

COUNCIL AGENDA



April 24, 1991

1991 CITY COUNCIL GOALS

- 1) DEVELOP A FUNDING BASE THAT ENSURES CONTINUED STABILITY AND ALSO ALLOWS FOR PLANNED GROWTH
- 2) ENCOURAGE ECONOMIC DEVELOPMENT
- 3) IMPROVE UTILITY AND TRANSPORTATION SYSTEMS
- 4) CONTINUE EFFORTS TO IMPROVE COMMUNICATIONS WITH THE COMMUNITY
- 5) CONTINUE TO EVALUATE SERVICE DELIVERY SYSTEMS TO BETTER MEET THE EXPECTATIONS OF THE COMMUNITY
- 6) ENCOURAGE DOWNTOWN REVITALIZATION
- 7) FOSTER COMMUNITY PRIDE
- 8) PROMOTE POSITIVE INTERGOVERNMENTAL RELATIONS
- 9) BROADEN CULTURAL AND RECREATIONAL OPPORTUNITIES

LEBANON CITY COUNCIL
APRIL 24, 1991
7:30 P.M.

Lebanon School District Board Room
485 S. 5th Street

CALL TO ORDER/FLAG SALUTE
ROLL CALL

APPROVAL OF MINUTES

- 1) Minutes of the April 10, 1991 Lebanon City Council Meeting

PUBLIC HEARING 7:45 P.M.

- 2) INVITATION FOR PUBLIC COMMENTS REGARDING THE SALE OF A PORTION OF CITY OWNED PROPERTY LOCATED AT THE SOUTH END OF SCHOOL LANE

Presented by: Joseph Windell, City Administrator

Acceptance of offer from Ms. Barbara Irvine for a portion of city-owned property located at the southern end of School Lane

LEGISLATIVE ACTION

- 3) APPOINTMENT OF CITY AGENT OF RECORD

Presented by: Judy Wendland, Finance Director

Motion to appoint Sedgewick James Insurance as City Agent of Record

- 4) OMI CONTRACT RENEWAL

Presented by: Judy Wendland, Finance Director

Motion to authorize City Administrator to sign Amendment 1 for renewal to contract with Operations Management International Inc. to operate water and wastewater treatment plants

~~5)~~ AMENDMENT TO THE LEBANON MUNICIPAL CODE SECTION 2.20.040(B) RELATING TO TERMS OF OFFICE FOR LIBRARY ADVISORY BOARD MEMBERS

Presented by: Tom McHill, City Attorney

Adoption of ORDINANCE amending Lebanon Municipal Code relating to terms of office held by Library Advisory Board Members

~~6)~~ AMENDMENT TO THE LEBANON MUNICIPAL CODE SECTION 2.24.030 RELATING TO OCCUPATION AND RESIDENCY OF PLANNING COMMISSION MEMBERS

Presented by: Tom McHill, City Attorney

Adoption of ORDINANCE amending Lebanon Municipal Code relating to occupation and residency of Planning Commission members

~~7)~~ ALBANY-LEBANON SANITATION PROPOSED RATE INCREASE

Presented by: Judy Wendland, Finance Director

Approval/Disapproval of RESOLUTION authorizing rate increases

CITIZEN COMMENTS

ADJOURNMENT

AGENDA ITEM 1

MINUTES OF THE APRIL 10, 1991 LEBANON CITY COUNCIL MEETING

The Lebanon City Council met in regular session on April 10, 1991. The meeting was called to order by Mayor Bob Smith at 7:30 p.m. in the Lebanon School District Offices Board Room. Present in addition to Mayor Smith were Councilors Lyle Winters, Ron Miller Jr., John Richard, Diane Branson, Ken Toombs, and Wayne Rieskamp. Also present were City Attorney Tom McHill, City Administrator Joseph Windell, Finance Director Judy Wendland, Police Chief Walt Richmond and Senior Engineer Jim Clark.

The minutes of the March 27, 1991 Lebanon City Council meeting were approved as submitted.

Senior Engineer Jim Clark addressed the Council regarding the extension of the two-hour parking limit boundary to include the east side of Main from Vine Street north. He added that this boundary extension was requested by Councilor Richard at the March 27 meeting.

ORDINANCE BILL NO. 3, A BILL FOR AN ORDINANCE REGULATING PARKING WITHIN THE CITY OF LEBANON AMENDING ORDINANCE NO. 1981 was read by title only. Motion by Councilor Miller, seconded by Councilor Rieskamp to adopt the Ordinance. Motion passed by a roll call vote of 6-0. Thereupon Mayor Smith declared the Bill passed and the title of the Bill became the title of Ordinance No. 2095.

Senior Engineer Clark also addressed the Council regarding an amendment to the 5th Street FAU Local Agency Agreement. He stated that in 1987 the City had entered into a local agency agreement with the Oregon State Highway Division for construction of 5th Street between Airport and Kees Street. Federal Aid Urban (FAU) funds are to be used for the construction of the street. At the time the agreement was signed, it was the intention of the City engineering staff to do the design work for the project, but due to conflicting City staff priorities the design was not completed until 1990. Mr. Clark added that it was staff's intention to continue with this project through the bidding process and construction into the spring of 1991, but due to changes in staff's workload, this will not occur and that the State Highway Division has agreed to take over the management of the project. He recommends that the following Resolution be signed which would authorize the Mayor and City Administrator to execute a supplement to the agreement with the State Department of Transportation.

RESOLUTION NO. 16, A RESOLUTION AUTHORIZING MAYOR AND CITY ADMINISTRATOR TO EXECUTE A SUPPLEMENT TO A LOCAL AGENCY FEDERAL-AID PROJECT AGREEMENT WITH THE STATE DEPARTMENT OF TRANSPORTATION was read by title only. Motion by Councilor Toombs, seconded by Councilor Richard to adopt the Resolution. Motion passed unanimously.

MINUTES OF THE APRIL 10, 1991 LEBANON CITY COUNCIL MEETING PG. 2

Mayor Smith re-appointed the following Planning Commissioners: Carl Bengston, Georgia Bunn, Cindy Pettner and Jim Ricke with the expiration of term of office - April 1, 1993; Dorla VanEpps, expiration of term of office - April 1, 1992. Mayor Smith indicated that one position on the Planning Commission is currently vacant and a recruitment process is underway.

Councilor Winters and representative on the Linn County Fairgrounds Task Force addressed the Council with an update on the status of the Fairgrounds Facilities sub-committee. He inquired as to the message he is to convey to the Task Force from Lebanon that if they intend for a bond to be put before the voters that the bond amount only contain the amount necessary to construct the facilities. It should not contain monies for the construction of water and sewer improvements.

Councilor Rieskamp inquired what the timeframe would be for the financing of the project. Councilor Winters indicated that the Finance Committee has yet to meet to discuss the financing issue.

The time being 7:40 p.m., Council recessed for five minutes prior to the East Grant Street Local Improvement District public hearing.

The time being 7:45 p.m., Mayor Smith opened the public hearing on the creation of the local improvement district for East Grant Street.

Senior Engineer Clark addressed the Council and provided them with an overview of the past events that have led up to the creation of the improvement district. He stated that the City and Linn County are working together in a cooperative project to widen and reconstruct East Grant Street. Linn County will fund for the repaving and storm drainage. The City's responsibility will be to fund sidewalks, driveways, water, sewer and curb and gutter. He added that most of East Grant Street does not contain sidewalks, curb and gutter that are built to city standards. Staff has proposed funding for these improvements through a local improvement district (LID). Paving costs would not be a part of the LID. Senior Engineer Clark added that property owners that would be affected have been notified and to date, staff has not received any remonstrances on the project. He recommends the adoption of the following ordinance creating the East Grant Local Improvement District.

Mr. Kay Rieke, owner of Kay's TV, 1350 E. Grant Street appeared before the Council and inquired how far the sewer line and sidewalks will extend along the street.

Senior Engineer Clark stated that the sidewalks will end at the entrance to Gill's Landing and that the sewer line will end at the embankment leading to the Grant Street bridge.

No one appeared to speak in favor or against the public hearing. The time being 7:51 p.m., Mayor Smith closed the public hearing.

MINUTES OF THE APRIL 10, 1991 LEBANON CITY COUNCIL MEETING PG. 3

ORDINANCE BILL NO. 4, AN ORDINANCE CREATING THE EAST GRANT STREET LID was read by title only. Motion by Councilor Richard, seconded by Councilor Toombs to adopt the Ordinance. Motion passed by a roll call vote of 6-0. Thereupon Mayor Smith declared the Bill passed and the title of the Bill became the title of Ordinance No. 2096.

Finance Director Wendland addressed the Council regarding the recommendation from the Utility Rate Review Committee to provide a low income subsidy to senior citizens. She added that the committee recommends a low income subsidy of 10% of the current rate to be instituted for low income seniors and disabled citizens who qualify for the Energy Assistance program, which is currently being managed by Community Services Consortium. In order to receive a discount, seniors and disabled citizens would register each November and December with the energy assistance program and then submit a copy of that form to the city to become eligible.

RESOLUTION NO. 17, RESOLUTION ADOPTING WATER RATES (providing low income subsidy to senior and disabled citizens) was read by title only. Motion by Councilor Winters, seconded by Councilor Miller to adopt the Resolution. Motion passed unanimously.

City Attorney Tom McHill pointed out a typographical error that appeared on page 3, paragraph 2 of the Wastewater Resolution. He suggested that this paragraph be deleted prior to adoption.

RESOLUTION NO. 18, RESOLUTION ADOPTING WASTEWATER RATES was read by title only. Motion by Councilor Richard, seconded by Councilor Miller to adopt the Resolution. Motion passed unanimously.

Finance Director Wendland also addressed the Council on an offer to purchase the last lot left in Aspen Park. She stated that an offer has been received from H.L. Pruitt, 2475 3rd Street for lot #103, Jody Place in the amount of \$2,000. Finance Director Wendland stated that at the time Mr. Pruitt made the offer on the property he indicated that the lot was not in good shape and would need backhoe work because of the house construction that took place next door when the developmentally disabled house was being built. She indicated that she has contacted Maintenance Supervisor, Brian Hall to get his opinion on the lot and that he indicated that the property had been restored to its original condition. He added that the lot is similar in appearance as it was when an offer of \$3,500 was made on the lot last year. Finance Director Wendland added that she believes a higher purchase price might be attainable and would like to have the opportunity to negotiate with Mr. Pruitt.

Motion by Councilor Toombs, seconded by Councilor Richard to allow the Finance Director to negotiate the purchase price of lot #103 in Jody Place for no less than \$2,000. Motion passed unanimously.

Mayor Smith appointed Councilors Branson, Toombs and Rieskamp to the Insurance Agent of Record Review Committee.

MINUTES OF THE APRIL 10, 1991 LEBANON CITY COUNCIL MEETING PG. 4

Mrs. Jean Hale, 786 S. 5th Street addressed the Council and indicated that B.J. Schwegman has been hospitalized for pneumonia and that he might enjoy receiving a get well card or flowers.

Leslie C. Pullen, chiropractor at 743 Park Street addressed the Council and thanked staff for the placement of the temporary two-hour parking limit signs in and around the downtown core area. He added that he has noticed that the signs have been taken down and that he hopes that the city continues with the process in the near future.

City Administrator Windell indicated that the signs were only temporary and that in the upcoming summer months, the staff from Public Works will be stenciling the two-hour parking limit on the curb.

Motion by Councilor Toombs, seconded by Councilor Rieskamp to adjourn for 10 minutes prior to convening an Executive Session as per ORS 192.660 (1)(e) Real Property Transaction.

The time being 8:24 p.m. the Council convened an Executive Session as per ORS 192.660(1)(e).

The time being 9:08 p.m., motion by Councilor Branson, seconded by Councilor Toombs to adjourn Executive Session and reconvene the regular order of business of the Lebanon City Council. Motion passed unanimously.

Motion by Councilor Toombs, seconded by Councilor Richard authorize City Administrator Windell and City Attorney McHill to negotiate a land sale contract for property needed to realign the east end of Market Street as required by Oregon Department of Transportation as a condition of development for Wal-Mart Stores, Inc. Motion passed unanimously.

It was decided that on Wednesday, April 17 at 5:30 p.m. that a meeting of the Lebanon Urban Renewal District will be held to discuss amending the urban renewal plan to modify the South Main Road District boundary. The meeting is to be held at the Lebanon School District Board Room.

There being no further business to come before the Council, the meeting was adjourned at 9:19 p.m.

Mayor

ATTEST:

City Administrator

AGENDA ITEM 2

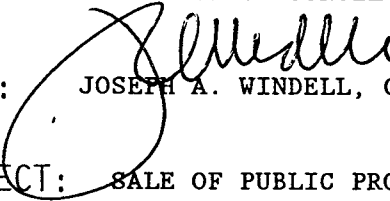
PUBLIC HEARING



CITY OF LEBANON
M E M O R A N D U M

TO: MAYOR AND CITY COUNCIL

DATE: APRIL 18, 1991

FROM:  JOSEPH A. WINDELL, CITY ADMINISTRATOR

SUBJECT: SALE OF PUBLIC PROPERTY - A PORTION OF SCHOOL LANE

We have received a request from Ms. Barbara Irvine to buy a portion of what is called School Lane. Your packet contains a copy of the staff correspondence concerning the ownership of the property, the procedure we have used and finally an offer from Ms. Irvine.

Although Ms. Irvine is offering less than the assessed value, it appears to me to be equitable considering the 19 years of maintenance on the property and the value to be added by building a shop. I recommend the City Council accept the offer.

Ms. Irvine is in the audience to answer any questions that you may have.

JAW/km

April 17, 1991

To The Mayor and City Council Members,

This letter is in regards to the piece of City property I want to purchase from the City of Lebanon. The property is located at the southern most end of School Lane. My address is 1180 School Lane.

Iv'e checked the assessed value of the piece I want to buy , which will measure 40' wide by apporximately 73' long. It comes out between \$1,900 to \$2,000.

For the past 19 years that we have lived here we have kept it mowed, which in the summer months means every week, kept the black berries cut down so they don't take over the yard, put weed & feed on the grass as it looks like part of my front yard, and also filled any holes in the road in front of my house.

So I feel in all fairness that an offer of \$500 is a fair price. Actually you probably owe me money for all the years of maintenance.

We plan to put a garage on it which will also bring in some new property tax money to the City.

The plans have already been okayed by Bob Moore & Doug Parker.

Thank You
Barbara Irvine



CITY OF LEBANON

M E M O R A N D U M

TO: JOSEPH WINDELL
CITY ADMINISTRATOR

FROM: GAYLAN MORRIS
ENGINEERING TECHNICIAN *GM*

SUBJECT: SALE OF PORTION OF SCHOOL LANE

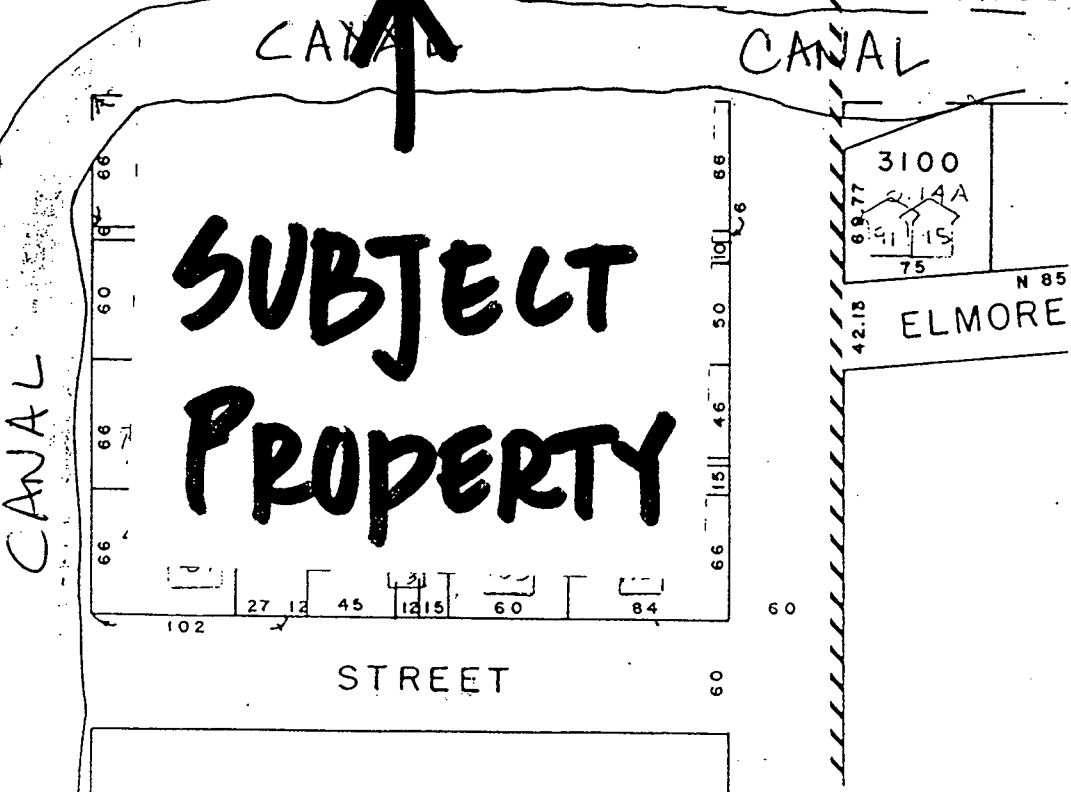
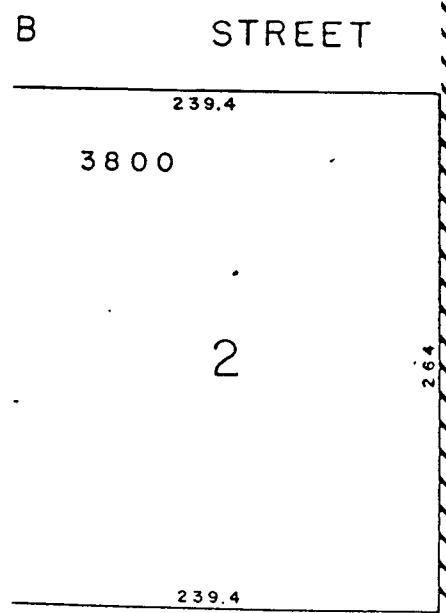
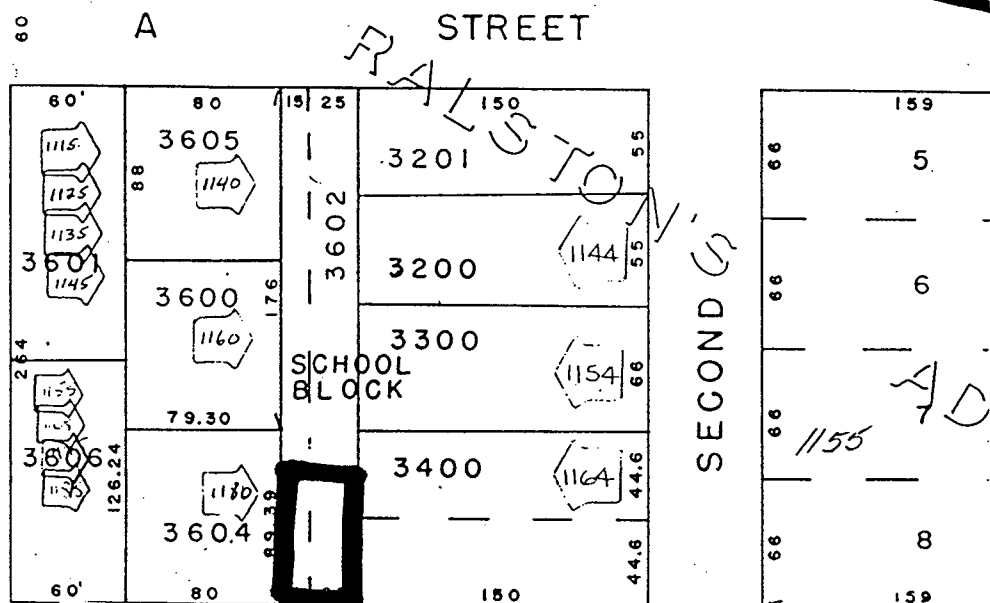
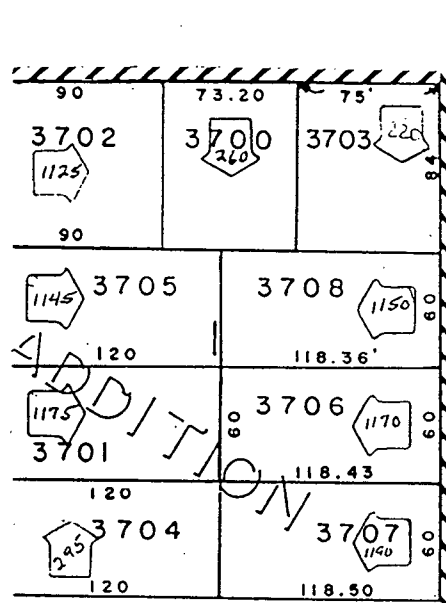
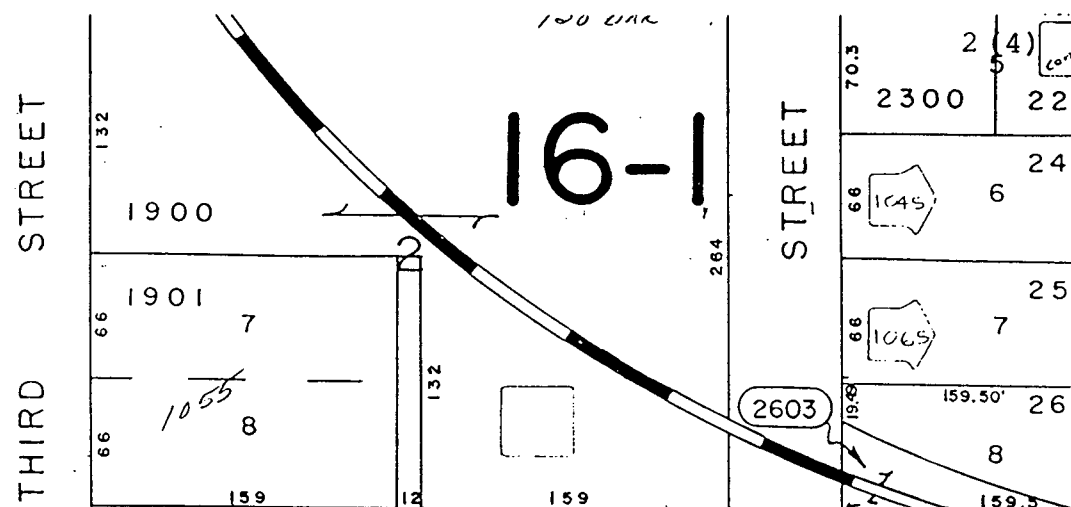
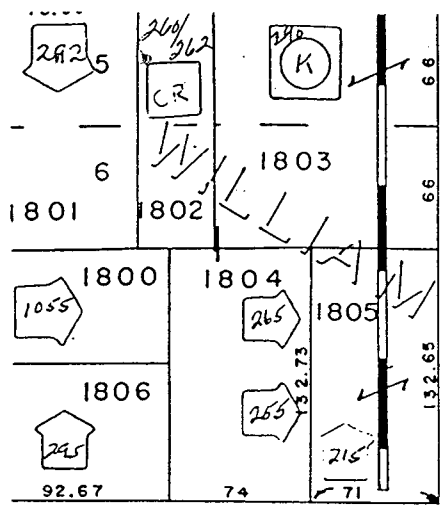
DATE: MARCH 15, 1991

Progress on the sale of a portion of School Lane is as follows. Planning and Building departments have approved the plans to construct a garage on the portion to be sold. Contact has been made with all utilities regarding easement and right of way needs. The utilities and the City of Albany, who maintains the canal, have all stated that they do not require any access onto or through the portion of property to be sold.

A memo was sent to City Attorney Thomas McHill requesting the proper procedure for sale of the portion of property and an appropriate price. Attached is a copy of Mr. McHill's response, which outlines the procedure to be taken.

Price for the portion to be sold has yet to be determined. The total area of the School Lane property is 10,614.4 square feet, at an assessed value of \$9,580. The portion to be purchased is 2,928 square feet, which is 28% of the total property. Twenty-eight percent of the total assessed value of the property would put an assessed value of \$2,682.40 on the portion to be sold.

Ms. Barbara Irvine has been maintaining the southernmost portion of the property for many years and feels this should be taken into consideration when deciding on a price.





CITY OF LEBANON

M E M O R A N D U M

TO: Gaylan Morris
Engineering Technician

DATE: March 14, 1991

FROM: Tom McHill
City Attorney *Tom McHill*

SUBJECT: Sale of Portion of School Lane

ORS 221.725 sets forth the procedure to be followed in the sale of City real property. The procedure to be followed requires that the City Council publish a notice of the proposed sale in a newspaper of general circulation in the City and the Council is required to hold a public hearing concerning the sale prior to the sale.

The notice required must be published at least once during the week prior to the public hearing required. The notice must state the time and place of the public hearing, a description of the property or interest to be sold, the proposed uses for the property, and the reasons why the City Council considers it necessary or convenient to sell the property. Not later than five days after publication of the notice, the public hearing concerning the sale must be held at the time and place stated in the notice. The hearing can be done at regular City Council session or at a special meeting of the City Council.

At the public hearing, the nature of the proposed sale and the general terms thereof, including an appraisal or other evidence of the market value of the property, shall be fully disclosed by the City Council at the public hearing. Any resident of the City shall be given an opportunity to present written or oral testimony at the hearing.

I know this is a cumbersome procedure to follow, but it is mandated by State law. With respect to the calculation as to the fair market value, I don't think this is a legal questions, but certainly some evidence must be presented to the City Council to show that there is evidence of the market value of the property. I don't think, for a portion of property this small, that a full appraisal is required. However, the evidence you supplied me may indicate sufficient evidence for the Council to decide that that is an appropriate sale price.

I am sending a copy of this memo to Mrs. Irvine so that she will know what procedure is required in consummating this sale. If any further information is needed with respect to this procedure, please feel free to contact me.

cc: Mrs. Irvine
Joseph A. Windell

MORLEY, THOMAS, KINGSLEY & McHILL

ATTORNEYS AT LAW

LAURENCE MORLEY
WILLIAM R. THOMAS
RICHARD E. KINGSLEY
THOMAS A. McHILL

80 E. Maple Street
LEBANON, OR 97355
PHONE: (503) 258-3194
FAX: (503) 259-1208

March 14, 1991

Barbara Irvine
1180 School Lane
Lebanon, OR 97355

Dear Mrs. Irvine:

This is a follow-up to our telephone conversation of a couple of days ago regarding the sale of some property which is currently owned by the City of Lebanon. As I mentioned to you on the telephone, I needed to look at the sale procedures before fully letting you know what the City needed to go through to consummate the sale.

I am enclosing a copy of a memorandum I have sent to Mr. Morris this date which I hope concisely outlines the procedure which must be followed, according to State statute. I appreciate that this is a more cumbersome procedure than we would have liked to have followed in this matter, and I am sure the time involved is greater than any party would desire. However, I must advise the Council that it is required to follow this procedure in the sale of City real property.

I trust that Mr. Morris will be in contact with you to let you know when a public hearing will be held to consider this proposed sale. Obviously, some terms may need to be discussed because we need to advise the City Council at the time of the public hearing just how the sale will occur. I hope that by sending you a copy of this memo, you can assure other interested parties as to the procedure which must be followed by the City in this matter.

Very truly yours,

MORLEY, THOMAS, KINGSLEY & McHILL

Thomas A. McHill

TAM:mm
Encl

cc: Joseph A. Windell, City Administrator
Gaylan Morris, Engineering Technician



CITY OF LEBANON

M E M O R A N D U M

TO: JIM RUEF
DIRECTOR OF PUBLIC WORKS

DATE: FEBRUARY 26, 1991

FROM: GAYLAN MORRIS
ENGINEERING TECHNICIAN *GM*

SUBJECT: SCHOOL LANE PROPERTY

The City of Lebanon has received a copy of the legal description which transfers ownership of School Lane to the City of Lebanon. The property was purchased to ensure right of way for public utilities, sewer, sidewalk and so forth.

The Assessed value of the property is \$9,580. The portion to be sold is 2,928 sq. ft., 28% of the total property, 10,614.40 sq. ft. In an attempt to obtain a price for the portion of property to be sold, a price of \$2,682.40 was calculated. This figure is 28% of the total assessed value.

Assessed land value of the neighboring properties is \$10,580 for 1164 2nd Street and \$7,050 for 1180 School Lane, who is wishing to purchase the property.

Barbara Irvine has been maintaing the southernmost end of the City property and has been informed this will be taken into consideration when deciding on a price. Planning and building departments have not confirmed whether Ms. Irvine and her fiance will be allowed to erect a shop on the property.

Dee & David Thomas
3183 D. St.
Salem, Ore. NE 97301

364-9955

Own 1160 School Lane
TLN 3600 12-2W-10DD

February 1, 1991

Dear Mr. Gaylan Morris,

We have no objections if the city vacates the property in front of Barbara Irvine's home at 1180 School Lane, Lebanon, Oregon 97355.

David B Thomas

Deanne J. Thomas

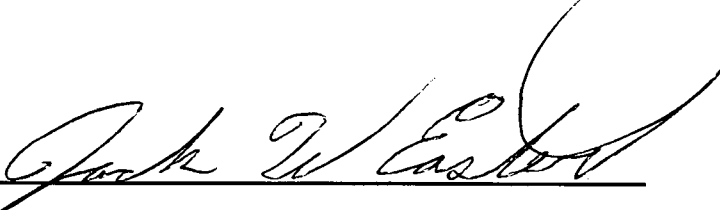
Signature

1160 School Lane
Tax Lot No. 3600
Map No. 12-2W-1000

February 1, 1991

Dear Mr. Gaylan Morris,

We have no objections if the city vacates the property in front of Barbara Irvine's home at 1180 School Lane, Lebanon, Oregon 97355.



Marwan S. Easter

Signature

1154 2nd Street

TLN 3300 Map No. 12-2W-1000

February 1, 1991

Dear Mr. Gaylan Morris,

We have no objections if the city vacates the property in front of Barbara Irvine's home at 1180 School Lane, Lebanon, Oregon 97355.

Linda M. Koenig

Henry F. Koenig

Signature

1164 2nd Street

TLN 3400 Map No. 12-2W-100D

RAYMOND L. HOKLAND, husband and wife

to grantor paid by CITY OF LEBANON, a Municipal Corporation

does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereto belonging or appertaining, situated in the County of Linn and State of Oregon, described as follows, to-wit:

An additional 15 foot strip of land parallel to and along the West side of a 25 foot strip of land, transferred by Grantors herein to Grantees herein by Deed under date of September 23, 1969, and all making a total of 40 foot strip of land along the East side of the property, described as follows: School House Block, William Ralston's Addition to Lebanon, Linn County, Oregon, EXCEPT, the East 150 feet of even width and ALSO EXCEPTING, Beginning at a point on the Southeast corner of Third and "A" Street, City of Lebanon and running thence 60 feet East; thence 264 feet South; thence West 60 feet; thence North 264 feet to the point of beginning, in City of Lebanon, Linn County, Oregon, reserving to Grantors, their successors or assigns the right to use said above described property for use for public utilities, sewer, sidewalk and so forth, to serve four (4) separate parcels of land adjacent thereto.

To Have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever. And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances

and that grantor will warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 1.00. However, the actual consideration consists of or includes other property or value given or promised which is part of the consideration (indicate which)

In construing this deed and where the context so requires, the singular includes the plural. WITNESS grantor's hand this 8th day of October 1969

Raymond L. Hokland
Lucille K. Hokland

STATE OF OREGON, County of Linn ss. Personally appeared the above named Raymond L. Hokland and Lucille K. Hokland, husband and wife and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me: Zella M. Lawrence
Notary Public for Oregon My Commission Expires Nov. 17, 1969
My commission expires

NOTE-The space between the symbols (1), if not applicable, should be deleted. See Chapter 462, Oregon Laws 1967, as amended by the 1967 Special Session.

WARRANTY DEED
RAYMOND L. HOKLAND et ux
TO
CITY OF LEBANON, a municipal corporation
AFTER RECORDING RETURN TO
City of Lebanon
City Hall
Lebanon, Ore.

(DON'T USE THIS SPACE, RESERVED FOR RECORDING LABEL IN COUNTY WHERE USED.)

STATE OF OREGON,
County of Linn
I certify that the within instrument was received for record on the 9 day of June, 1970, at 8:30 o'clock A.M., and recorded in book 350 on page 134. Record of Deeds of said County. Witness my hand and seal of County affixed.
Del W. Riley
Recorder Title.
By Deputy.

No. 310701

633



LEBANON CITY HALL

925 MAIN STREET
LEBANON, OREGON 97355

*Will use Access from
3rd St.*

February 26, 1991

City of Albany
ATTN: Tom Ziomek
250 Broadalbin
Albany, OR 97321

Dear Tom,

The City of Lebanon is presently investigating the process of selling a section of its property. Currently the property is being used as a dead end gravel street. City right of way does not exist for School Lane, but there may be some easements through the property which we may not be aware of.

Enclosed is a copy of an assessor map showing the property in question and the portion to be sold. If the City of Albany has an easement or right of way through this property for access to maintain the Santiam Canal, please notify me at 451-7442, ext. 496.

Your assistance and cooperation is greatly appreciated. Any information you may have will be helpful.

Sincerely,

Gaylan Morris Jr.
Engineering Tech.

Enclosed:

ACCOUNTS PAYABLE	451-7449	BUILDING	451-7431	PLANNING	451-7435
ADMINISTRATION	451-7421	ENGINEERING	451-7433	PUBLIC WORKS	451-7437
ASSESSMENT BILLING	451-7449	FAX MACHINE	451-1260	WATER & WASTEWATER BILLING	451-7449



LEBANON CITY HALL

925 MAIN STREET
LEBANON, OREGON 97355

Do not need an easement.

February 13, 1991

Northwest Natural Gas
Engineering Department
3123 Broadway NE
Salem, OR 97303

Dear Sirs,

The City of Lebanon is presently investigating the process of selling a section of its property. Currently the property is being used as a dead end gravel street. City right of way does not exist for School Lane, but there may be some easements through the property which we may not be aware of.

Enclosed is a copy of an assessor map showing the property in question and the portion to be sold. If your company has an easement or right of way through this property, please notify me at 451-7442, ext. 496.

Your assistance and cooperation is greatly appreciated. Any information you may have will be helpful.

Sincerely,

Gaylan Morris Jr.
Gaylan Morris Jr.
Engineering Tech.

Enclosed:

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ADMINISTRATION	451-7421	ENGINEERING	451-7433	PUBLIC WORKS	451-7437
ASSESSMENT BILLING	451-7449	FAX MACHINE	451-1260	WATER & WASTEWATER BILLING	451-7449

Retracted 3-12-91

2 (15)



LEBANON CITY HALL

925 MAIN STREET
LEBANON, OREGON 97355

February 26, 1991

TCI Cablevision of Oregon Inc.
148 W. Grant St.
Lebanon, OR 97355-3200

Dear Sirs,

The City of Lebanon is presently investigating the process of selling a section of its property. Currently the property is being used as a dead end gravel street. City right of way does not exist for School Lane, but there may be some easements through the property which we may not be aware of.

Enclosed is a copy of an assessor map showing the property in question and the portion to be sold. If your company has an easement or right of way through this property, please notify me at 451-7442, ext. 496.

Your assistance and cooperation is greatly appreciated. Any information you may have will be helpful.

Sincerely,

Gaylan Morris Jr.
Engineering Tech.

Enclosed:

*Easement
Not Needed*

ACCOUNTS PAYABLE	451-7449	BUILDING	451-7431	PLANNING	451-7435
ADMINISTRATION	451-7421	ENGINEERING	451-7433	PUBLIC WORKS	451-7437
ASSESSMENT BILLING	451-7449	FAX MACHINE	451-1260	WATER & WASTEWATER BILLING	451-7449

AGENDA ITEM 3



CITY OF LEBANON

M E M O R A N D U M

TO: Joseph A. Windell, City Administrator DATE: April 18, 1991

FROM: Judy Wendland, Finance Director *JW*

SUBJECT: Appointment of Insurance Agent of Record

The Committee for Appointment of Insurance Agent of Record met April 17, to interview candidates who had submitted proposals. Requests for proposals were sent to all agents in the City of Lebanon, as well as the current Agent of Record, Sedgewick James, and any other companies that responded to the advertisement placed in the Oregonian.

Three proposals were received, none of them from local agents. The proposals came from the following firms.

<u>Company</u>	<u>Fee</u>
1. Barker Insurance, Corvallis	Greater of \$5,000 or commissions
2. Sedgewick James, Portland	Commissions
3. JBL&K Insurance, Portland	\$8,500 netted against commissions

For the last three years our commissions have been between \$6,000 and \$6,500. The fee to Sedgewick James has been \$7,500 with commissions netted against the fee.

Attending the meeting were Councilors Branson, Toombs, and Rieskamp and me. After interviewing the representatives of the various companies, the committee recommends to the City Council that Sedgewick James, the current agent of record, be reappointed for another three year term. They have provided excellent service for the last three years, and their cost was equal to the other low bidder.

Action Required:

Motion to appoint Sedgewick James Insurance Agent of Record subject to successful contract negotiations and authorizing City Administrator to conclude negotiations and sign the contract. Fee for services shall be limited to commissions received.


JW/lgk

AGENDA ITEM 4



CITY OF LEBANON
MEMORANDUM

TO: Joseph A. Windell, City Administrator DATE: April 18, 1991

FROM: Judy Wendland, Finance Director 

SUBJECT: Renewal of OMI Contract to Operate Water and Wastewater Treatment Plants

The Finance Committee met Tuesday, April 16 to discuss the renewal of the contract with OMI to operate the City's water and wastewater treatment plants. Present were Councilors Toombs, Winters, and Rieskamp.

At its previous meeting, on January 29, the council considered a request from OMI for a 6.8% increase in the contract for 1990-91. There has been no increase for two years (1988-89 and 1989-90). As the increase for this year was somewhat more than in the current budget, the committee asked OMI if they would propose a contract which included four years, 1990-91 to 1993-94.

The committee wanted a contract of this length to allow for greater predicatibility of costs for the coming years. In addition, OMI will be taking over grounds maintenance at the treatment plants for no additional cost.

The contract is attached as well as additional information. The compounded cost of the contract for the 6 year period averages 3% per year. While the cost of the contract (\$2,462,076) exceeds the combined total of budgeted or projected amounts by .34% (\$8,479), the excess cost is covered in the current year, and there are additional revenues to cover the cost because of conservative revenue projections. In the following years, the amounts that are required are almost the same or less than in the projections.

As reported to the Committee, Public Works has been very satisfied with the level of service provided by OMI to the community.

Recommendation:

Motion to authorize City Administrator to sign Amendment 1 for contract for services with Operations Management International.



OPERATIONS MANAGEMENT
INTERNATIONAL, INC.

April 11, 1991

Mr. Joseph Windell
City of Lebanon
925 Main Street
Lebanon, OR 97355

Dear Joe:

**Subject: City of Lebanon & OMI Fee Adjustment For
Fiscal Years 1991-1992, 1992-1993, and 1993-1994**

At the request of the Lebanon Finance Committee, OMI is pleased to propose a fee schedule for the next 3 fiscal years for operation and maintenance of the City's water and wastewater treatment plants as identified in the Agreement between the City of Lebanon and Operations Management International, Inc. (OMI).

As you know, we are well into Fiscal Year 1990-1991, and OMI has already proposed a fee of \$584,280 for this fiscal year. This fee includes an adjustment for the 19 percent increase in water production that has taken place during the past 2 years.

In projecting ahead for the next 3 years, OMI has based its fees on flows and loadings at the water and wastewater plants (as identified in Appendix C) according to the 12-month moving averages established in June 1990. If these averages change during the next 3 years, a change in scope will occur as outlined in Appendix C of the Agreement for which a commensurate fee may be negotiated.

The proposed fees include OMI taking the responsibility for grounds maintenance at the wastewater plant. Prior to this, the City has been responsible for grounds maintenance.

LEBANON PROJECT 33110 Tennessee Road Lebanon, Oregon 97355 503.451.1117
CORPORATE HEADQUARTERS P.O. Box 5169 Kingwood, Texas 77325-5169 713.358.9134 Fax 713.358.5840
A subsidiary of CH2M HILL COMPANIES, LTD.

C4.tap01.51

Mr. Joseph Windell
 Page 2
 April 11, 1991

OMI's proposed fee schedule is as follows:

Fiscal Year 1991 - 1992	\$605,106	3.6% increase
Fiscal Year 1992 - 1993	\$625,932	3.4% increase
Fiscal Year 1993 - 1994	\$646,758	3.3% increase

If in any year the CPI exceeds 9 percent, Lebanon and OMI agree to negotiate a commensurate adjustment in fee.

We have included two originals of the revised Amendment No. 1 to the Agreement. If you find these to your satisfactions, please sign both copies and return them to our Kingwood office. We will then sign them and return one to you for your records.

If you have any questions regarding this matter please feel free to call me at 503/451-1117.

Sincerely,

Terry A Price / sl

Terry A. Price
 Project Manager

TAP:ymd

cc: Judy Wendland, Lebanon Finance Director
 Pat Place, OMI Regional Manager
 Thom Day, OMI District Manager
 File

AMENDMENT NO. 1
to the
AGREEMENT FOR OPERATIONS
MAINTENANCE, AND MANAGEMENT SERVICES
for the
CITY OF LEBANON, OREGON

This Amendment is made and entered into this 1st day of July 1990 by the City of Lebanon (hereinafter "Lebanon") and Operations Management International, Inc. (hereinafter "OMI"). This is Amendment No. 1 to the Agreement dated the 23rd day of June 1988, between Lebanon and OMI.

NOW THEREFORE, Lebanon and OMI agree to amend the Agreement per Article 1.6 as follows:

1. Article 4.1 is deleted in its entirety and replaced with the following article:
 - 4.1.a Lebanon shall pay to OMI as compensation for services performed under this Agreement a Base Fee of Five Hundred Eighty-Four Thousand Two Hundred Eighty Dollars (\$584,280.00) for the contract period beginning July 1, 1990 and continuing through June 30, 1991.
 - 4.1.b Lebanon shall pay to OMI as compensation for services performed under this Agreement a Base Fee of Six Hundred Five Thousand One Hundred Six Dollars (\$605,106) for the contract period beginning July 1, 1991 and continuing through June 30, 1992.
 - 4.1.c Lebanon shall pay to OMI as compensation for services performed under this Agreement a Base Fee of Six Hundred Twenty-Five Thousand Nine Hundred Thirty-Two Dollars (\$625,932) for the contract period beginning July 1, 1992 and continuing through June 30, 1993.
 - 4.1.d Lebanon shall pay to OMI as compensation for services performed under this Agreement a Base Fee of Six Hundred Forty-Six Thousand Seven Hundred Fifty-Eight Dollars (\$646,758) for the contract period beginning July 1, 1993 and continuing through June 30, 1994.

2. Appendix C, C.4 and C.8 are deleted in their entirety and replaced with the following:

C.4 The estimated Costs for services under this Agreement are based upon the following Project characteristics:

Flow	3.25 million gallons per day
BOD	2,249 #/day
TSS	2,101 #/day

Any change of ten percent (10%) or more in any of these characteristics, based upon a twelve (12) month moving average, will constitute a change in scope.

C.8 The estimated Cost for services under this Agreement is based on an average production of 2.13 million gallons per day. Any change of five percent (5%) in average daily production based upon a 12-month moving average will constitute a change in scope.

All other terms and conditions remain in effect in accordance with the Agreement referenced in this Amendment.

Both parties indicate their approval of the Amendment by their signatures below.

Authorized signature:

Authorized signature:

Don S. Evans
President

Name: Joseph A. Windell
Title: City Administrator

OPERATIONS MANAGEMENT
INTERNATIONAL, INC.

CITY OF LEBANON

Date: _____

Date: _____



LEBANON CITY HALL

925 MAIN STREET
LEBANON, OREGON 97355

September 5, 1990

Mr. Terry Price
c/o Operations Management International, Inc.
33110 Tennessee Rd
Lebanon OR 97355

RE: Letters dated August 13, 1990, Annual Fee Adjustment for FY 90-91

Dear Terry:

Thank you for your letters dated August 13, 1990 concerning the annual fee adjustment for FY 90-91. As we discussed in my office, I certainly do concur with your interpretation of the contract, that in fact that this 1990-91 year is a year in which we agreed to negotiate the contract and the fees associated to the contract and that any negotiated fee would in fact be affective retroactive back to July 1, 1990.

As we also discussed, the City staff is currently working on two major projects that are requiring a considerable amount of staff time. One is the implementation of the capital improvement projects for the water and sewer systems, negotiating office space, hiring employees and getting the office set up so that we can proceed with those projects. We also are involved in assessing the impact of Ballot Measure #5 and foresee that these two projects are going to take a considerable amount of our staff time along with the routine items that we normally get involved in through the end of October and probably the middle of November. I would like to ask based on the staff work program that we are currently involved in is that, negotiations of this current year contract be delayed until sometime the later part of November, possibly December. This would give us an opportunity to insure that we have the time to evaluate the proposal and provide the staff work that is needed by the Finance Committee to consider the proposal.

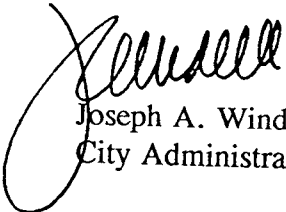
ACCOUNTS PAYABLE	451-7449	BUILDING	451-7431	PLANNING	451-7435
ADMINISTRATION	451-7421	ENGINEERING	451-7433	PUBLIC WORKS	451-7437
ASSESSMENT BILLING	451-7449	FAX MACHINE	451-1260	WATER & WASTEWATER BILLING	451-7449

Letter - T. Price
September 5, 1990
Page Two

If this timeline is not acceptable to OMI, please notify me immediately and we will reevaluate our current priorities.

Thank you for your patience in this matter.

Respectfully yours,



Joseph A. Windell
City Administrator

xc: Council Read File
Contract file
Jim Ruef, PW Director
Judy Wendland, Finance Dir. ✓



OPERATIONS MANAGEMENT
INTERNATIONAL, INC.

November 9, 1990

Mr. Joseph Windell
City of Lebanon
925 Main Street
Lebanon, OR 97355

RE: CITY OF LEBANON AND OMI FEE ADJUSTMENT FOR FISCAL YEAR 1990-1991

Dear Joe:

As you know, the City of Lebanon and OMI have agreed to postpone the contract negotiations for the annual fee adjustment for Fiscal Year 1990-1991 until after the November election. We still agree to this postponement of negotiations and look forward to meeting with you during the latter part of November.

However, after reviewing the budget in our computer software, called CMODEL, our accounting personnel in Kingwood Texas discovered an error in calculating employee benefits that results in a change in our proposed fee adjustment.

The error occurred when CMODEL only partially calculated employee benefits (medical and dental insurance, FICA, Workers' Compensation, etc.).

This resulted in a difference of about \$6,000. Therefore, our proposed fee adjustment is actually \$584,280 as opposed to \$578,443 in the original proposal. This is an increase in 6.8% versus 5.75%, with an overall fee increase of \$37,440.

Joe, we sincerely regret this mistake, and we are only proposing to recover our direct costs in Employee Benefits. If you have any questions about this matter please give me a call.

Again, we are sorry about the error, and I thank you for your consideration in this matter.

Sincerely Yours,

Terry A. Price
OMI Project Manager

cc: Thom Day, District Manager, OMI, Inc.
Pat Place, Regional Manager, OMI, Inc.



OPERATIONS MANAGEMENT
INTERNATIONAL, INC.

Aug. 13, 1990

Joseph Windell
City of Lebanon
925 Main Street
Lebanon, OR 97355

RE: CITY OF LEBANON & OMI FEE ADJUSTMENT FOR FISCAL YEAR 1990-1991

Dear Joe,

As you know Fiscal Year 1990 - 1991 began July 1st, and it is time once again to negotiate the fee for the Agreement between the City of Lebanon and Operations Management International (OMI).

We are entering the third year of our ten year Agreement, of which the first two years' fee remained the same. During those two years the Consumer Price Index (CPI) for All Urban Consumers increased 4.7% for 1988, and 5.2% for 1989 (January to January). By applying these figures to the annual fee the City of Lebanon has saved approximately \$55,000 during this time.

OMI proposes an increase of 5.75% for Fiscal Year 1990 -1991. This is an increase of \$31,443, and would bring the annual fee to \$578,443.

During the last two years OMI has provided appropriate cost-of-living increases to its employees. Since the operation and maintenance of water and wastewater treatment facilities is primarily a service-type industry (no product is manufactured) this constitutes a large percentage of our operating budget.

In 1989 the State of Oregon adopted Mandatory Certification for operators treating water and wastewater. While this is an excellent, long overdue program ensuring safe drinking water and clean receiving streams, it has resulted in some increased labor costs.

In order for operators to become, and remain certified in the State of Oregon, continuing education and training is required annually. During the last two years these training costs have increased by over 100% per employee.

In order for OMI to remain competitive in the labor market, and to retain quality operators at our facilities, we must compensate these employees accordingly. Recent wage comparisons with communities of similar population have shown that our wage scale compares with other cities of equal size.

Fringe benefits also make up a part of the "wage package" and, as you are aware, medical insurance costs have increased substantially.

OMI has continued to control the cost of the operation of the water and wastewater plants wherever possible since our partnership with the City of Lebanon began in 1982.

An example of this is in electrical power. The treatment of water and wastewater is often looked at in terms of energy, and how wisely we utilize this energy has always been an important factor in the way OMI operates its facilities. Since this is another major operating expense in this industry OMI has been able to stabilize these costs for the city through energy conservation measures in its operation.

As a result, the electrical budget has remained at or below the same level during these last two years. We will always continue to study ways in which to keep these costs down, and pass these savings along to the City.

Another cost increase all Cities are faced with in the operation of their water and wastewater plants is from increasing Regulatory requirements.

During the last two years the Safe Drinking Water Act (SDWA) has been adopted, increasing the testing and reporting requirements of cities and communities. Laboratory testing, approved by the EPA for only a handful of labs in the State of Oregon, is expensive and time consuming.

In order for OMI to stay abreast of the changing requirements specialists have been hired within the company (as well as using CH2M-Hill as a resource) to educate and keep informed our project managers. This protects the City against any reporting violations and potential fines, whether its related to the Safe Drinking Water Act or with Industrial Pre-Treatment of wastewater.

These staff positions must be funded through OMI's projects. However, by hiring these specialists at a "corporate" level their salaries are funded by all OMI projects, thus reducing the direct costs to one particular city, while still providing the expertise to ensure compliance with the complex issues we're facing in the future.

Finally, in Appendix C.8 of the Agreement between the City of Lebanon and OMI, it states that the twelve month average of water produced for drinking water is based on 1.79 million gallons per day, and that any change of five percent (+/-) would constitute a change of scope. Since 1988 the water production has increased nineteen percent, to 2.12 million gallons per day.

With this increase of water production more chemicals are required, and while we're not instituting a change in scope at this time, we do need to adjust the fee for the increased chemical costs. These costs are included in the proposed fee increase.


Joe, since we are well into the new fiscal year and both of our schedules have been quite busy, I have prepared an Amendment #1 to the existing Agreement between the City of Lebanon and OMI that addresses the changes for compensation.

If, after reading these changes the Council finds everything in order, I would appreciate it if you would sign the two original Amendments and either return them to me or to the Corporate office in Kingwood, Texas, for Don Evans' signature at your earliest convenience. One signed Original will then be returned to you for your records and one will remain on file in Kingwood.

If you would like to discuss this matter, or if you have any questions please feel free to call me.

I appreciate the opportunity to work with the City of Lebanon now and in the years to come.

Sincerely,

A handwritten signature in black ink, appearing to be "J. Evans", written in a cursive style.

AGENDA ITEM 5



CITY OF LEBANON
M E M O R A N D U M

TO: Mayor and Council

DATE: March 15, 1991

FROM: Tom McHill, City Attorney

SUBJECT: Amendment to Lebanon Municipal Code

Program Director, Susan Messersmith has pointed out an inconsistency between the term of office provided by the Lebanon Municipal Code for advisory board members and the provisions of ORS 357.465 regarding terms of office for public library boards. The current Lebanon Municipal Code provides that board members can hold no more than two full consecutive terms but that a board member can be reappointed after the two terms so long as the member has not served on the board for two years. Oregon statutes, however, conflict in requiring only a one year hiatus after board members serve two full consecutive terms.

Therefore, I have prepared an ordinance which brings the Municipal Code, Section 2.20.040(B), into compliance with the State statutes. I recommend that the Council adopt this ordinance amending our existing Lebanon Municipal Code provision.

A BILL FOR AN ORDINANCE AMENDING) ORDINANCE BILL NO. _____
 CHAPTER 2.20 OF THE LEBANON) For 1991
 MUNICIPAL CODE - LIBRARY ADVISORY)
 BOARD AND DECLARING AN EMERGENCY) ORDINANCE NO. _____

The people of the City of Lebanon do ordain as follows:

Section 1. Section 2.20.040(B) of the Lebanon Municipal Code is amended to read as follows:

" B. Four members of the advisory board shall be selected from the community at large and shall serve terms of four years each. Their terms shall commence on July 1st and be staggered so that the term of office of not more than one will expire in the same year. No at-large board member shall hold appointment as a member for more than two consecutive terms; however, an at-large member may be appointed again to the board after an interval of one year. Service in excess of seven hundred thirty-one calendar days shall be counted as a full term in the case of persons appointed to fill unexpired terms and in the case of members resigning."

Section 2. Inasmuch as the provisions of this Ordinance are necessary for the immediate preservation of the peace, health, and safety of the people of the City of Lebanon, an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect immediately upon its passage by the Council and approval by the Mayor.

Passed by the Council of the City of Lebanon by a vote of _____ for and _____ against, and approved by the Mayor this _____ day of _____, 1991.

MAYOR

ATTEST:

City Recorder


AGENDA ITEM 6



CITY OF LEBANON

M E M O R A N D U M

TO: Joe Windell, City Administrator DATE: April 18, 1991

FROM: Tom McHill, City Attorney 

SUBJECT: Ordinance Amending Chapter 2.24.030 of the
Lebanon Municipal Code

Pursuant to our telephone conversation of April 17, 1991, I am attaching a proposed amendment to LMC 2.24.030 regarding occupation and residency of members of the Planning Commission. As you have requested, I have added language regarding a provision of the Code section which allows no more than three members of the Commission who are non-residents of the City. I have added language that of these three members, no more than one member shall be involved in forestry and no more than one member shall be involved in agriculture. I think this gives the Mayor some discretion in the vocational pursuits of these Planning Commission members, and still maintains a broad base of community experience on the Planning Commission should appropriate candidates be located for possible vacancies. I think it is clear by this added language that such representation is not required, but it certainly gives emphasis to the Council's desire for such broad representation.

If anything further is needed, please advise.

A BILL FOR AN ORDINANCE AMENDING) ORDINANCE BILL NO. _____
 CHAPTER 2.24.030 OF THE LEBANON) For 1991
 MUNICIPAL CODE, PLANNING COMMISSION-)
 OCCUPATION AND RESIDENCY; AND) ORDINANCE NO. _____
 DECLARING AN EMERGENCY)

The people of the City of Lebanon do ordain as follows:

Section 1. Section 2.24.030, Occupation and Residency, of the Lebanon Municipal Code is amended to read as follows:

"Not more than two members of the Commission shall be engaged principally in buying, selling, or developing of real estate for a profit as individuals, or be members of any partnership, or officers or employees of any corporation, that is engaged principally in buying, selling, or developing of real estate for a profit. No more than two members shall be engaged in the same kind of business, trade or profession. No more than three members of the Commission shall be non-residents of the City; and no more than one of these members shall be engaged principally in the vocation of forestry, and no more than one of these members shall be engaged principally in the vocation of agriculture.

Section 2. Inasmuch as the provisions of this Ordinance are necessary for the immediate preservation of the peace, health, and safety of the people of the City of Lebanon, an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect immediately upon its passage by the Council and approval by the Mayor.

Passed by the Council of the City of Lebanon by a vote of _____ for and _____ against, and approved by the Mayor this _____ day of April, 1991.

MAYOR

ATTEST:

City Recorder

AGENDA ITEM 7



CITY OF LEBANON
M E M O R A N D U M

TO: Joseph A. Windell, City Administrator DATE: April 18, 1991

FROM: Judy Wendland, Finance Director *JW*

SUBJECT: Rate Increase for Albany/Lebanon Sanitation

On Tuesday, April 16th, the Finance Committee met to discuss a requested rate increase for Albany/Lebanon Sanitation. Attending the meeting were Councilors Miller, Rieskamp, and Winters. The rate increase has been anticipated since the last increase was granted January, 1990.

Attached is a letter and some information from Albany/Lebanon Sanitation. After hearing a presentation from General Manager Jeff Andrews and discussing the issues, the committee voted to approve the rate increase effective May 1. Also attached is the required resolution.

Action required:

Approve the resolution for new rates by motion.

JW/lgk

A RESOLUTION APPROVING CHANGES IN)
 RATES TO BE CHARGED FOR THE) RESOLUTION No. _____
 COLLECTION, TRANSPORTATION, AND) For 1991
 CONVEYANCE OF SOLID WASTE AND)
 RECYCLABLE MATERIALS WITHIN THE)
 CITY OF LEBANON)

WHEREAS, the City Council of the City of Lebanon did on the 13th day of August, 1986, enact Ordinance No. 1999 granting to Albany-Lebanon Sanitation Company, Inc., an exclusive franchise to collect, transport, and convey solid waste and recyclable materials over and upon the streets of the City; and

WHEREAS, Section 13 of Ordinance No. 1999 provides for rates for service under said franchise agreement, which rate changes shall be approved by the City Council by resolution; and

WHEREAS, the City Council has considered the following with respect to rates to be charged by the franchise:

1. The cost of performing the service provided by the franchisee;
2. The anticipated increases in the cost of providing the service;
3. The need for equipment replacement and the need for additional equipment to meet service needs; compliance with federal, state and local law, ordinances and regulations; or technological change;
4. The investment of the franchisee and the value of its business and the necessity that the franchisee have a reasonable rate of return;
5. The rates in other cities for similar service; and
6. The public interest; and

WHEREAS, the City Council having considered such factors has declared the necessity for the changing of rates to be charged by the franchisee;

NOW, THEREFORE, be it resolved by the City Council of the City of Lebanon as follows:

1. The City Council does hereby approve, pursuant to the provisions of Section 13 of Ordinance No. 1999, a rate schedule, attached hereto as Exhibit "A" and incorporated herein.

2. The attached rate schedule shall be effective as of May 1, 1991.

Passed by the Council of the City of Lebanon by a vote of _____ for and _____ against, and approved by the Mayor this 24th day of April, 1991.

MAYOR

ATTEST:

City Recorder

"EXHIBIT A"

ALBANY-LEBANON SANITATION CO.
CITY OF LEBANON

EFFECTIVE MAY 1, 1991

CAN/CART RATESRESIDENTIAL & COMMERCIAL (WEEKLY PICKUP)

One can	\$ 7.30
Each additional can	6.00
90 Gal. cart	11.50

SPECIAL PICKUPS

Minimum rate - on route pickup	\$ 4.25
Each additional can	2.25

DROP BOX SERVICE RATES

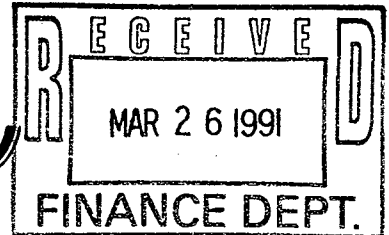
Rates to be charged by a franchisee for drop box service in the City shall not exceed those established by the following schedule:

	<u>LOOSE RATE</u>	<u>COMPACTED RATE</u>
20 yard	\$ 144.00	\$ 256.90
30 yard	178.50	343.35
40 yard	213.00	427.50
Box Rental	60.00	

CONTAINER RATES

CONTAINER SIZE	1.5 CUBIC YARD	2 CUBIC YARD	3 CUBIC YARD
STOPS/WEEK			
ONE	\$ 50.80	\$ 62.35	\$ 74.35
TWO	93.35	115.20	137.20
THREE	135.90	168.05	200.05
FOUR	178.45	220.90	262.90
FIVE	221.00	273.75	325.75

CONTAINER SIZE	4 CUBIC YARD	6 CUBIC YARD	8 CUBIC YARD
STOPS/WEEK			
ONE	\$ 88.85	\$ 122.65	\$150.25
TWO	164.70	230.05	281.25
THREE	240.55	337.45	412.25
FOUR	316.40	444.85	543.25
FIVE	392.25	552.25	674.25

**ALBANY-LEBANON
SANITATION CO.**


March 25, 1991

Mayor Bob Smith and Members of City Council
P.O. Box 247
Lebanon, OR 97355

Dear Mayor Smith and Council:

Enclosed is an application for an increase in the collection rates charged by Albany-Lebanon Sanitation, Inc. in the City of Lebanon. The current rates have been in effect since January 1, 1990.

The request represents an overall increase of 11.0% in collection rates. This request is primarily due to present and projected increases in operating costs since our last rate adjustment. These cost increases are the result of general inflation, and increased recycling activity.

The general inflation rate during 1990 was approximately 6.1%. The number of curbside recycling stops in 1990 is approximately triple the 1989 stops. Our office paper recycling locations has also increased from about 43 at the end of 1989 to 214 present locations.

Based on the information presented in this request and with the additional information to be provided to City Staff, I feel that this rate request is reasonable and justified. I look forward to answering any questions you may have regarding this request.

Sincerely,

Jeff Andrews
General Manager

JA/lh
Enclosure

ALBANY - LEBANON SANITATION, INC.

SUMMARY STATEMENT OF INCOME

CITY OF LEBANON

PERCENT OF SALES: 13.55%

	PROJECTED		TWELVE	
	ACTUAL 12 MOS. ENDED 12/	%	MONTH PROFORMA	%
Sales	\$634,462	100.00%	\$704,253	100.00%
Direct operating costs	487,559	76.85%	548,745	77.92%
Gross profit	146,903	23.15%	155,508	22.08%
General & administrative expenses	101,053	15.93%	115,260	16.37%
Operating profit	45,850	7.23%	40,247	5.71%
Other income	6,578	1.04%	6,775	0.96%
Profit before taxes	52,428	8.26%	47,022	6.68%
Income taxes	20,132	3.17%	18,057	2.56%
Net income	\$32,296	5.09%	\$28,966	4.11%

ALBANY - LEBANON SANITATION, INC.
SCHEDULE OF DIRECT COSTS

CITY OF LEBANON

	PROJECTED ACTUAL 12 MOS. ENDED 12/90	TWELVE MONTH PROFORMA
Labor	\$128,211	\$141,668
Payroll taxes & benefits	32,296	41,038
Fuel & oil	21,926	24,119
Licenses & fees	7,414	7,785
Uniforms & laundry	1,621	1,773
Franchise fees	19,034	35,213
Dumping charges	162,747	162,747
Depreciation	53,703	59,990
Tires & tire repair	8,783	9,046
Equipment repairs & maint.	29,289	34,141
Shop supplies	609	640
Shop and equipment rent	8,778	14,785
Shop repairs	712	2,563
Utilities	1,427	1,498
Subcontractors	3,922	4,118
Recycling supplies	2,677	2,810
Recycling promotion	798	1,016
Purchases of recycling material	3,128	3,284
Recycling education	485	510
Total Direct Costs	\$487,559	\$548,745

ALBANY - LEBANON SANITATION, INC.
SCHEDULE OF GENERAL & ADMIN. EXPENSES

CITY OF LEBANON

	PROJECTED ACTUAL 12 MOS. ENDED 12/90	TWELVE MONTH PROFORMA
Office salaries	\$31,971	\$35,168
Payroll taxes & benefits	6,248	7,903
Advertising	811	813
Amortization	144	144
Depreciation	2,843	3,579
Dues & subscriptions	1,268	1,331
Insurance & damages	8,003	8,403
Interest expense	12,174	18,079
Management services	18,293	19,207
Miscellaneous	948	995
Office supplies	474	498
Postage	2,550	3,060
Professional services	1,161	1,219
Property taxes	2,900	2,900
Office rent	3,051	3,204
Office repairs	820	861
Office equipment repairs	371	390
Telephone	1,548	1,626
Travel & entertainment	2,089	2,089
Utilities	911	957
Bad debts	2,476	2,835
	-----	-----
Total General & Admin. Expenses	\$101,053	\$115,260
	=====	=====

ALBANY - LEBANON SANITATION, INC.

EXISTING AND PROPOSED RATES

LEBANON

CAN/CART RATES

	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE
RESIDENTIAL & COMMERCIAL (WEEKLY PICKUP)				
One can	\$6.70	\$7.30	\$0.60	8.96%
Each additional can	4.50	6.00	1.50	33.33%
90 Gal. cart	10.50	11.50	1.00	9.52%
MULTIPLE DWELLING (BILLED TO ONE ACCOUNT)				
First unit - one can per week	6.70	7.30	0.60	8.96%
Each additional unit - one can per week	6.70	7.30	0.60	8.96%
90 Gal. cart	10.50	11.50	1.00	9.52%
SPECIAL PICKUPS				
Minimum rate - on route pickup	3.70	4.25	0.55	14.86%
Each additional can	1.55	2.25	0.70	45.16%
ROLL-OFF BOXES				
Regular service per cubic yard (30 yd box) (Includes tipping fee)	5.12	5.95	0.83	16.29%
Compacted service per cubic yard (30 yd box) (Includes tipping fee)	9.92	11.45	1.53	15.42%
Box rental per month	55.00	60.00	5.00	9.09%

CONTAINER RATES

CONTAINER SIZE	1.5 CUBIC YARD				2 CUBIC YARD				3 CUBIC YARD			
	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE
ONE	\$46.40	\$50.80	\$4.40	9.48%	\$56.95	\$62.35	\$5.40	9.48%	\$67.90	\$74.35	\$6.45	9.50%
TWO	84.10	93.35	9.25	11.00%	103.05	115.20	12.15	11.79%	125.60	137.20	11.60	9.24%
THREE	121.65	135.90	14.25	11.71%	149.45	168.05	18.60	12.45%	183.25	200.05	16.80	9.17%
FOUR	159.25	178.45	19.20	12.06%	195.85	220.90	25.05	12.79%	240.90	262.90	22.00	9.13%
FIVE	196.80	221.00	24.20	12.30%	242.25	273.75	31.50	13.00%	298.55	325.75	27.20	9.11%

CONTAINER SIZE	4 CUBIC YARD				6 CUBIC YARD				8 CUBIC YARD			
	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE	EXISTING RATES	PROPOSED RATES	DOLLAR INCREASE	PERCENT INCREASE
ONE	\$81.15	\$88.85	\$7.70	9.49%	\$112.00	\$122.65	\$10.65	9.51%	\$137.20	\$150.25	\$13.05	9.51%
TWO	152.05	164.70	12.65	8.32%	208.50	230.05	21.55	10.34%	264.20	281.25	17.05	6.45%
THREE	223.00	240.55	17.55	7.87%	305.10	337.45	32.35	10.60%	391.15	412.25	21.10	5.39%
FOUR	293.90	316.40	22.50	7.66%	401.65	444.85	43.20	10.76%	518.15	543.25	25.10	4.84%
FIVE	364.80	392.25	27.45	7.52%	498.25	552.25	54.00	10.84%	645.10	674.25	29.15	4.52%

ALBANY - LEBANON SANITATION, INC.

CITY RESIDENTIAL COMPARATIVE RATES

	EFFECTIVE DATE	WEEKLY PICKUP		
		1 CAN	2 CAN	90 GAL CART
Lebanon (Proposed)	5/1/91	7.30	13.30	11.50
Corvallis	3/1/91	7.30	11.65	16.00
Beaverton	11/1/90	10.21	19.31	27.00
Bend	9/1/85	7.45	12.55	12.75
Canby	8/1/90	11.70	21.20	N/A
Eugene	10/1/90	8.90	14.95	13.00
Gresham	7/1/90	11.26	21.52	15.24
McMinnville	7/1/90	7.85	13.35	11.90
Portland	7/1/90	12.00	22.80	21.50
Salem	10/1/90	10.10	18.80	13.00
Springfield	10/1/90	7.10	12.05	12.20
Tualatin	7/1/90	11.05	21.30	16.15
Medford	8/1/90	6.55	9.85	N/A

ALBANY - LEBANON SANITATION, INC.

CITY CONTAINER COMPARATIVE RATES
(Based on 1.5 cubic yards)

	EFFECTIVE DATE	STOPS PER WEEK				
		ONE	TWO	THREE	FOUR	FIVE
Lebanon (Proposed)	5/1/91	50.80	93.35	135.90	178.45	221.00
Corvallis	3/1/91	56.20	94.00	131.85	169.70	206.35
Beaverton	11/1/90	89.76	176.48	257.71	334.67	411.07
Bend	9/1/85	46.75	83.80	128.85	157.90	194.95
Canby	8/1/90	92.75	177.70	262.65	347.60	432.55
Eugene	10/1/90	57.05	108.25	159.45	210.65	261.85
Gresham	7/1/90	78.59	150.23	221.87	293.51	365.15
McMinnville	7/1/90	62.10	114.10	166.10	218.10	270.10
Portland	7/1/90	67.85	128.05	188.25	248.45	308.65
Salem	10/1/90	77.40	141.90	206.40	270.90	335.40
Springfield	10/1/90	59.90	103.20	152.10	199.55	250.30
Tualatin	7/1/90	87.70	170.55	253.40	336.25	419.10
Medford	8/1/90	46.14	74.58	106.62	137.06	167.30

ALBANY - LEBANON SANITATION, INC.

CITY ROLL-OFF BOX COMPARATIVE RATES

CITY	EFFECTIVE DATE	COST PER 30 YD. BOX
----- Lebanon (Proposed)	5/1/91	178.50
Corvallis	3/1/91	165.00
Beaverton	11/1/90	331.35
Bend	9/1/85	102.50
Canby	8/1/90	337.65
Eugene	10/1/90	195.00
Gresham	7/1/90	331.00
McMinnville	7/1/90	213.90
Portland	7/1/90	317.50
Salem	10/1/90	355.95
Springfield	10/1/90	189.10
Tualatin	7/1/90	373.20
Medford	8/1/90	142.80