



AMENDED LEBANON CITY COUNCIL WORK SESSION AND REGULAR MEETING MINUTES

March 11, 2026 at 5:00 PM

Library Community Meeting Room
55 Academy Street, Lebanon, Oregon

MISSION STATEMENT

*We provide services that foster a resilient, safe, and growing community,
strengthened by our community connections*

Mayor: Kenneth Jackola

Council President Michelle Steinhebel | Councilor Dominic Conti | Councilor Marcellus Angellford

Councilor Jeremy Salvage | Councilor David McClain | Councilor Dave Workman

5:00 PM – CALL TO ORDER WORK SESSION

City of Lebanon Work Sessions are less formal meetings that enable the Council to focus on and explore in detail a topic with staff and/or consultants. Like regular Council meetings, citizens are encouraged to attend and observe work sessions. Unlike regular Council meetings, work sessions do not include public hearings or other opportunities for citizen comments. Should action be required, that topic would be brought back to the next available regular session, at which time citizens would have the opportunity to comment before a formal action is taken.

The Work Session was Called to Order at 5:00 PM. Councilor Salvage attended online, Councilor Angellford arrived at 5:05 PM. All other members were present.

DISCUSSION ITEMS: Utilities Rate Review

During the work session, Public Works Director Williams and Finance Director Neish presented an overview of the City's water, wastewater, and storm drainage utilities, with additional input from City Manager Whitlatch. Staff reported that the water system continues to focus on water main replacement, addressing leaks, undersized lines, and dead-end lines that affect water quality. The City maintains approximately 88.7 miles of water distribution mains and produced more than 515 million gallons of drinking water during the fiscal year through January. Current funding levels allow the replacement of roughly 2,500–3,000 feet of water main annually, resulting in an estimated 160-year replacement cycle, which exceeds the typical life expectancy of some pipe materials. Several water line projects are underway or in design, including improvements on Grant Street, Sherman Street, Cedar Street, Vine Street, and the North 5th Street reconstruction project.

Staff also provided an update on the wastewater system. The City's wastewater treatment plant treated approximately 703 million gallons of wastewater during the fiscal year to date. Current projects include replacement of bar screens at the plant intake and design work for a new solids handling system intended to address biosolids management challenges. The City maintains about 70 miles of sanitary sewer main and is experiencing an increase in aging sewer lines and laterals that require repair or replacement. Annual funding allows the replacement of roughly 2,000–2,500 feet of sewer main, resulting in an estimated 170-year replacement cycle. Aging infrastructure and infiltration during rain events can increase flows to as much as 200 percent of normal levels. Upcoming wastewater projects

include the Highway 20 sanitary sewer lining project, sewer work associated with the North 5th Street reconstruction, and design work for improvements at the wastewater treatment plant.

The storm drainage system includes approximately 63 miles of storm mains and 52 miles of open drainage ditches. Due to limited funding, storm system pipe replacement occurs at a slower pace, averaging about 1,500 feet every two to three years. Staff noted that most maintenance efforts involve mowing and clearing drainage channels to maintain water flow. A recently completed storm drainage master plan identifies numerous capital improvement needs and lifecycle replacements that would require additional funding in the future. Planned work includes storm drainage improvements associated with the Grant Street and Cedar Street projects along with smaller system repairs and routine maintenance.

Financial projections for the water and wastewater utilities were also presented. The water fund is projected to draw down existing reserves over the next five years as expenditures exceed revenues, even with assumed annual rate increases beginning in future fiscal years. Although the fund balance remains healthy in the near term, staff indicated that adjustments to revenue will eventually be necessary to maintain long-term financial stability. The wastewater fund projection includes a major capital project for biosolids drying and solids handling improvements at the wastewater treatment plant, currently estimated at approximately \$27 million. The project would be supported by about \$2 million in state grant funding and an estimated \$8 million loan through the state revolving loan fund. If the loan is pursued, repayment would begin around 2029 and extend for approximately 30 years.

Staff recommended a proposed utility rate adjustment that would increase sanitary sewer rates by six percent to prepare for future debt service related to the wastewater project. For an average residential customer using five units of water, the increase would raise the typical monthly utility bill by approximately \$4.15, representing a total utility bill increase of about 3.3 percent. Staff explained that the increase would help demonstrate financial capacity for loan qualification and begin building revenue for future debt service. Council also received a comparison of Lebanon's utility rates with other Oregon cities, showing Lebanon generally within the typical range for comparable communities.

The presentation also included discussion of the City Services Fee that supports general fund operations. Property tax revenues alone do not fully fund general fund expenditures, particularly personnel costs, and the fee currently generates about \$2 million annually. Staff reported that the fee helped stabilize the City's general fund financial outlook and proposed a one percent annual increase, or approximately \$0.20 per month, to maintain long-term balance and avoid larger increases in the future. Council members discussed the timing of potential increases and the importance of maintaining financial stability while minimizing impacts on residents. The work session concluded after staff answered questions regarding capital projects, regulatory requirements, biosolids management, and financial projections.

ADJOURN WORK SESSION

The Work Session Adjourned at 5:50 PM.

6:00 PM – CITY COUNCIL REGULAR SESSION

CALL TO ORDER / FLAG SALUTE

The meeting was Called to Order at 6:00 PM.

ROLL CALL

PRESENT

Mayor Kenneth Jackola
Councilor - Ward 1 Dominic Conti
Councilor - Ward 1 Marcellus Angellford
Councilor - Ward 2 David McClain
Councilor - Ward 2 Dave Workman
Councilor - Ward 3 Jeremy Salvage
Council President - Ward 3 Michelle Steinhebel

STAFF

City Manager Whitlatch
Finance Director Neish
Community Development Director Olson
City Engineer Trippett
City Attorney Kennedy
City Recorder Fisher
IT Administrative Assistant Gomez
Chief of Police Stevenson
Public Works Director Williams

PRESS

Sarah Brown, Lebanon Local

CONSENT CALENDAR

The following item(s) are considered routine and will be enacted by one motion. There will not be a separate discussion of these items unless a Councilor so requests. In this case, the item(s) will be removed from the Consent Calendar and considered separately.

Motion made to approve the Consent Agenda by Council President - Ward 3 Steinhebel, Seconded by Councilor - Ward 2 Workman.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Angellford, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

1. **AGENDA:** Lebanon City Council Agenda – March 11, 2026
2. **BOARD MINUTES:**
 - Library Advisory Committee - December 9, 2025
 - Parks, Trees & Trails Advisory Committee - September 17, 2025
 - Planning Commission - October 15, 2025
3. **COUNCIL MINUTES:** City Council Meeting February 11, 2026
City Council Meeting and Work Session February 25, 2026
4. **EASEMENT:** *Menguita Easement*

PRESENTATION / RECOGNITION: Rod Sell 20 Years of Service Award

Mayor Kenneth Jackola presented a recognition award to Rod Sell honoring his long-standing service to the Lebanon, Oregon community. The Mayor noted that Sell dedicated more than 24 years working for the City in the Public Works Department, where he contributed to maintaining and improving the infrastructure that supports daily operations throughout the community. Following his City employment, Sell continued to serve the community by volunteering his time on committees providing oversight and guidance for parks, trees, and trails. For over 20 years, his continued involvement helped support and maintain public spaces that serve residents and families throughout the city. On behalf of the City Council and community, the Mayor expressed appreciation for Sell's decades of service and his ongoing commitment to giving back to the community.

Jack Tibbets addressed the Council to introduce himself as a candidate for Oregon State Senate District 6, which includes the Lebanon, Oregon area. Tibbets stated that he is a father, farmer, and business owner who decided to run for office due to concerns about the future economic opportunities and education system in Oregon and the impact these issues may have on future generations. He shared that he has been meeting with residents and local leaders throughout the district and expressed appreciation for the work being done by smaller communities. Tibbets discussed concerns about unfunded state mandates on local governments and the financial pressures they place on cities. He stated that if elected he would aim to advocate for rural communities, reduce unfunded mandates, and work with local governments to address challenges facing their communities.

5. 2026 Legislative Update - Sean Tate

Sean Tate of Tate Public Affairs provided a brief update on the recent session of the Oregon Legislative Assembly. He reported that the City tracked roughly 45–50 bills across several policy areas and actively engaged on a number of priority measures through testimony and coalition work. Tate noted that the City’s strategy focused on maintaining a lower profile while concentrating on policy issues and protecting funding requests.

Tate highlighted that the City successfully secured a \$2 million state appropriation for water and wastewater system upgrades and discussed several bills that passed or failed that could affect local governments. He also noted the passage of legislation reducing grant match requirements for smaller cities, which will lower the City’s required match on certain state grants. Tate concluded that the session was successful for the City and credited continued engagement by City leadership for strengthening relationships at the State Capitol.

PUBLIC COMMENTS

*Citizens may address the Council by filling out a testimony/comment card prior to speaking and hand it to the City Recorder. Each citizen is provided up to 5 minutes to provide comments to the Council. The Council may take an additional two minutes to ask clarifying questions. The City Recorder will accept and distribute written comments at a speaker’s request. Public comments can also be submitted by email to city.recorder@lebanonoregon.gov prior to **5:00 p.m. on March 10, 2026**. The City Recorder will distribute comments to the Mayor and Council prior to the meeting.*

Jason Adamson spoke to the Council to introduce himself and highlight his roles as Lebanon Fire District Deputy Fire Marshal, vice president of the Professional Firefighters Union, and a local business owner teaching life-saving skills. He congratulated the city on receiving \$2 million in state funding for wastewater infrastructure and recognized Council President Steinhebel for her Woman of the Year award. Adamson expressed strong support for a potential Lebanon Police Department levy, emphasizing the importance of public safety and efficient law enforcement. He also raised concerns about past misinformation from the CISC opposing the Lebanon Fire District levy and urged the Council to prevent similar misleading campaigns regarding the police levy.

PUBLIC HEARING(S)

6. Public Hearing: To Allow for Public Comments on Community Development Block Grant End of Program Report

The Council held a public hearing to review the 2025 Community Development Block Grant (CDBG) program. The Public Hearing was opened at 6:25 PM. Director Olson explained that the grant provides funding to assist low- and moderate-income households with essential home repairs. DEVNW representative Russell reported that the \$287,500 grant (nearly fully spent at \$286,585) supported repairs on six homes across Linn County—including three in Lebanon—benefiting 24 individuals. Repairs included roofs, siding, plumbing, electrical work, flooring, lead and asbestos remediation, and in one case a high-efficiency heat pump water heater through a partnership with Seeds for the Soul. The program was noted as temporarily paused due to funding limitations. No public comments were made, and the hearing was closed at 6:29 PM.

7. Public Hearing: Resolution No. 3 for 2026 - A Resolution Adopting the City of Lebanon's Utility Rates.

The Public Hearing was opened at 6:29 PM to consider Resolution #2026-03 to update the city’s utility rates. Finance Director Neish explained that the resolution repeals the 2024 rates and establishes new ones. The water and storm drainage funds are generally stable, so no water rate increase was proposed. Sewer rates, however, will increase by 6 percent, or about \$4.15 per month for the average household, to fund improvements at the wastewater treatment plant, including a \$32 million project to install a dryer for biosolids. The funding for this project comes from existing reserves, including \$12 million from a prior settlement, and an \$8 million loan. The overall wastewater upgrade plan totals \$95 million and is required to meet state and federal regulations, and the 6 percent increase is intended to spread the debt over

30 years to avoid a larger increase in the future. Corrections to the resolution were made to update a reference from 3.6 percent to 3.3 percent and to reflect the proper low-income water rate discount of 30 percent. No public comments were received. The Public Hearing was closed at 6:34 PM.

Motion made to approve Resolution No 3 for 2026 by Councilor - Ward 2 Workman, Seconded by Council President - Ward 3 Steinhebel.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Angellford, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

Voting Nay: Councilor - Ward 2 McClain

8. Public Hearing: Resolution No. 4 for 2026 - A Resolution Setting Rates for a City of Lebanon Services Fee Repealing Resolution 2024-27

The Public Hearing was opened at 6:36 PM to consider Resolution #2026-04 regarding the city service fee, which was originally implemented in November 2024 to stabilize the general fund. Finance Director Neish explained that the city collects about \$7 million annually in property taxes but spends closer to \$11 million, so the service fee helps fund essential community services. The resolution proposed a 1 percent increase for single-family homes, amounting to \$0.20 per month or \$2.40 per year, intended to maintain fund stability over the long term and avoid larger increases in the future. Council members expressed concern about the timing, noting that the service fee had only recently been implemented and even a small increase could feel burdensome to residents. No public comments were made. The Public Hearing was closed at 6:40 PM. Without a motion to approve, the resolution failed.

9. Public Hearing: Resolution No. 5 for 2026 - A Resolution Eliminating Parking on a Portion of Second Street within the City of Lebanon

The Public Hearing was opened at on a proposed resolution to eliminate parking on North 2nd Street between Tangent and Mary Street. City Manager Ron Whitlatch explained that several residents requested the change, and staff determined that all homes in the area have off-street parking, so removing street parking would not create a hardship. Staff presented two options: one eliminating parking on both sides from Tangent to Mary, and another limiting removal to the west side only. Notices were sent to affected property owners and nearby businesses, and no comments were received. During the hearing, Dala Johnson and Rob Borntreger provided input, expressing support for the resolution while emphasizing consideration for neighborhood needs and safety. After discussion, the Council approved the resolution to remove parking on one side from Tangent to Mary Street, with Council President Steinhebel abstaining due to a potential conflict of interest.

Motion made to approve Resolution No. 5 for 2026 by Councilor - Ward 2 Workman, Seconded by Councilor - Ward 2 McClain.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Angellford, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage

Voting Abstaining: Council President - Ward 3 Steinhebel

10. Public Hearing: Ordinance Bill No. 4 for 2026- Ordinance 3046 - A Bill for an Ordinance Annexing and Zoning Property Following Consent Filed with the City Council by Landowners in Said Area Pursuant to ORS 222.120 and ORS 222.170 File A-26-01; Gary Clowser

The Mayor opened the public hearing at 6:59 PM. The City Attorney reviewed the public hearing procedures. The Mayor asked Councilors to declare any ex parte contacts, conflicts of interest, or bias; none were declared. No objections were raised regarding notice or the Council's jurisdiction to hear the matter.

Development Director Olson presented a request to annex approximately 0.75 acres located at 2015 Stoltz Hill Road. The property is within the Urban Growth Boundary and contiguous to existing city limits, making it eligible for annexation. The Comprehensive Plan designates the property as Residential Mixed Density, and the corresponding zoning would be applied upon

annexation. City services are available, and no development proposal is associated with the request. The Lebanon Planning Commission held a public hearing on February 18 and unanimously recommended approval.

No testimony was provided by an applicant or members of the public. The public hearing was closed at 7:00 p.m.

The City Attorney read the title of Ordinance Bill No. 4 for 2026.

Motion made by to approve Ordinance Bill No. 4 for 2026 by Council President - Ward 3 Steinhebel, Seconded by Councilor - Ward 2 Workman.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Angellford, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

11. Public Hearing: Wastewater Treatment Plant Master Plan Adoption

The Mayor opened the public hearing at 7:01 p.m. regarding adoption of the Wastewater Treatment Plant Master Plan. The Public Works Director presented the report and noted the document had previously been provided to the Council for review at a prior meeting. Staff recommended adoption of the plan and were available to answer questions.

The Mayor clarified for the public that the document had been available for some time and had been reviewed by Council prior the meeting. Council members commented that the executive summary and consultant work were helpful.

No public testimony was provided. The public hearing was closed at 7:03 p.m.

Motion made to adopt the Wastewater Treatment Plant Master Plan by Councilor - Ward 2 Workman, Seconded by Council President - Ward 3 Steinhebel.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Angellford, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

REGULAR SESSION

12. Santiam Travel Station Properties - Statutory Warranty Deed Approval

Mayor Jackola recused himself from the discussion on the Santiam Travel Station and Council President Steinhebel presided. City Manager Ron Whitlatch presented a statutory warranty deed related to the sale of the Santiam Travel Station property. The deed consolidates three property descriptions into one document, including approximately 37 feet of former right-of-way from 3rd Street, 23 feet of right-of-way previously vacated by the Council, and the parcel on which the travel station is located. The action will allow the City to move forward with the property sale while also providing access easements for adjacent property owners.

Staff explained that final processing may depend on review by Linn County mapping staff and title insurance approval, as updates to the legal descriptions and tax lot configuration are still pending.

A motion was made and seconded to approve the deed and authorize the City Manager to sign the document at closing by Councilor - Ward 2 Workman, Seconded by Councilor - Ward 1 Conti.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Angellford, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

13. Department Report

City Manager Ron Whitlatch provided updates to the Council and noted that additional information on the municipal jail polling questions is expected soon and will be shared with Council when received.

He reported that the City of Lebanon secured \$2 million in capital funding, which represents the final funding needed for the project. Additional federal appropriations requests totaling approximately \$2 million each have also been submitted to members of the United States Senate and United States House of Representatives.

The City has posted an alert on its website warning residents about spoofing and fraud after a recent incident in which scammers used the City logo and email to request wire payments related to a liquor license application. Staff emphasized that the City will never request payment by wire transfer or gift cards.

The City Manager also announced that staff will begin updating System Development Charges (SDCs) for wastewater and storm drainage following adoption of the Wastewater Treatment Plant Master Plan. A citizen advisory committee will be formed to assist with the process, including a City Council member, a Planning Commissioner, and community representatives from development and construction sectors.

Council discussed scheduling the Budget Committee kickoff meeting and agreed to hold the first meeting on April 16 at 1:00 p.m.

During Council questions, staff clarified that “reimbursement” entries listed in the check register typically reflect refunds of deposits, such as Senior Center room reservations, or reimbursements for expenses paid personally by staff when necessary. Staff indicated they would ensure descriptions remain clear in financial reports.

ITEMS FROM COUNCIL

PUBLIC/PRESS COMMENTS

An opportunity for citizens and the press to comment on items of city business.

Thien Lieu, representing Western University of Health Sciences, addressed the Council to express appreciation for the City’s decision to retain parking as a resource for the university between West Mary Street and Lawrence Drive. He thanked the Mayor, Council, and staff—particularly the Lebanon Police Department and Fire Department for their collaboration and support.

Council discussed public messaging to encourage university staff and students to utilize the university’s existing large parking lot to minimize impacts on surrounding neighborhoods. Mr. Lieu confirmed they would communicate this message to their community

City Attorney Kennedy spoke as a private citizen and shared information about Jackson Street Youth Services after touring their facility in Albany. He explained that the organization provides services to youth experiencing homelessness or difficult home situations, including safe places to stay and access to basic necessities. Councilor Kennedy reported that the organization served approximately 528 youth in Linn County last year, including 51 youth from Lebanon.

He described a program in which secure drop-box style lockers are used for youth to pick up items such as clothing, hygiene supplies, and food after qualifying for services. Councilor Kennedy stated the organization is seeking a location in Lebanon to place one of these lockers. He suggested a potential site near the high school or in the area of the library, senior center, or police station. He noted he was not requesting any Council action at this time but wanted to introduce the concept and planned to discuss possible locations with staff, including the City Manager.

NEXT SCHEDULED COUNCIL MEETING(S) March 25, 2026 Special Meeting at 6PM, April 8, 2026 Regular Meeting @ 6PM

ADJOURNMENT

The meeting adjourned at 7:24 PM.

INSTRUCTIONS FOR TESTIFYING ON AGENDA AND NON-AGENDA ITEMS:

Everyone is welcome to attend City Council meetings. If you cannot attend, written testimony must be received by noon prior to the meeting via email to city.recorder@lebanonoregon.gov. Persons who desire to access the Zoom meeting to give oral testimony regarding a Public Hearing can contact the City Recorder by email at city.recorder@lebanonoregon.gov by noon prior to the meeting so that the City Recorder can provide instructions.

City Council meetings are recorded and available on the City's YouTube page at:

<https://www.youtube.com/user/CityofLebanonOR/videos>

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Recorder at 541.258.4905.