes	\$25/ quarter hour
When charging a tower must report the time of arrival at and the departure from the scene.	
After Hours Release Fee (applicable only after 6 pm or before 8 am Monday-Friday, all day Saturday and Sunday and National Holidays)	\$ <u>4525</u>
Release at Scene (RAS) This fee may only be assessed if: <ol style="list-style-type: none"> The tower has completed the hookup and attachment of all safety equipment and the tow truck's transmission is engaged and it has commenced driving forward. If all above requirements have not been met and vehicle owner/driver returns, an RAS fee shall not be charged. 	
RAS Fees may not exceed:	
Class A	\$ <u>175165</u>
Class B	\$ <u>200198</u>
Class C	\$ <u>350300</u>
Storage Fees (after 4 hour grace period, starting from time of notice to Albany Police Department)	
Per Day (per 24 hour period after completion of tow)	\$60
Vehicles over 20' long – Per Day (per 24 hour period after completion of tow)	\$90
Lien Filing Fee	
Value under \$1,000	\$125
Value \$1,001-\$2,500	\$150
Value greater than \$2,500 or out of state	\$175



MEMO

TO: Albany City Council

VIA: Peter Troedsson, City Manager *PT 1/18*

FROM: Chris Bailey, Public Works Director *CB*

DATE: January 12, 2024, for the January 22, 2024, City Council Work Session

SUBJECT: Pavement Management Funding Discussion
 Relates to Strategic Plan theme: Great Neighborhoods, Effective Government

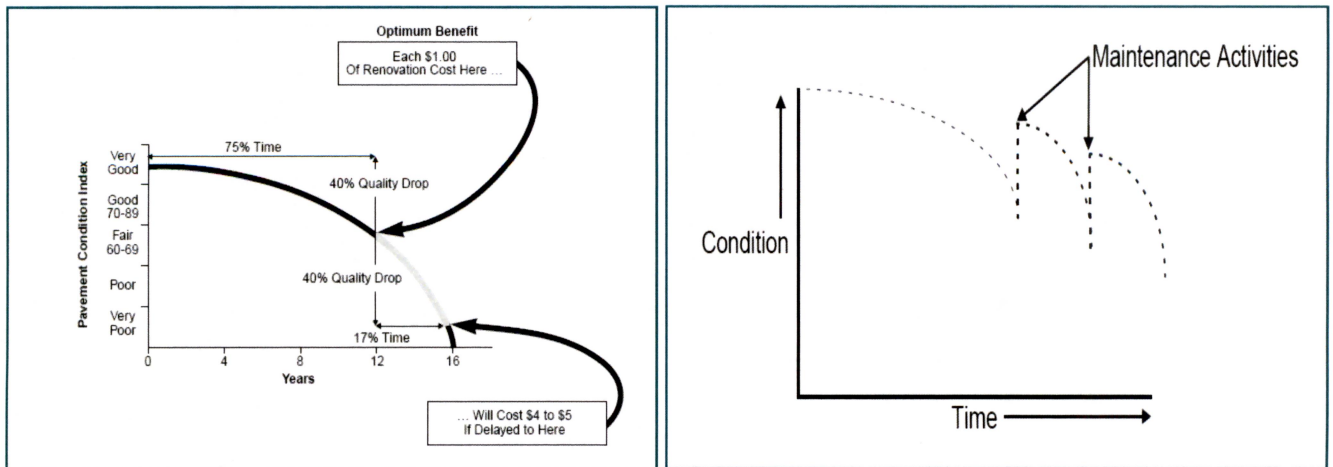
Action Requested:

Staff recommends Council discuss and provide direction on additional funding for city streets.

Discussion:

This is the fourth in a series of presentations discussing the need for additional funding to improve pavement conditions on Albany streets. At the October 9, 2023, work session the council received a detailed discussion on how streets are constructed, how they fail, the costs to provide various maintenance treatments, and the overall average condition of the three categories of streets in Albany. The Pavement 101 White Paper attached to the staff report for that meeting was provided as a primer on street classification, construction, and pavement condition index (PCI) ratings and may serve as a helpful reminder for the council.

One important concept was shown in a graphic depiction of the least life-cycle cost strategy for pavement preservation represented by these diagrams:



These figures show that the optimum process to maintain the quality of our streets is to invest in them while they are still in good or fair condition, with a PCI above 60. Delaying maintenance until the street is in a failed condition will result in project costs that are typically four to five times greater to achieve the same



improvement. Thus, the preferred maintenance strategy is a series of relatively small investments in maintenance projects over time rather than constructing a street, letting it fail, and then paying to fully reconstruct that street.

At the November 6, 2023, work session, staff provided information describing overall funding for the street fund. Based on current pavement condition ratings, the city would need to generate an additional \$12.8 million per year for 40 years over current street funding levels to achieve a PCI of 60 or greater for all classifications of streets, as summarized in the table below:

Classification	Needed Funding	Current Funding	Funding Gap
Arterials & Collectors	\$4 million	\$2.5 million	\$1.5 million
Locals – Good/Fair	\$3.5 million	\$0.5 million	\$3.0 million
Locals – Poor	\$8.3 million	\$0	\$8.3 million
Total Annual Funding Gap: \$12.8 million			
<i>* All funding is per year for 40 years; in 2023 dollars</i>			

In December, staff discussed a long list of available funding mechanisms that could be used to pay for street improvements. Attachment A to that council memo is a good resource for the council as it provides significant detail on these funding options, how they could be implemented, the history of funding for streets in Albany, and additional considerations for each potential funding source.

The presentation at this work session will be focused on defining a new Level of Service for the street system and discussion on a limited set of additional funding alternatives.

Defining Level of Service

When discussing city revenue sources such as utility rates or the City Services Fee (CSF), staff has followed a process whereby the council sets its desired Level of Service for a particular program and then staff determines the estimated revenue required to achieve that Level of Service based on the underlying rate structure. For instance, the council may direct staff to maintain current staffing levels of designated programs funded by the general fund; staff then can calculate the amount of CSF revenue needed to achieve that goal. This process gives direction to staff to develop revenue targets to accomplish the council’s goal without overcharging and further burdening our citizens. If as part of this process, the council feels the financial burden on citizens to accomplish a goal is too great, the process would require the council reduce the desired Level of Service until the underlying fee is considered acceptable.

For maintenance of the city’s street system, the current Level of Service set by the council is in the City Strategic Plan and has been in place for many years: maintain arterial and collector streets to achieve a PCI of at least 60 and address local streets as funding allows. As a result, staff have prioritized existing resources to make progress toward the PCI target for arterial and collector streets. That is not to say that local streets have been completely ignored; staff has taken advantage of outside funding opportunities to repair certain local streets when possible. An example of this is using state grant funds to improve street conditions adjacent to local schools. However, the primary use of available street funding has been focused on arterial and collector streets in accordance with the council’s direction. As a result, the PCI of those streets is much better overall than that of local streets.

Staff is recommending the council consider defining a new Level of Service that would include condition goals for local streets in addition to arterials and collectors. Staff is greatly concerned that a large portion of local streets are failed and failing and without some direct intervention, the number of failed local street sections will be too large to address equitably. Therefore, staff strongly recommends that council include local streets in a new target Level of Service. Staff recommends the council consider a Level of Service goal of maintaining arterial and collector streets at a PCI of at least 60 while also keeping local streets that have a PCI at or above 50 from falling below that level. This Level of Service goal would continue to prioritize the streets that our citizens use the most and would begin to address local streets in fair condition using the least-cost life cycle approach described above to prevent them from falling into poor or failed condition. The intended result would be to continue the good work we are doing with the arterials and collectors while also not adding to the long list of failed local streets.

If the council approves a revenue source to keep the fair local streets in good or fair condition as described above, the next step would be to begin to address the failed local streets. If the city does not begin to reconstruct these local streets, they will only continue to degrade until we have sections of town with streets that would require emergency intervention. Toward that end, staff is also recommending a new Level of Service goal of making incremental improvements to failed local streets as funding allows.

Revenue Targets and Recommended Funding Alternatives

The proposed new Level of Service for city streets has two parts: keep the good streets good (including local streets) and begin to reconstruct failed local streets. Expanding the Level of Service for streets in this manner would require additional funding. With existing funding, the city has been able to make incremental progress on the condition of arterials and collectors. However, current funding is not adequate to fully accomplish the goal of getting and keeping all of those streets to a PCI of at least 60. In other words, there is already a revenue gap for the current Level of Service. Expanding the Level of Service to also include work on local streets will make that annual revenue gap even larger. The table below shows the resulting revenue target to accomplish the proposed new Level of Service.

Category of Work	Additional Annual Funding Required
Maintenance of Arterials & Collectors to PCI >60	\$1.0 million
Maintenance of Locals – Keep Good/Fair PCI>50	\$3.0 million
Reconstruction of Locals in Poor Condition	\$2.0 million
Total	\$6.0 million

Based on current street conditions, staff estimates that \$4 million in additional revenue would be required for the first part of the Level of Service targeting arterials, collectors, and fair local streets. The funding need for poor/failed local streets is so great that the council could set an initial revenue target for reconstructing these streets anywhere above \$1 million. Staff recommends a \$2 million initial revenue target.

Of the range of funding alternatives presented at the December 11, 2023, work session, staff recommends council focus on only three: increases to the City Services Fee, a new local fuel tax, or a new Transportation Utility Fee (TUF). Several of the funding alternatives described in December, such as Tax Increment Financing or Local Improvement Districts, have limited applicability and would not be appropriate for city-wide street

projects. While a General Obligation Bond is a good option for large capital projects on arterial and collector streets, there is not a set of street sections that need that level of investment at this time.

A TUF is the funding mechanism recommended by staff. The TUF has the advantage of being based on the use of the street system either by land use classification, trip generation potential, or another related mechanism. The design of the TUF structure is flexible, discounts or credits can be considered, and the fee can be phased in over time to build to the ultimate revenue target. A local fuel tax could also be designed with incremental increases, but future changes to the tax would require voter approval, the tax cannot easily be discounted based on a customer's income, and there is ongoing uncertainty around the impact of electric vehicles on future fuel tax receipts. Finally, the council could direct some general fund revenues (such as from private franchise utilities) to the street fund and replace the loss of that revenue in the general fund by increasing the CSF. Staff is not as supportive of this concept however, because the CSF was not established to support street funding even indirectly and this scenario would return to the previous policy of tying street funding to the general fund where it may be subject to reduction by future council decisions.

Timelines required to further evaluate any of these funding alternatives are similar. First, staff would recommend a significant public outreach and education effort to generate as much public support as possible even if the selected option does not require a vote of the people. Additionally, staff will need consultant assistance to design any new or modified funding mechanism. Finally, staff would prepare and present to the council and the public a plan to use the new funding, describing street maintenance activities and projects over a five-to-ten-year period supported by these funds. Depending on council direction, it is likely to take up to a year or more to implement any new funding mechanism.

Summary

Staff is recommending the council discuss and provide direction on the desired Level of Service for the city street system, an appropriate annual revenue target, and a preference on how to generate that revenue. With this direction, staff can begin an outreach and education program for the public. If the council does not choose an additional funding mechanism, staff will continue to focus on maintaining the highest possible PCI for arterial and collector streets while pursuing outside funding for local street projects. In that case, the overall condition of local streets will continue to further decline.

Budget Impact:

None at this time.

CB:ss