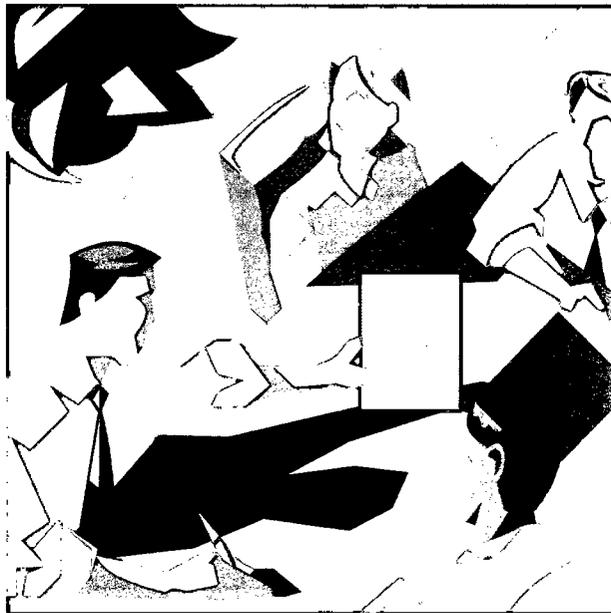


# Lebanon City Council Meeting Agenda



*February 22, 2006*

*Archive Copy  
(Do Not Remove from Office)*

**LEBANON CITY COUNCIL MEETING**  
**Wednesday, February 22, 2006**  
**7:00 p.m.**

Santiam Travel Station  
750 3rd Street

**AGENDA**

**CALL TO ORDER / FLAG SALUTE**

**ROLL CALL**

**CONSENT CALENDAR**

- 1) CITY COUNCIL AGENDA: *February 22, 2006*
- 2) OTHER CITY MINUTES: *Library / Sr. Center Trust – January 10, 2006*  
*Senior Center Advisory Board – January 18, 2006*
- 3) APPOINTMENTS: *Budget Committee New Appointment – Todd Gestrin*  
*Budget Committee Reappointments – Floyd Fisher & Mike Lee*

**PROCLAMATION** – National FFA Week (February 18 through 25, 2006)

**CITIZEN COMMENTS** - *Those citizens with comments concerning public matters may do so at this time. Please identify yourself before speaking and enter your name and address on the sign-up sheet.*

**ITEMS FROM COUNCIL**

**PRESENTATION** – South Santiam Enterprise Zone, presented by John Pascone

**PUBLIC HEARINGS**

**1) Jones Property Annexation (Sunset Road)**

Presented by: Doug Parker, Community Development Manager

Approval / Denial by ORDINANCE

**2) Liquor License Request (Limited on Premises Sales) Red Beards**

Presented by: Mike Healy, Police Chief

Approval / Denial by MOTION

**PUBLIC HEARINGS (continued)**

**3) 2001 Housing Rehabilitation Grant**

Presented by: Casey Cole, Finance Director

Approval / Denial by MOTION

**LEGISLATIVE SESSION**

**4) Parks Committee / Tree Board Term Limits (Amendment)**

Presented by: Rod Sell, Maintenance Division Manager

Approval / Denial by MOTION

**5) PC Recommendation to Amend LMC Chapter 2.24**

Presented by: Doug Parker, Community Development Manager

Approval / Denial by ORDINANCE

**6) Irrevocable Petition(s)**

Presented by: Malcolm Bowie, City Engineer

Approval / Denial by MOTION

**7) NW Industrial Area Improvements**

Presented by: Malcolm Bowie, City Engineer & Ron Whitlatch, Senior Engineer

Approval / Denial by MOTION

**8) CWSRF Fund Loan (Project Walden)**

Presented by: Malcolm Bowie, City Engineer

Approval / Denial by RESOLUTION

**9) City Administrator's Report**

Presented by: John Hitt, City Administrator

Discussion

**CITIZEN COMMENTS** - *Those citizens with comments concerning public matters may do so at this time. Please identify yourself before speaking and enter your name and address on the sign-up sheet.*

**ADJOURNMENT**

# Consent Calendar

- 1) CITY COUNCIL AGENDA: *February 22, 2006*
- 2) OTHER CITY MINUTES: *Library / Sr. Center Trust – January 10, 2006*  
*Senior Center Advisory Board – January 18, 2006*
- 3) APPOINTMENTS: *Budget Committee New Appointment – Todd Gestrin*  
*Budget Committee Reappointments – Floyd Fisher & Mike Lee*

# LEBANON PUBLIC LIBRARY-SENIOR CENTER TRUST

Senior Center Conference Room

January 10, 2006

## MINUTES

**BOARD MEMBERS PRESENT:** Linda Darling, Bob Elliott, Lori McNulty, Ray Garboden, Remona Simpson, Joyce Weatherly, Sheri Miller **Staff:** Kindra Oliver

**BOOKKEEPER:** Phyllis Wimer

**ABSENT:** Thelma Toombs, Denice Lee

### 1. Call to Order

Chair Linda Darling called the meeting to order.

### 2. Minutes - November 8th, 2005

Lori moved, Remona seconded for approval of the December 13<sup>th</sup>, 2005 meeting minutes. All in favor. Motion passed unanimously.

### 3. Treasurer's Report

Phyllis reported that the Trust had \$1,000 of income for the month of December; \$500 from Walmart and a \$500 donation from Mac and Lori McNulty. The balance of the account is \$15,184.87.

Phyllis had also prepared and handed out detail sheets for the months of May through December 2005.

Ray moved, Bob seconded to accept the report. All in favor. Motion passed unanimously.

### 4. Change in Member Status

Linda informed the group that she had received resignations from Barb Allen and Wayne Reiskamp since the last meeting. Both feel that this group is very important but couldn't commit to the attending the monthly meetings. Linda added that Wayne would like to still be included in the email loop with the monthly agendas and minutes. Linda said she would check in with Barb to see if she would like to be left in the loop as well.

Bob moved, Lori seconded to accept the resignations and remove Wayne and Barb as members of the board. All in favor. Motion passed unanimously.

Kindra will bring an updated member list to the February meeting.

## 5. Election of Officers

Following are the current Officers:

Chair: Linda Darling  
Vice-Chair: Remona Simpson  
Treasurer: Joyce Weatherly  
Secretary: Kindra Oliver

Ray moved, Bob seconded to retain the officers that are currently serving (as stated above). All in favor. Motion passed unanimously.

## 6. By-Laws

Ray explained that he has reviewed the by-laws in great detail and there is not that much that needs to be changed. Following are his recommended changes:

- Article III, Section 7: "Repeated" should be changed to read "failure to attend 3 consecutive, unexcused Board meetings" for removal of a Director.
- Article III, Section 12: "Two-thirds vote" should be changed to read "majority vote" for decision making and voting.
- Article III, Section 16: Add "or confirmed by email" for making decisions without holding a meeting.
- Article IV, Section 7: Reword or scratch "e) Ensure that all required state and federal reports are prepared in a timely fashion" under duties of the secretary. This duty is also listed under responsibilities of the treasurer, which he felt was most appropriate.
- Article IV, Section 10: Ray noted that this section doesn't necessarily apply at this time but is good to have it in place when/if this group continues to grow.
- Article VI, Section 3: Ray noted that the tax year of May 1 through April 30 was an odd date. The tax year listed is tied to our non-profit information so the consensus was to leave it as May 1 through April 30.
- Article VII: Bob noted that "two-thirds vote" should be changed to "majority vote".

Remona moved, Lori seconded to accept the changes to the by-laws as discussed. All in favor. Motion passed unanimously.

(at this time Ray had to leave and Joyce joined the meeting)

Linda recapped her suggestions for changes to the by-laws:

- Article I, Section 1: We need to change the language in that section to be more inclusive of the Library.

Joyce moved, Remona seconded to accept the change to Article I, Section 1. All in favor. Motion passed unanimously.

- Article III, Section 5: Change language to allow the board to elect directors annually or as needed and not limit it to the first quarter of the calendar year.

Bob moved, Sheri seconded to accept the change to Article III, Section 5. All in favor. Motion passed unanimously.

Kindra will make the approved changes to the by-laws and bring a draft back to the board at the February meeting.

## 7. Updates

### Senior Center:

Kindra reported that the new programs and activities that started in January have been well attended. We are planning a day bus trip to various places once a month.

The furniture for the S.C. library and craft room that was discussed at the last meeting has been ordered and should be delivered in 2-3 weeks.

### Library:

Linda reported that Denice has been working with the architects, SRG, for the new, proposed Library. Both the Library and the Police Department will be presenting their needs assessment plans to City Council on January 25<sup>th</sup> or February 8<sup>th</sup>. Kindra will email the group to confirm which date the item will be on the agenda.

## 8. Continuing Business

### Donor Wall Plaque:

Lori said that she has talked with Thelma regarding the plaque and the total cost would be approximately \$60-65. The plaque is 11\*5 ½ " and made of brushed aluminum with copper trim. It will read "Lebanon Public Library-Senior Center Trust Donor Wall". We can order a clear pamphlet holder to place underneath the plaque for the brochures.

Consensus was to move forward with the size, lettering and design, and to approve the cost up to \$100.

**9. NEW BUSINESS**

Phyllis commented that she has a bunch of Bingo supplies if anyone had a need for them.

**10. Adjournment**

Joyce moved, Lori seconded for adjournment. All in favor. Motion passed unanimously.

**Next Board meeting: Tuesday, February 14<sup>th</sup>, 2006 at the Senior Center.**



# City of Lebanon

## Senior Center

65 B Academy  
Lebanon OR 97355  
(541) 258-4919 fax (541) 258-4956  
[www.ci.lebanon.or.us](http://www.ci.lebanon.or.us)

### ADVISORY BOARD MEETING

January 18<sup>th</sup>, 2006

## MINUTES

Members present: Robert Elliott, Bonnie Prince, Remona Simpson, Fran Bonnarens, Cleora Wymore, Lori McNulty, Mac McNulty, Frances West, Kindra Oliver, Tori Hartman

Members absent: Alice Unger

#### WELCOME:

Remona Simpson welcomed members and opened the meeting.

#### MINUTES:

It was noted that we discussed the details of Project Pooch at the December meeting and was suggested it be added to the minutes.

Bonnie moved and Cleora seconded to accept the minutes from the December 14<sup>th</sup> meeting, as corrected. All in favor. Motion passed unanimously.

#### CHAIRPERSON'S REPORT:

- Remona announced that the Library and the Police Department will be presenting their needs assessments to City Council on Wednesday, February 8<sup>th</sup>, 7:00 p.m.

#### REPORTS:

- Tori announced that the Meal Site has many new volunteers and things are going smoothly.
- The floors need to be cleaned and scraped where the auditorium floor meets the brick floor in the kitchen. There is buildup on the tile floor and probably just needs to be soaked and scraped up with a putty knife. Kindra will look into getting that cleaned.
- Tori asked if the Senior Center was going to get the walk-in cooler and freezer in the kitchen up and running. The Meal Site would utilize the space if they were working. Kindra will make sure the cooler is in good working order and try to get an estimate on how much it might cost to keep running.
- Kindra reported that the new programs being offered are well attended. New programs include oil painting, computer classes, Project Pooch and movie day.
- Kindra has ordered the furniture for the library room and craft room. It should be delivered in the next 2-3 weeks.

- Kindra has talked to the Sweet Home and the Albany senior centers about doing some joint activities. The Lebanon Senior Center is planning a joint Valentine social/dance with Sweet Home on Monday, February 13<sup>th</sup>, 1:00 p.m.
- Like New Appliance is coming to pick up the old dough/roll machine this week. Kindra will call City Suburban and Electric to rewire the outlet and move the other stove over.
- Kindra said that we still don't have a pass-through partner for our BETC grant. She has been in constant contact with the Department of Energy and talking with different local businesses.
- The Oaks is going to bring a group of seniors for the potluck on Thursday and Century Fields is going to start bringing some of their residents in February. Kindra will contact Willamette Manor and Stillwater to extend an invitation for them to join us as well. Kindra will make sure that the potluck sign-up sheets get out a week prior to the potlucks.
- The bus for the January casino trip was full. We are planning at least one bus trip per month. In March we are going to the Aquarium and in April to the Tulip Farm.
- It was suggested that we look into purchasing some industrial strength mats for the kitchen. Bonnie said that the Elks may have some that we can use. If not, Kindra will do some research to see how much they might cost.
- Bonnie suggested talking to Rotary, the Chamber or other local groups to meet at the Senior Center for one of their regular meetings and giving them a tour.

#### **CONTINUING BUSINESS:**

- Bonnie said she was going to stop by the cabinet shop to check on the progress of the cover for the plate warmers.

#### **NEW BUSINESS:**

#### **ITEMS FROM THE FLOOR:**

- Bonnie reported that we sold \$31.46 in cards for the month of December. We are \$99.57 to the good. We do need to order more card stock.

#### **ADJOURNMENT:**

There being no further business, Lori moved for adjournment and Frances seconded the motion. All approved and the meeting was adjourned.

**Next Meeting: The next meeting will be Wednesday, February 15<sup>th</sup>, 2005.**

Q:\Advisory Board\Meetings - AB Packets\Minutes.doc

# BUDGET COMMITTEE

<u>Citizen</u>	<u>Term Expires</u>	<u>Councilor</u>	<u>Term Expires</u>
----------------	---------------------	------------------	---------------------

## WARD I

Don Thoma 298 Cedar Drive 258-3493 (home)	12/31/06	Ray Weldon 1610 South 4 <sup>th</sup> 258-6595 (home)	12/31/08
<i>Todd Gestrin</i> 12 W. Cedar 451-4540 (home)	<i>12/31/09</i>	Scott Simpson 755 West D Street 258-2466 (Home)	12/31/06

## WARD II

Judy Taug 1175 West Grant Place 259-1121 (home)	12/31/06	Rebecca Grizzle 333 E. Ash Street 258-2940 (home) 259-1235 x305 (work)	12/31/08
<i>Floyd Fisher</i> 170 S. 2nd Street 259-1617 (home)	<i>12/31/09</i>	Dan Thackaberry 471 Hiatt Street 259-1394 (home)	12/31/06

## WARD III

Barry Scott 1620 Airway Rd. 258-5675 (home)	12/31/06	Ron Miller 1115 Franklin Street 451-3257 (home) 881-5480 (cell)	12/31/08
<i>Mike Lee</i> 1140 Franklin St. 451-4190 (home)	<i>12/31/09</i>	Bob Elliott 795 Binshadler Street 258-5593 (home)	12/31/06

## MAYOR

Ken Toombs 1299 Franklin Street 258-7825 (home) 451-1477 (work)	12/31/06
--	----------

Budget Committee Members are to be staggered 3 year appointments.

Revised: 1 / 2006

# *Proclamation*



**LIVING TO SERVE**

---

**NATIONAL FFA WEEK 2006 ■ FEBRUARY 18-25, 2006**

---

# **NATIONAL FFA WEEK PROCLAMATION**

Whereas, the FFA and agricultural education provide a strong foundation for the youth of America and the future of the food, fiber and natural resources systems; and

Whereas, the FFA promotes **premier leadership, personal growth and career success** among its members; and

Whereas, agricultural education and the FFA ensure a steady supply of young professionals to meet the growing demands in the science, business and technology of agriculture; and

Whereas, the FFA motto – “learning to do, doing to learn, earning to live, living to serve” – gives direction of purpose to these students who take an active role in succeeding in agricultural education; and

Whereas, the FFA promotes citizenship, volunteerism, patriotism and cooperation.

Therefore, I do hereby designate the week of February 18 through 25, 2006, as FFA Week.

---

(Signature)

**The FFA Mission:** FFA makes a positive difference in the lives of students by developing their potential for premier leadership, personal growth and career success through agricultural education.

**The Agricultural Education Mission:** Agricultural Education prepares students for successful careers and a lifetime of informed choices in the global agriculture, food, fiber and natural resources systems.

The National FFA Organization is a resource and support organization that does not select, control or supervise state association, local chapter or individual member activities except as expressly provided for in the National FFA Constitution and Bylaws.

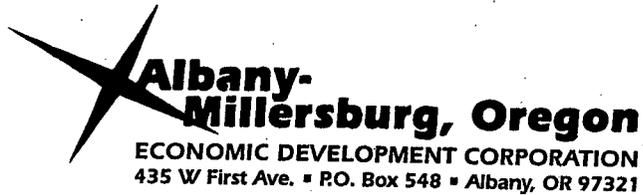
The National FFA Organization affirms its belief in the value of all human beings and seeks diversity in its membership, leadership and staff as an equal opportunity employer.

**CASE III**

Sponsored by Case Corporation as a special project of National FFA Foundation.

©2005 National FFA Organization

# *Presentation*



City of Lebanon  
City Council

February 16, 2006

Dear Councilors,

Re: Expansion of the Lebanon South Santiam Enterprise Zone  
Request for Consideration and Consent to Proceed

Please understand up front that there is no impact or cost to the City of Lebanon. My requests are usually accommodated because the projects have merit, are a goodwill gesture between communities and they benefit Linn County residents.

My reason for approaching the Lebanon Council first is that the South Santiam Enterprise Zone originated here and as a co-sponsor along with Albany, Millersburg and Linn County I need every co-sponsors approval.

#### Background of the Request

I was asked by a representative of Freres Lumber Company to help them get their Lyons industrial property into an Enterprise Zone. They are planning a \$20 million cogeneration project to generate steam and electricity from wood waste. Electricity generated (7-10 megawatts) will be sold to Pacific Power to help supply the grid. The steam generated will help operate the mill.

The project will directly create 10-13 family wage jobs and also create support jobs in trucking and urban wood yards.

#### Enterprise Zone History

The Oregon Enterprise Zone program is a state-wide program passed by the Legislature in the early 1980's during a severe recession. It was designed to create jobs by encouraging business investment by deferring property taxes for three years on the increased assessed values created by the increased investment a company makes. In exchange for the tax incentive, the company makes their investment (which they might not otherwise make) and creates additional jobs. The community benefits from the additional jobs and benefits from increased property tax revenues when the property becomes taxable. The enterprise zone program is the only economic development incentive tool we have in a very competitive world.

Business expansion can be very costly and at times, risky. In exchange for the increased investment and risk, the enterprise zone offers the incentive in exchange for investment and job creation as mentioned above.

Lebanon's South Santiam Enterprise Zone was originally approved in 1996 and with previous council approvals was expanded in 2000 and 2001. All of Lebanon's industrial property is in the zone and businesses on that property, whether existing or new can take advantage of the enterprise zone tax benefits. The Lebanon zone expires in 2007 and can be reauthorized. At that time, we can revert to the original Lebanon zone containing only Lebanon property.

When the zone was originally established, the easiest way to establish the boundary was to include the whole city limits and urban growth boundary on a map and label that the new zone area. What that process did, though simple, was include property such as residential, school and church property that could never take advantage of the enterprise zone benefits because they do not qualify by law. The present zone, therefore, has property in it that cannot use the benefit.

#### Additional Opportunity

The process to change enterprise zone boundaries, explained below, is an administrative one but takes quite a lot of time and effort. When planning an expansion, it makes sense to consider adding other industrial zoned properties also. It has been determined that many other parcels could be added as well in the hope that being included in the zone will encourage investment and job creation there also. I am working on a list of those properties which include companies such as Weyerhaeuser, Wah Chang, Oremet and possibly others.

#### The Process.

Changing Enterprise Zone boundaries is allowed by law and administrative rules define the process. Here is a summary of the steps required:

1. Identify property to be added and prepare a unified map. The maximum zone area can be no more than 12 square miles. The proposed additional acreage is not yet finalized but a listing and map will be provided prior to a resolution being adopted. Linn County GIS Department will be preparing the map.
2. For the co-sponsors, Lebanon and Linn County and Albany and Millersburg; arrange for work sessions if needed and hold usual public hearings at which resolutions are adopted.
3. Local taxing districts need to be sent notices 21 days prior to the hearings.

4. Submit a cover letter to the Director of OECDD requesting the zone changes and memorandum of justification include property list, maps and approved resolutions from the co-sponsors.

As mentioned above, this request will not cost the City of Lebanon anything nor will it take anything away from the city. I will do the required administrative work on behalf of Linn County. I will also help to get your Enterprise Zone reauthorized when it expires.

An expanded Enterprise Zone will hopefully encourage new investment which will benefit our communities by the jobs created and the resulting increased prosperity for the area.

Thank you for your support and I hope you will allow us to move forward.

Sincerely,

John Pascone  
President

Copy; Linn County Board of Commissioners  
Bob Warren, RBDO, OECDD

# Agenda Item 1



*City of Lebanon*  
*Community Development*

---

**MEMORANDUM**

**TO:** John Hitt, City Administrator  
**FROM:** Doug Parker, Community Development Manager *DP*  
**CC:** Tom McHill, City Attorney  
**SUBJECT:** Annexation and Zoning of Property  
**Applicant:** Jim Jones

**DATE:** February 14, 2006  
**Planning File:** A-05-12  
**Map/Tax Lot:** 12-2W-9AD, #706

---

This is a request to annex a .36 acre territory comprised of one parcel located at the west end of Sunset Road, south of Highway 34. The property is designated as Residential Mixed-Density (C-RM) on the City of Lebanon Comprehensive Plan Map. A Residential Mixed Density (Z-RM) zoning designation will be assigned upon annexation. This is the Comprehensive Plan Map designated zoning assignment and does not constitute a zoning map amendment or zone change.

On January 18, 2006, the Planning Commission conducted a public hearing and voted unanimously to recommend approval to City Council of this proposed annexation and zoning assignment.

The Planning Commission staff report (Lebanon File # A-05-12) is included for review, including a legal description and an annexation map.

At this time it is appropriate for the City Council to conduct a public hearing regarding the proposed annexation and, if approved, adopt a bill for an ordinance annexing and zoning the property as requested.

**PLANNING COMMISSION STAFF REPORT**  
**January 18, 2006**  
**ANNEXATION REQUEST**

NATURE OF REQUEST: Annexation of a .36 acre territory comprised of one vacant tax lot

APPLICANT: Jim and Andrea Jones

PROPERTY LOCATION: Located on the west side of the south end of Sunset Road, south of Highway 34.

ASSESSOR'S MAP AND TAX LOT #: Assessor's Map 12S-2W-9 AD, Tax Lot 706

ZONE DESIGNATION: Residential Mixed Density (C-RM) upon annexation

COMP PLAN DESIGNATION: Residential Mixed-Density (RM) [or Z-RM]

**STAFF REPORT TABLE OF CONTENTS**

**Page**

• Nature of Request, Applicant, Property Location, Assessor's Map and Tax Lot #s, Zone and Comp Plan Designations	1
• Introduction	1
• Site Map	2
• Annexation Map	3
• Site Description	4
• Planning and Zoning Considerations	4
• Relevant Criteria	5-7
• Staff Comments	7,8
• Staff Recommendation & Proposed Findings	9-13
• Annexation Zoning Matrix	14
• ANNEXATIONS ARE NOT ZONING MAP AMENDMENTS – A City of Lebanon Community Development memorandum dated February 2005	15
• EXHIBITS – The applicant has submitted a Narrative Statement (see Exhibit A).	

**INTRODUCTION**

The applicant is requesting annexation of an approximately a 0.37 acre territory that is comprised of one tax lot. The territory is located on the west side of the south end of Sunset Road (a locally maintained public road), about 1,267 feet south of Highway 34. It is within the City's urban growth boundary and is contiguous with the City limits to the south and west. The property is designated as Mixed-Density Residential on the City of Lebanon's Comprehensive Plan Map. A Residential Mixed Density Residential (RM) zoning designation is being requested upon annexation. This zoning designation is consistent with the City's Comprehensive Plan. No change in zoning designation is being requested. The annexation territory is located in the Aircraft Control Zone of the Lebanon State Airport. The subject property is not within the Grand Prairie Water District.

The purpose of the annexation is to allow **City sewer service** to be utilized in the future by the property because (according to the applicant's narrative) the Linn County Environmental Health department has determined the site is inadequate for onsite sewage disposal due to a high ground water table. Given this condition, this vacant lot is undevelopable unless it is connected to the City's sewer system service.

**ASSESSOR'S MAP**

Subject Property  
12S-02W-9AD  
Tax Lot 706

SEE MAP 12 2W 9

SUNSET RD

9-2

SEE MAP 12 2W 10BC

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSES ONLY

3E 1/4 NE 1/4 SEC 09 T. 13S. R. 02W. W. M.  
LINN COUNTY, OREGON  
HWY. 94 TANGENT ST  
12 2W 9AD  
LEBANON

PARTITION

PLAT

NO. - 2003-03

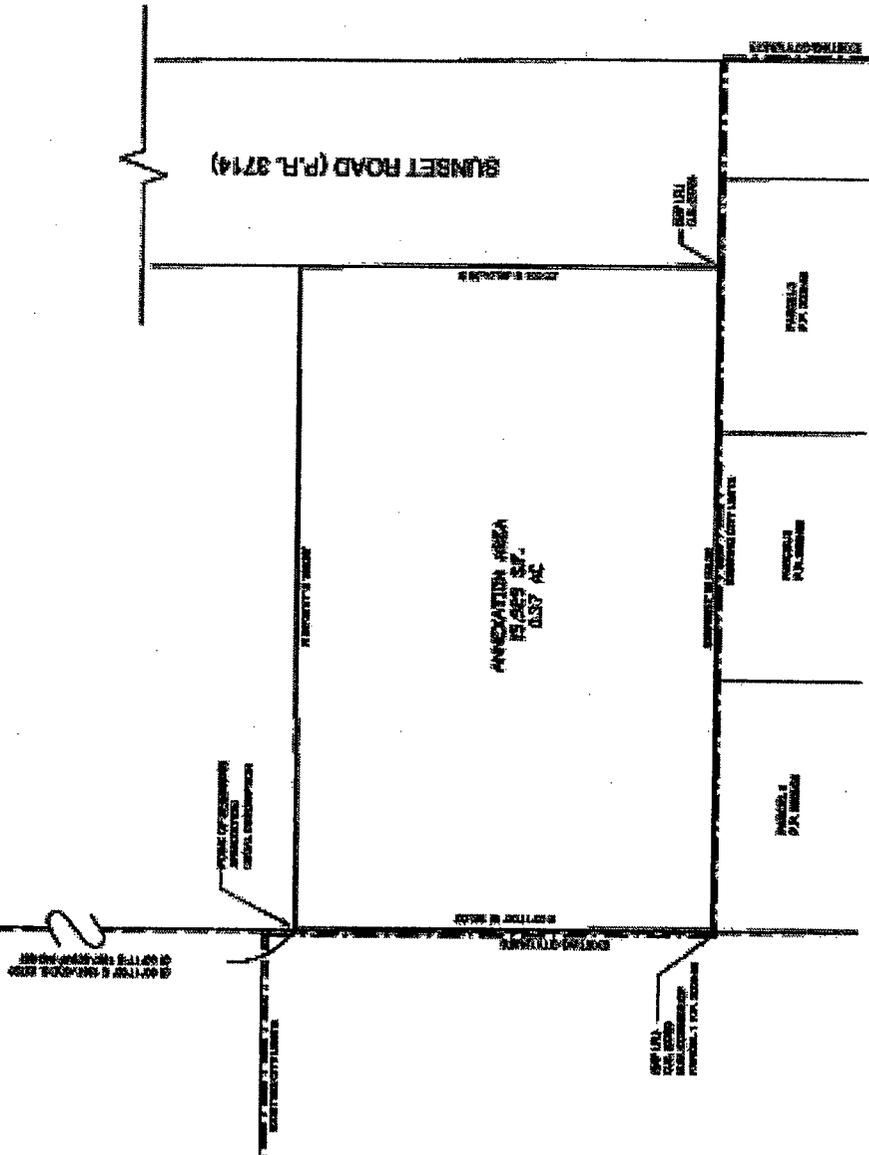
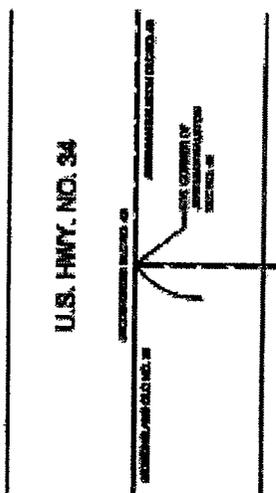
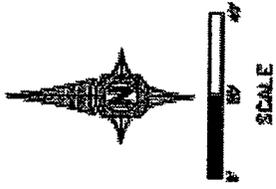
9-5  
WINE ST.

SEE MAP 12 2W 9DA

12 2W 9AD  
LEBANON

**Annexation Map**

**ANNEXATION MAP**  
**JIMMY D. AND ANDREA M. JONES**  
 IN SECTION 9 OF T. 12 S., R. 2 W., W. 1  
 LINN COUNTY, OREGON  
 SCALE AS SHOWN NOVEMBER 30, 2005



**APPLICANT'S ADDRESS:**  
 JIMMY D. AND ANDREA M. JONES  
 1000 W. 10TH ST.  
 LEBANON, OREGON 97036

**ANNEXATION EXPENSES:**  
 \$100.00  
 \$100.00  
 \$100.00

**NOTE:**  
 THE TOWN AND DISTRICTS OF THIS COUNTY MAP  
 ARE SUBJECT TO LIAISON COUNTY PUBLIC UTIL. DEPT.

**REGISTERED PROFESSIONAL LAND SURVEYOR**  
*J. L. Judd*  
 JIM JUELLE  
 1986  
 EXPIRES 09-30-2008

**JAMES F. (JUE) J**  
 ENGINEER & SURVEYOR  
 905 EAST ASH ST.  
 LEBANON, OREGON 97036  
 PH: (503) 431-0223  
 FAX: (503) 431-0228

## **SITE DESCRIPTION**

The annexation territory is composed of one tax lot. It is located in the northwestern portion of the City's urban growth area. It is vacant. The property has 100 feet of frontage on Sunset Lane (a locally maintained public road). This property is the remaining vacant lot at the south end of Sunset Road. The annexation territory is bordered by land designated for mixed density residential development to the north and south. It is bordered by land designated for industrial uses to the west. It is bordered by land designated for mixed uses to the east, outside the City Limits. The annexation territory is bordered by residential uses to the north and south. It is bordered by vacant land to the east and west. No City infrastructure exists in Sunset Road – residentially developed properties north of the subject property have onsite services.

## **FUTURE CONSIDERATIONS**

The applicant/owner intends to develop the property with one single family residence upon annexation to the City Limits. The purpose of the annexation is to allow City sewer service to be utilized in the future by the property because the Linn County Environmental Health department has determined the site is inadequate for onsite sewage disposal due to a high ground water table. The applicant/owner intends to utilize an onsite well and not extend city water for his single family residence.

No development proposal has been submitted at this time. However, the building of a single family home on the subject property would be an outright permitted use in this zone, subject to meeting all conventional development standards.

## **PLANNING AND ZONING CONSIDERATIONS**

1. The Comprehensive Plan Map identifies the designation of the subject property as Residential Mixed Density Residential (RM) that assigns Residential Mixed Density Residential (RM) zoning upon annexation.
2. The following contain the factors and conditions that the City considers in evaluating this annexation request:
  - a. **2003 ANNEXATION ORDINANCE** (City of Lebanon Ordinance Number 17 for 2003, an Ordinance Making Findings and Adopting Policies for the Annexation of Real Property into the City Limits);
  - b. **2004 LEBANON COMPREHENSIVE PLAN: Chapter 3 Urbanization Policies, P-19 thru P-27;**
  - c. **1980 LEBANON ZONING ORDINANCE** Section 3.050 – Zoning of Annexed Areas;
3. Lebanon Zoning Ordinance Section 4.020 lists the development opportunities, standards and requirements for the Residential Mixed Density (RM) zone.

**THE FOLLOWING DETAILED CRITERIA ARE USED IN EVALUATING THIS ANNEXATION REQUEST.**

**BASIC RELEVANT ANNEXATION CRITERIA**

- 1.0 Criteria Based on the 2003 ANNEXATION ORDINANCE [City of Lebanon Ordinance Number 17 for 2003, an Ordinance Making Findings and Adopting Policies for the Annexation of Real Property into the City Limits] -- *Provisions of the Annexation Ordinance Sections:***
- 1.1 Section 2:** All Annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement, and shall be consistent with applicable State law.
  - 1.2 Section 3:** All Annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.
  - 1.3 Section 4:** All lands included within the Urban Growth Boundary are eligible for annexation and urban development. Areas within the Urban Growth Boundary with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.
  - 1.4 Section 5:** The City shall only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).
  - 1.5 Section 6:** An annexation shall be deemed orderly if the annexation territory is contiguous to the existing City limits. An annexation is efficient if the annexation territory can be developed or redeveloped to an urban use. Urban uses may include functional wetlands, parks, open space and related uses.
  - 1.6 Section 7:** Development proposals are NOT REQUIRED for annexation requests.
  - 1.7 Section 8:** As part of the annexation process of developed property or properties, the City shall consider the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.
  - 1.8 Section 9:** As part of the annexation process of developed property or properties, the City shall consider the impacts on key City-provided urban utility services needed to serve these properties, which are water, storm drainage, sanitary sewerage, and streets.
  - 1.9 Section 10:** Needed Public rights-of-way, as identified in adopted transportation plans as necessary for the safe and efficient movement of traffic, bicycles and pedestrians, shall be dedicated to the City either with annexation or when the property develops and/or redevelops and thus creates an increased demand for the benefits and utility provided by additional rights-of-way dedication.
  - 1.10 Section 11:** Upon annexation, the annexation territory shall be assigned zoning classifications in accordance with the adopted Comprehensive Plan Map, as shown in the City's Annexation Zoning Matrix. Such zoning assignments in and of themselves are not a zoning map change and shall not require approval of a zoning map amendment, or a separate proceeding.

- 1.11 **Section 12:** If a zoning designation other than one in accordance with the Comprehensive Plan Map (shown in the Annexation Zoning Matrix) is requested by an applicant, the zoning requested shall not be granted until the Comprehensive Plan Map is appropriately amended to reflect concurrence. Such an amendment shall require a separate application, hearing and decision, which may be held concurrently with an annexation hearing and will not become effective until the annexation is complete.
  - 1.12 **Section 13:** The areas within the Urban Growth Boundary with designated environmental constraints may be annexed and developed as functional wetlands, parks, open space and related uses.
  - 1.13 **Section 14:** An "urban use" is hereby defined as any land use that is authorized under the terms and provisions of the land use regulations, Zoning Ordinance, Subdivision Ordinance, Comprehensive Plan, and other related documents of the City of Lebanon.
  - 1.14 **Section 15:** At the applicant's discretion and with the City's concurrence, a development or redevelopment proposal for an annexation territory may be acted upon by the Planning Commission immediately following the Commission's hearing on the annexation proposal and a decision of recommendation of approval to the City Council. However, any approval of the Planning Commission of such a development or redevelopment proposal must be contingent upon subsequent approval of the annexation by City Council.
- 2.0 **2004 Lebanon Comprehensive Plan (LCP) Criteria -- Chapter 3: Urbanization -- Annexation Policies -- The City shall:**
- 2.1 **P-19:** Recognize and act on the basis that all annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement (*UGMA*), and shall be consistent with applicable State law.
  - 2.2 **P-20:** Recognize and act on the basis that all annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.
  - 2.3 **P-21:** Recognize and act on the basis that all lands included within the Urban Growth Boundary are eligible for annexation and urban development. (Areas within the Urban Growth Boundary (*UGB*) with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.)
  - 2.4 **P-22:** Only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (*UGB*).
  - 2.5 **P-23:** Deem an annexation orderly if the annexation territory is contiguous to the existing City Limits, and deem an annexation efficient if the annexation territory can be developed or redeveloped to an urban use (urban uses may include functional wetlands, parks, open space and related uses).
  - 2.6 **P-24:** Recognize and act on the basis that development proposals are NOT REQUIRED for annexation requests.

- 2.7 **P-25:** Consider as part of the annexation process of developed property or properties, the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.
  - 2.8 **P-26:** Consider as part of the annexation process of developed property or properties, the impacts on the capacities of key City-provided urban utility services needed to satisfy the anticipated demands of the properties discussed in P-25 above.
  - 2.9 **P-27:** Expand the City Limits as necessary to accommodate development, including housing, commercial, industrial, and services (that will in turn accommodate population growth).
- 3.0 1980 Zoning Ordinance Criteria – Section 3.050 – Zoning of Annexed Areas:** *All areas annexed to the City shall be placed in a zoning classification in accordance with the adopted Comprehensive Plan. If a zoning designation other than one in accordance with the Comprehensive Plan is requested by an applicant, the zoning requested shall not be granted until the plan is amended to reflect concurrence.*

**STAFF COMMENTS**

**1. Planning:**

- A. The legal description and a map describing the entire annexation area have been submitted and are included in this report.
- B. The annexation territory is within the City's Urban Growth Boundary, and is therefore eligible for annexation and urban development. This annexation territory has been identified as land needed by the City for nearly a quarter of a century.
- C. The annexation territory is both contiguous to the existing City limits and within the City's Urban Growth Boundary, and is therefore eligible for annexation and urban development. The annexation territory is contiguous to the existing City Limits on the south and west.
- D. The annexation territory can be developed to an urban use. This territory can be developed according to the provisions of Lebanon Zoning Ordinance Section 4.020 that lists the development opportunities, standards and requirements for the Residential Mixed Density (RM) zone, and this is consistent with all applicable provisions of the Comprehensive Plan.
- E. No development proposal was required to be submitted at this time. However, the building of a single family home on the subject property would be an outright permitted use in this zone, subject to meeting all conventional development standards.
- F. This property is currently vacant. Access to City-provided services is not sought at this time, and therefore there are no anticipated needs at this time on the key City-provided urban utility services (i.e., are water, storm drainage, sanitary sewerage, and streets). However, the applicant's engineer and the City Engineer have determined that City sewer service can be accessed with an extension from the existing sewer line at Vine and Airway.

- G. Access to City-provided services is not sought at this time, and therefore there are no impacts at this time on the key City-provided urban utility services (i.e., are water, storm drainage, sanitary sewerage, and streets). However, the applicant's engineer and the City Engineer have determined that City sewer service can be accessed with an extension from the existing sewer line at Vine and Airway.
- H. Currently the subject property does not have a City zoning designation because it is not within the City limits. However, since the property is within the City's Urban Growth Boundary, the current Comprehensive Plan designation on the subject property is Mixed-Density Residential. The corresponding City zoning designation for a Comprehensive Plan designation of Mixed-Density Residential is Residential Mixed Density (RM). The applicant is requesting a Residential Mixed Density (RM) zoning designation for the subject property. Therefore, a City zoning designation of Residential Mixed Density (RM) can automatically be assigned at this time, without a separate hearing. This action is NOT a zoning map amendment.
- I. The subject property has no environmental constraints that cannot be mitigated that would prevent development.
- J. This annexation is an implementation of the Annexation Policies contained in this Plan, the Lebanon/Linn County Urban Growth Management Agreement, and the City's Annexation Ordinance.
- K. This annexation application does NOT include a development proposal or a rezoning application.
- L. The subject property is not within the Grand Prairie Water District.

2. **Current Status of Infrastructure (City Engineering Comments):**

- A. **Sanitary Sewer:** The applicant's engineer and the City Engineer have determined that City sewer service can be accessed with an extension from the sewer line at Vine and Airway.
- B. **Water:** Water service is located at Airway and Vine.
- C. **Drainage:** The site is served by existing drainage.
- D. **Transportation Access:** Sunset Road is a locally maintained public road currently serving nine residences.
- E. **Fees and Costs:** In addition to infrastructure improvement costs, future development will have expenses associated with it such as service lines, meters, plumbing permit fees, and sewer and water system development charges. All of the above permits, fees, and processes are detailed in the City's Site Development Guide.

## **RECOMMENDATION**

Unless the public hearing identifies hitherto unknown reasons why the proposed annexation would be to the detriment of surrounding properties, the neighborhood or the City, staff recommends that the Planning Commission recommend to the City Council that the proposed annexation be approved.

### **PROPOSED FINDINGS -- Findings that address Basic Relevant Annexation Criteria**

#### **Criteria 1.1 and 2.1**

**Annexation Ordinance Section 2:** *All Annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement, and shall be consistent with applicable State law.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-191:** *[The City shall] Recognize and act on the basis that all annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement (UGMA), and shall be consistent with applicable State law.*

#### **Finding # 1:**

The proposed annexation complies with Annexation Ordinance Section 2 and LCP Annexation Policy #1 in that this proposal is in compliance with the requirements set forth by these provisions. The findings below detail this compliance.

#### **Criteria 1.2 and 2.2**

**Annexation Ordinance Section 3:** *All Annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-20:** *[The City shall] Recognize and act on the basis that all annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.*

#### **Finding # 2:**

The proposed annexation complies with Annexation Ordinance Section 3 and LCP Annexation Policy #2 in that this proposal is consistent with the goals and policies of the Lebanon Comprehensive Plan. The findings below detail this compliance.

#### **Criteria 1.3 and 2.3,**

**Annexation Ordinance Section 4:** *All lands included within the Urban Growth Boundary are eligible for annexation and urban development. Areas within the Urban Growth Boundary with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.*

**LCP Chapter 3 (Urbanization) – Annexation Policy #P-21:** *[The City shall] Recognize and act on the basis that all lands included within the Urban Growth Boundary are eligible for annexation and urban development. (Areas within the Urban Growth Boundary (UGB) with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.)*

#### **Finding # 3:**

The proposed annexation complies with the above noted criteria in that the annexation territory is within the City's Urban Growth Boundary, and is therefore eligible for annexation and urban development. This annexation territory has been identified as land needed by the City for nearly a quarter of a century.

**Criteria 1.4 and 2.4**

**Annexation Ordinance Section 5:** *The City shall only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-22:** *[The City shall] Only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).*

**Finding # 4:**

The proposed annexation complies with Annexation Ordinance Section 5 and LCP Annexation Policy #P-22 in that the annexation territory is both contiguous to the existing City limits and within the City's Urban Growth Boundary, and is therefore eligible for annexation and urban development. The annexation territory is contiguous to the existing City Limits on the south and west.

**Criteria 1.5, 1.13, 1.14, and 2.5**

**Annexation Ordinance Section 6:** *An annexation shall be deemed orderly if the annexation territory is contiguous to the existing City limits. An annexation is efficient if the annexation territory can be developed or redeveloped to an urban use. Urban uses may include functional wetlands, parks, open space and related uses.*

**Annexation Ordinance Section 13:** *The areas within the Urban Growth Boundary with designated environmental constraints may be annexed and developed as functional wetlands, parks, open space and related uses.*

**Annexation Ordinance Section 14:** *An "urban use" is hereby defined as any land use that is authorized under the terms and provisions of the land use regulations, Zoning Ordinance, Subdivision Ordinance, Comprehensive Plan, and other related documents of the City of Lebanon.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-23:** *[The City shall] Deem an annexation orderly if the annexation territory is contiguous to the existing City Limits, and deem an annexation efficient if the annexation territory can be developed or redeveloped to an urban use (urban uses may include functional wetlands, parks, open space and related uses).*

**Finding # 5:**

The proposed annexation complies with the above noted criteria. (1) Since the annexation territory is contiguous to the existing City limits the annexation or this territory is deemed orderly. (2) The annexation is efficient since the annexation territory can be developed to an urban use. This territory can be developed according to the provisions of Lebanon Zoning Ordinance Section 4.020 lists the development opportunities, standards and requirements for the Residential Mixed Density (RM) zone, and this is consistent with all applicable provisions of the Comprehensive Plan.

**Criteria 1.6 and 2.6**

**Annexation Ordinance Section 7:** *Development proposals are NOT REQUIRED for annexation requests.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-24:** *[The City shall] Recognize and act on the basis that development proposals are NOT REQUIRED for annexation requests.*

**Finding # 6:**

The proposed annexation complies with the above noted criteria in that no development proposal was required to be submitted at this time.

### Criteria 1.7 and 2.7

**Annexation Ordinance Section 8:** *As part of the annexation process of developed property or properties, the City shall consider the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-25:** *[The City shall] Consider as part of the annexation process of developed property or properties, the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.*

#### **Finding # 7:**

The proposed annexation complies with the above noted criteria in that this property is currently vacant. Access to City-provided services is not sought at this time, and therefore there are no anticipated needs at this time on the key City-provided urban utility services (i.e., are water, storm drainage, sanitary sewerage, and streets). However, all City services can be made available to the territory.

- **Sanitary Sewer:** The applicant's engineer and the City Engineer have determined that City sewer service can be accessed with an extension from the sewer line at Vine and Airway.
- **Water:** Water service is located at Airway and Vine.
- **Drainage:** The site is served by existing drainage.
- **Transportation Access:** Sunset Road is a locally maintained public road currently serving nine residences.

### Criteria 1.8 and 2.8

**Annexation Ordinance Section 9:** *As part of the annexation process of developed property or properties, the City shall consider the impacts on key City-provided urban utility services needed to serve these properties, which are water, storm drainage, sanitary sewerage, and streets.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy # P-26:** *[The City shall] Consider as part of the annexation process of developed property or properties, the impacts on the capacities of key City-provided urban utility services needed to satisfy the anticipated demands of the properties discussed in P-25 above.*

#### **Finding #8:**

The proposed annexation complies with the above noted criteria in that this property is currently vacant. Access to City-provided services is not sought at this time, and therefore there are no anticipated needs at this time on the key City-provided urban utility services (i.e., are water, storm drainage, sanitary sewerage, and streets). (See **Finding # 7** for further details.)

**Criterion 2.9**

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy # P-27:** *Expand the City Limits as necessary to accommodate development, including housing, commercial, industrial, and services (that will in turn accommodate population growth).*

**Finding #9:**

The proposed annexation complies with the above noted criterion in that the annexation of this property is indeed necessary to accommodate development, specifically residential. It is anticipated that the development proposals by the applicant will be submitted following approval of this annexation request. It is reasonable to conclude that the major economic development activity in the community in recent months can be anticipated to generate population growth as many new jobs are created in the relatively near future. Accordingly, housing development opportunities will be in demand in the community. This annexation (i.e., expansion of the City limits) is therefore necessary to accommodate such development.

**Criterion 1.9**

**Annexation Ordinance Section 10:** *Needed Public rights-of-way, as identified in adopted transportation plans as necessary for the safe and efficient movement of traffic, bicycles and pedestrians, shall be dedicated to the City either with annexation or when the property develops and/or redevelops and thus creates an increased demand for the benefits and utility provided by additional rights-of-way dedication.*

**Finding # 10:**

The proposed annexation complies with Annexation Ordinance Section 10 in that any additional necessary right-of-way issues will be addressed when this property develops. However, at this time no need for additional right-of-way has been identified.

**Criteria 1.10, 1.11, and 3.0**

**Annexation Ordinance Section 11:** Upon annexation, the annexation territory shall be assigned zoning classifications in accordance with the adopted Comprehensive Plan Map, as shown in the City's Annexation Zoning Matrix. Such zoning assignments in and of themselves are not a zoning map change and shall not require approval of a zoning map amendment, or a separate proceeding.

**Annexation Ordinance Section 12:** If a zoning designation other than one in accordance with the Comprehensive Plan Map (shown in the Annexation Zoning Matrix) is requested by an applicant, the zoning requested shall not be granted until the Comprehensive Plan Map is appropriately amended to reflect concurrence. Such an amendment shall require a separate application, hearing and decision, which may be held concurrently with an annexation hearing and will not become effective until the annexation is complete.

**Zoning Ordinance Section 3.050 – Zoning of Annexed Areas:** All areas annexed to the City shall be placed in a zoning classification in accordance with the adopted Comprehensive Plan. If a zoning designation other than one in accordance with the Comprehensive Plan is requested by an applicant, the zoning requested shall not be granted until the plan is amended to reflect concurrence.

**Finding # 11:**

This proposed Annexation is in compliance with Annexation Ordinance Sections 11 and 12, and Zoning Ordinance Section 3.050. Currently the subject property does not have a City zoning designation because it is not within the City limits. However, since the property is within the City's Urban Growth Boundary, the current Comprehensive Plan designation on the subject property is Residential Mixed Density Residential (C-RM). The corresponding City zoning designation for a Comprehensive Plan designation of Residential Mixed Density Residential (RM) is Residential Mixed Density Residential (Z-RM). The applicant is requesting a Residential Mixed Density Residential (Z-RM) zoning designation for the subject property. Therefore, a City zoning designation of Residential Mixed Density Residential (Z-RM) can automatically be assigned at this time, without a separate hearing. This action is NOT a zoning map amendment.

**Criterion 1.14**

**Annexation Ordinance Section 15:** At the applicant's discretion and with the City's concurrence, a development or redevelopment proposal for an annexation territory may be acted upon by the Planning Commission immediately following the Commission's hearing on the annexation proposal and a decision of recommendation of approval to the City Council. However, any approval of the Planning Commission of such a development or redevelopment proposal must be contingent upon subsequent approval of the annexation by City Council.

**Finding # 12:**

The proposed annexation complies with Annexation Ordinance Section 15 in that no development proposal has been submitted at this time.

**ANNEXATION ZONING MATRIX**

For Property Annexed to the City of Lebanon

2004 City of Lebanon Comprehensive Plan Designations	City of Lebanon Zoning Designations (1980) [as per 2004 LCP]
Residential Low Density (C-RL)	Residential Low Density Zone (RL) [Z-RL]
Residential Mixed Density (C-RM)	Residential Mixed Density Zone (RM) [Z-RM]
	*Residential High Density Zone (RH) [Z-RH]
Mixed Use (C-MU)	Mixed Use Zone (MU) [Z-MU]
Neighborhood Mixed Use (C-NMU)	Neighborhood Mixed Use Zone [Z-NMU]
Commercial (C-CM)	*Neighborhood Commercial Zone (CN) [Z-NCM]
	*Central Business Commercial Zone (CB) [Z-CCM]
	Highway Commercial Zone (CH) [Z-HCM]
Industrial (C-IND)	Industrial Zone (ML & MG) [Z-IND]
Public Use (C-PU)	Public Use Zone [Z-PU]
* (or) Red Lettering & Yellow Shading	Based upon the Zoning Ordinance descriptions of these zones, there are no un-annexed properties in the UGB eligible to be assigned to these zone designations. (October 04, and October 05)
* (or) Blue Lettering & Blue Shading	This zone is for small neighborhood shopping clusters. Such designations would require a zone change and an Administrative Review Process.



## CITY OF LEBANON

Community Development/Planning

Phone: 541-258-4906 Fax: 541-258-6496

853 Main Street

Lebanon, Oregon 97355-3211

# ANNEXATIONS ARE NOT ZONING MAP AMENDMENTS

(FEBRUARY 2005)

Annexations involve the *“first application of city zoning to property that already has a city comprehensive plan map designation . . . but has never had a city zoning map designation,”* and are therefore NOT zoning map amendments.

1. When the City annexes property into the City limits it automatically assigns the City Zoning map classification that corresponds to the Comprehensive Plan Map designation (see attached **ANNEXATION ZONING MATRIX**). This is not an amendment of the Zoning Map; it is rather the realization or fleshing out of the Zoning Map that lies latent “beneath” the Comprehensive Plan Map. The act of annexation merely enables the revealing of the Zoning Map classification of the annexed property that was intended when both the Comprehensive Plan Map and Zoning Map were adopted 25 years ago (1980).
2. It is this understanding of the annexation process and first assignment of City zoning that is embodied in the following 1980 Lebanon Zoning Ordinance section:  

**Section 3.050 – Zoning of Annexed Areas:** *All areas annexed to the City shall be placed in a zoning classification in accordance with the adopted Comprehensive Plan. If a zoning designation other than one in accordance with the Comprehensive Plan is requested by an applicant, the zoning requested shall not be granted until the plan is amended to reflect concurrence.*
3. It is important to note that LZO Section 3.050 does NOT mandate that the City shall amend its Zoning Map in order to incorporate newly annexed properties. Instead, this provision of LZO states that annexed areas shall be **PLACED** in a zoning classification in accordance with the adopted Comprehensive Plan. The intentional use of the word “placed” is indicative of the fact that the Zone already exists prior to annexation. In short, the classifications of the Zoning Map are coextensive with their corresponding Comprehensive Plan Map designations; however, the Zoning Map classifications can only become apparent when a property is annexed.
4. Prior to annexation there is simply no City zone on a property to change or amend.
5. It is also important to note that the second part of LZO Section 3.050 lays the ground work for a Comprehensive Plan Map amendment when the annexation process deviates from the above noted process: *“If a zoning designation other than one in accordance with the Comprehensive Plan is requested by an applicant, the zoning requested shall not be granted until the plan is amended to reflect concurrence.”* This request necessitates an amendment process because of the incongruence between the zoning request and the “latent zoning map” that corresponds to the Comprehensive Plan Map.
6. Sections 3.030 and 3.040 of the 1980 Lebanon Zoning Ordinance provide the parameters for amending the Zoning Map.

**EXHIBIT A**

**APPLICANT'S NARRATIVE**

## **PETITION FOR ANNEXATION TO THE CITY OF LEBANON**

<b>NATURE OF REQUEST:</b>	Annexation of approximately a 0.36 acre territory comprised of one tax lot.
<b>APPLICANT:</b>	Jim D. Jones and Andrea M. Jones 33322 Tennessee Rd., Lebanon, OR 97355
<b>PROPERTY LOCATION:</b>	Located on the west side of Sunset Road, about 1,267 feet south of Highway 34.
<b>ASSESSOR'S MAP AND TAX LOT:</b>	Assessor's Map T12S - R2W - Section 9AD, Tax Lot 706
<b>ZONE DESIGNATION:</b>	Residential Mixed Density (RM) upon annexation Mixed-
<b>COMP PLAN DESIGNATION:</b>	Density Residential

### **ANNEXATION NARRATIVE**

#### **INTRODUCTION**

The applicant is requesting annexation of an approximately 0.37 acre territory that is comprised of one tax lot. The territory is located on the west side of Sunset Road, about 1,267 feet south of Highway 34. It is within the City's urban growth boundary and is contiguous with the City limits to the south and west. The property is designated as Mixed-Density Residential on the City of Lebanon's Comprehensive Plan Map. A Residential Mixed Density Residential (RM) zoning designation is being requested upon annexation. This zoning designation is consistent with the City's Comprehensive Plan. No change in zoning designation is being requested.

#### **SITE DESCRIPTION**

The annexation territory is composed of one tax lot owned by Jim D. Jones and Andrea M. Jones. It is located in the northwestern portion of the City's urban growth area. It is vacant. The property has 100 feet of frontage on Sunset Lane. The annexation territory is bordered by land designated for mixed density residential development to the north and south. It is bordered by land designated for limited industrial uses to the west. It is bordered by land designated for mixed uses to the east, outside the City Limits. The annexation territory is bordered by residential uses to the north and south. It is bordered by vacant land to the east and west.

The applicant/owner intends to develop the property with one single family residence upon annexation to the city limits. The purpose of the annexation is to allow city sewer service to be utilized by the property because the Linn County Environmental Health department has determined the site is inadequate for onsite sewage disposal due to a high ground water table. The applicant/owner intends to utilize an onsite well and not extend city water for his single family residence.

### **ANNEXATION PETITION COMPLIANCE WITH APPLICABLE REVIEW CRITERIA**

The factors and conditions applicable to evaluating this annexation request are:

- **City of Lebanon Ordinance Number 17 for 2003**, an Ordinance Making Findings and Adopting Policies for the Annexation of Real Property into the City limits.
- **Lebanon Comprehensive Plan Chapter 1**, Introduction, Narrative, Finding 2.0.
- **Lebanon Comprehensive Plan Chapter 3**, Urbanization, Flexible Growth Program Policies P-13 and P-14.
- **Lebanon Comprehensive Plan Chapter 3**, Urbanization, Annexation Policies P-19, P-20, P-21, P-22, P-23, P-24, P-25, P-26 and P-27.
- **Lebanon Comprehensive Plan: Chapter 3**, Urbanization, Annexation Findings 3.3.1 through 3.3.10, 3.4.1, 3.4.2, 3.4.3, 3.4.6 and 3.5.1.
- **Zoning Ordinance Section 3.050**, Zoning of Annexed Areas.
- **City of Lebanon/Linn County – Urban Growth Management Agreement**, Section 2: Delineation of Authority in the Urban Growth Area (UGA), and Section 5, Annexations.

Lebanon Zoning Ordinance Section 4.020 lists the development opportunities, standards and requirements for the Residential Mixed Density (RM) zone.

---

### **Applicable Provisions of the Lebanon Annexation Ordinance (LAO), Lebanon Comprehensive Plan (LCP), Lebanon Zoning Ordinance (LZO) and Lebanon/Linn County Urban Growth Management Agreement (UGMA):**

---

**LAO Section 2:** All Annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement, and shall be consistent with applicable State law.

**LAO Section 3:** All Annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.

**LCP Chapter 3 — Urbanization, Annexation Policy P-19:** The City shall recognize and act on the basis that all annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement (UGMA), and shall be consistent with applicable State law.

**LCP Chapter 3 — Urbanization, Annexation Policy P-20:** The City shall recognize and act on the basis that all annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.1:** The City's Annexation Ordinance will be consistent with this Comprehensive Plan and will implement the principles and policies of this Comprehensive Plan as they relate to annexations.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.2:** Together the City's Annexation Ordinance and the annexation policies and principles contained in this Comprehensive Plan Chapter establish the annexation process and procedures used by the City.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.3:** The implementation of the City's Annexation Ordinance and the policies of this Comprehensive Plan, and the resulting process and procedures, address the four factors to be considered when a city converts urbanizable land in its Urban Growth Boundary (UGB) for urban uses as set forth in Statewide Planning Goal 14 (see Section 2.1.3 above).

***Applicant's Statement:** The evidence submitted with this petition demonstrates that the proposed annexation conforms to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance and the City of Lebanon/Linn County Urban Growth Management Agreement, and that the request is consistent with applicable State law and with the goals and policies of the Lebanon Comprehensive Plan. Compliance with the specific provisions of the applicable codes, ordinances and agreements is demonstrated in subsequent sections. Therefore, the petition complies with LAO Sections 2 and 3 and LCP Urbanization Policies P-19 and P-20.*

**LAO Section 4:** All lands included within the Urban Growth Boundary are eligible for annexation and urban development. Areas within the Urban Growth Boundary with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.

**LAO Section 13:** The areas within the Urban Growth Boundary with designated environmental constraints may be annexed and developed as functional wetlands, parks, open space and related uses.

**LCP Chapter 3 — Urbanization, Annexation Policy P-21:** The City shall recognize and act on the basis that all lands included within the Urban Growth Boundary are eligible for annexation and urban development. (Areas within the Urban Growth Boundary (UGB) with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.)

**LCP Chapter 3 — Urbanization, Flexible Growth Program Policy P-13:** The City shall recognize and act on the basis that all lands included within the Urban Growth Boundary are suitable for urban development except for those areas with identified environmental constraints. Nevertheless, those areas with environmental constraints may be utilized as functional wetlands, parks, open space and related uses.

**LCP Chapter 3 — Urbanization, Flexible Growth Program Policy P-14:** Implement and administer land development policies and requirements that are both orderly and efficient, as well as flexible so as to be responsive to site specific conditions and circumstances.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.4:** The implementation of the City's Annexation Ordinance and the policies of this Comprehensive Plan, and the resulting process and procedures, will ensure the orderly expansion of City limits since only land that is adjacent to the City limits and is in the Urban Growth Area is eligible for annexation.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.5:** The implementation of the City's Annexation Ordinance and its policies will provide a basis for the efficient provision of key City-provided urban utility services, which are hereby defined as water, storm drainage, sanitary sewerage, and streets.

**CP Chapter 3 — Urbanization, Annexation Finding 3.4.3:** Areas within the Urban Growth Boundary with designated environmental constraints may be annexed and developed as functional wetlands, parks, open space and related uses.

***Applicant's Statement:** The proposed annexation territory is within the City's urban growth boundary and therefore is eligible for annexation and is suitable for urban development. It is contiguous with the City limits to the south and west. There is a small drainage ditch in the southwest corner of the property which may contain some wetlands. There are no identified floodplains, steep slopes or other areas with designated environmental constraints on the property.*

*The proposed annexation is orderly in that the property is contiguous with the City limits. It is efficient in that it is within the UGB, is eligible for urban development, all City services are available to the territory and the territory can be developed to many of the urban uses allowed in the RM zone in a manner that is consistent with the City's development standards.*

*Therefore, the proposed annexation complies with LAO Sections 4 and 13, Urbanization Policies P-13, P-14 and P-21.*

**LAO Section 5:** The City shall only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).

**LCP Chapter 3 — Urbanization, Annexation Policy P-22:** The City shall only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).

***Applicant's Statement:** The proposed annexation territory is within the City's urban growth boundary. It is contiguous with the City limits to the south and west. Therefore, the proposed annexation complies with LAO Section 5 and LCP Urbanization Policy P-22.*

**LAO Section 6:** An annexation shall be deemed orderly if the annexation territory is contiguous to the existing City limits. An annexation is efficient if the annexation territory can be developed or redeveloped to an urban use. Urban uses may include functional wetlands, parks, open space and related uses.

**LAO Section 14:** An "urban use" is hereby defined as any land use that is authorized under the terms and provisions of the land use regulations, Zoning Ordinance, Subdivision Ordinance, Comprehensive Plan, and other related documents of the City of Lebanon.

**LCP Chapter 3 — Urbanization, Annexation Policy P-23:** The City shall deem an annexation orderly if the annexation territory is contiguous to the existing City limits, and deem an annexation efficient if the annexation territory can be developed or redeveloped to an urban use (urban uses may include functional wetlands, parks, open space and related uses).

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.4:** The implementation of the City's Annexation Ordinance and the policies of this Comprehensive Plan, and the resulting process and procedures, will ensure the orderly expansion of City limits since only land that is adjacent to the City limits and is in the Urban Growth Area is eligible for annexation.

***Applicant's Statement:** The proposed annexation territory is within the UGB and is contiguous to the existing City limits to the south and west, therefore annexation of the territory is considered orderly. The territory can be developed with many of the urban uses allowed in the Residential Mixed Density Zone (LZO 4.020). The annexation territory is 0.37 acres and contains 100 feet of frontage on Sunset Rd. Development can comply with all City standards. Therefore, the proposed annexation is efficient.*

*The proposed annexation is orderly and efficient and complies with the LAO Sections 6 and 14 and LCP Urbanization Policy 23.*

**LAO Section 7:** Development proposals are NOT REQUIRED for annexation requests.

**LAO Section 15:** At the applicant's discretion and with the City's concurrence, a development or redevelopment proposal for an annexation territory may be acted upon by the Planning Commission immediately following the Commission's hearing on the annexation proposal and a decision of recommendation of approval to the City Council. However, any approval of the Planning Commission of such a development or redevelopment proposal must be contingent upon subsequent approval of the annexation by City Council.

**LCP Chapter 3 — Urbanization, Annexation Policy P-24:** The City shall recognize and act on the basis that development proposals are NOT REQUIRED for annexation requests.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.6:** Annexation proposals do not require site specific development proposals.

*Applicant's Statement: No development proposal is being submitted as part of this annexation application.*

**LAO Section 8:** As part of the annexation process of developed property or properties, the City shall consider the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.

**LAO Section 9:** As part of the annexation process of developed property or properties, the City shall consider the impacts on key City-provided urban utility services needed to serve these properties, which are water, storm drainage, sanitary sewerage, and streets.

**LCP Chapter 3 — Urbanization, Annexation Policy P-25:** The City shall consider as part of the annexation process of developed property or properties, the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.

**LCP Chapter 3 — Urbanization, Annexation Policy P-26:** The City shall consider as part of the annexation process of developed property or properties, the impacts on the capacities of key City-provided urban utility services needed to satisfy the anticipated demands of the properties discussed in P-25 above.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.8:** As part of the annexation process of developed property or properties, the City will consider the anticipated demands of existing development within the annexation territory if they access the four key City-provided urban utility services (water, storm drainage, sanitary sewerage, and streets), and will also consider the capacity of the existing infrastructure of these City-provided urban utility services to satisfy the anticipated potential new demands.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.9:** The annexation of a territory that is vacant or undeveloped, does not represent any change or impact on any City-provided urban utility services, and therefore the annexation of such a territory does not need to consider such issues.

**LCP Chapter 3 – Urbanization, Annexation Finding 3.5.1:** Urban densities within the Urban Growth Area (UGA) are already accounted for in the City's facilities plans.

***Applicant's Statement:** The annexation territory is vacant. There will be no impacts to City services based on existing development in the territory.*

*The annexation territory contains sufficient frontage on Sunset Road (100 feet) to provide access to future development consistent with the requirements of Lebanon ordinances. Sunset Road has capacity to provide for development of the annexation territory with uses allowed in the RM zone. Sunset Road is a public road that is improved to Linn County standards. It contains two paved travel lanes. Maintenance of the road is currently the responsibility of adjacent property owners.*

*Sanitary sewer and water facilities are available to the property from the Vine Street right-of-way. As mentioned before water is not anticipated to be utilized for the development of a single family residence. Storm drainage will be via an existing ditch in the southwest corner of the property.*

*There are approximately 0.37 acres of developable land. At a development density of 4.5 units per acre, the property could be developed with a maximum of two single-family dwelling units. This is a typical use and density in the RM zone. Based on this development, the estimated sanitary sewer and water demand is:*

- *Sanitary sewer — I/I approximately 1080 gallons per day.*
- *Sanitary sewer — total peak wet weather demand — 2435 gallons per day.*
- *Water demand — approximately 900 gallons per day. (If utilized)*

*These estimates are being provided to the City Engineer for review.*

*There is sufficient capacity for all City services in the area of the annexation territory to provide service when the property is developed. The property has frontage on an improved section of Sunset Road. Water, sanitary sewer, and drainage will be available to the property with sufficient capacity to provide services to future development allowed in the RM zone. Any improvements to the water, sewerage, and drainage systems necessary to service future development can be constructed to comply with City standards.*

*Therefore, the proposed annexation complies with LAO Sections 8 and 9 and LCP Urbanization Policies P-25 and P-26.*

**LAO Section 10:** Needed Public rights-of-way, as identified in adopted transportation plans as necessary for the safe and efficient movement of traffic, bicycles and pedestrians, shall be dedicated to the City either with annexation or when the property develops and/or redevelops and thus creates an increased demand for the benefits and utility provided by additional rights-of-way dedication.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.3.10:** Needed public rights-of-way, as identified in adopted transportation plans as necessary for the safe and efficient movement of traffic, bicycles and pedestrians, will be dedicated to the City either with annexation or when the property develops and/or redevelops and thus creates an increased demand for the benefits and utility provided by additional rights-of-way dedication.

**Applicant's Statement:** *The portion of Sunset Road contiguous with the annexation territory contains sufficient dedicated public right-of-way to comply with the Lebanon Transportation Plan. The proposed annexation complies with LAO Section 10.*

**LAO Section 11:** Upon annexation, the annexation territory shall be assigned zoning classifications in accordance with the adopted Comprehensive Plan Map, as shown in the City's Annexation Zoning Matrix. Such zoning assignments in and of themselves are not a zoning map change and shall not require approval of a zoning map amendment, or a separate proceeding.

**LAO Section 12:** If a zoning designation other than one in accordance with the Comprehensive Plan Map (shown in the Annexation Zoning Matrix) is requested by an applicant, the zoning requested shall not be granted until the Comprehensive Plan Map is appropriately amended to reflect concurrence. Such an amendment shall require a separate application, hearing and decision, which may be held concurrently with an annexation hearing and will not become effective until the annexation is complete.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.4.1:** Unannexed property in the Urban Growth Area does not have a City zoning designation, but does have a City Comprehensive Plan Map designation that indicates the long-term planned use for the property.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.4.2:** The City's Comprehensive Plan and Comprehensive Plan Map direct all long range land use planning in the Urban Growth Area.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.4.3:** Upon annexation, an annexation territory will automatically be assigned City zoning classifications in accordance with the adopted Comprehensive Plan Map, as shown in the City's Annexation Zoning Matrix (see Table 4-2 in Chapter 4: *Land Use*). Such zoning assignments, in and of themselves, are not a Zoning Map change and do not require approval of a Zoning Map Amendment, or a separate proceeding.

**LZO Section 3.050 — Zoning of Annexed Areas:** All areas annexed to the City shall be placed in a zoning classification in accordance with the adopted Comprehensive Plan. If a zoning designation other than one in accordance with the Comprehensive Plan is requested by an applicant, the zoning requested shall not be granted until the plan is amended to reflect concurrence.

**Applicant's Statement:** *The property is within the City's Urban Growth Boundary. The Comprehensive Plan designation of the property is Mixed-Density Residential. The corresponding City zoning for this designation is Residential Mixed Density (RM). The applicant is requesting a Residential Mixed Density (RM) zoning designation for the property. No zoning map amendment is necessary to apply the RM zoning to the annexation area. Therefore, the proposed annexation complies with LAO Sections 11 and 12 and LZO Section 3.050.*

**LCP Chapter 1: Introduction -- Narrative, Finding 2.0:** The City of Lebanon recognizes its responsibility to include consideration of the Statewide Planning Goals and Guidelines as adopted by the Land Conservation and Development Commission (LCDC). Therefore, the City's Comprehensive Plan is intended to be consistent with the applicable Statewide Planning Goals.

**Applicant's Statement:** *The LCP has been acknowledged by the Oregon Land Conservation and Development Commission to be in compliance with the Statewide Planning Goals.*

**LCP Chapter 3 — Urbanization, Annexation Policy P-27:** Expand the City limits as necessary to accommodate development, including housing, commercial, industrial, and services (that will in turn accommodate population growth).

**LCP Chapter 3 — Urbanization, Annexation Policy P-30:** The City shall manage its Urban Growth Boundary and the lands within so as to make available sufficient land for the various uses to ensure choices in the market place, through implementation of land use regulations and land use policies.

**LCP Chapter 3 — Urbanization, Annexation Finding 3.2.2:** The continued annexation and subsequent development of land for residential uses are essential to the continued health and vitality of the community.

***Applicant's Statement:** The application is for annexation of residentially designated territory within the City's urban growth boundary and contiguous with the City limits. The Lebanon Comprehensive Plan states, "The continued annexation and subsequent development of land for residential uses are essential to the continued health and vitality of the community." The proposed annexation provides land for residential uses. Therefore, the proposed annexation complies with LCP Urbanization Policies P-27 and P-30.*

#### **City of Lebanon/Linn County -- Urban Growth Management Agreement**

**Section 2: Delineation of Authority in the Urban Growth Area (UGA), 2<sup>nd</sup> paragraph:** The Lebanon Comprehensive Plan designates the future city zoning UGA lands will receive upon annexation to the City.

**Section 5: Annexations:** The UGA identifies land that may be subject to future City annexation. The City may annex land using its own procedures in accordance with state law. Only land within the UGA will be considered for annexation. The City will notify the County of any proposed annexations. Upon annexation, the City assumes all jurisdiction for land use actions.

***Applicant's Statement:** The annexation territory is within the City's UGB and is subject to the provisions of the Lebanon/Linn County UGM Agreement. The territory is eligible for annexation in that it is within the UGB and contiguous with the City limits. The applicant has requested annexation through the procedures established by the City through their Annexation Ordinance. The annexation proposal complies with the Lebanon/Linn County Urban Growth Management Agreement.*

**Conclusion:**

**Applicant's Statement:** *The evidence submitted demonstrates that the proposed annexation is consistent with the provisions and criteria in the LCP, LZO and the City's Annexation Ordinance and complies with the provisions of the Lebanon/Linn County UGM Agreement. The annexation is orderly in that the property is contiguous with the City limits. It is efficient in that all City services are available to the territory and the territory can be developed to many of the urban uses allowed in the RM zone in a manner that is consistent with the City's development standards. It provides for the continued annexation and potential future development of land for residential uses which are essential to the continued health and vitality of the community.*

**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-05-12, JONES (SUNSET ROAD) PROPERTY**

) **ORDINANCE BILL NO. \_\_\_\_\_**  
) **for 2006**  
) **ORDINANCE NO. \_\_\_\_\_**  
)  
)  
)

**WHEREAS**, the City of Lebanon has received a submission by written request for annexation of real property to the City of Lebanon, signed by more than one-half of the landowners who also own more than one-half of the land in the contiguous territory described in Exhibit "A", which real property represents more than one-half of the assessed value of all real property in the contiguous territory to be annexed; and

**WHEREAS**, the Lebanon City Council has elected to dispense with submitting the question of the proposed annexation to the electors of the City, initiating the annexation of the territory pursuant to ORS 222.120, calling a hearing and directing that notice be given as required by ORS 222.120(3); and

**WHEREAS**, after conducting the hearing and considering all objections or remonstrances with reference to the proposed annexation, and further considering the recommendation of the Lebanon Planning Commission, the City Council finds that this annexation is in the best interest of the City and of the contiguous territory.

**NOW, THEREFORE**, the City of Lebanon ordains as follows:

**Section 1. Findings.** In addition to the findings referred to above, the City Council further adopts and finds those matters contained in Exhibit "B", including the additional findings concerning the Statewide Planning Goals, which is incorporated herein by this reference as if fully set forth at this point.

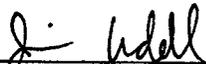
**Section 2. Annexation Area.** Based upon the findings contained above and in Exhibit "B", the contiguous territory described in Exhibit "A" and incorporated herein by this reference as if fully set forth at this point is hereby proclaimed to be annexed to the City of Lebanon, and zoned as indicated in accordance with the Lebanon Zoning Ordinance No. 1773, and assigned the zoning of Residential Mixed Density (RM).

**Jimmy D. and Andrea M. Jones  
Annexation Legal Description**

**An area of land in the northeast  $\frac{1}{4}$  of section 9 in Township 12 South of Range 2 West of the Willamette Meridian in Linn County, Oregon described as follows:**

**Beginning at a point on the west line of the Jeremiah Ralston DLC no. 49 which bears South  $0^{\circ}17'00''$  East 1267.45 feet from the northwest corner of said DLC no. 49; thence, leaving said west line, North  $89^{\circ}39'51''$  East 159.29 feet to a point on the west right-of-way of Sunset Road (Public Road no. 3714); thence South  $0^{\circ}17'00''$  East, along said right-of-way, 100.00 feet to a point; thence, leaving said right-of-way, South  $89^{\circ}39'51''$  West 159.29 feet to a point on the west line of said DLC no. 49; thence North  $0^{\circ}17'00''$  West, along said west line of DLC no. 49, 100.00 feet to the point of beginning.**

**I hereby certify the above legal description closes within the tolerances prescribed in ORS and conforms to the standards of normal practices followed by land surveyors.**

  
\_\_\_\_\_  
Jim Udell RLS 1366

**Criteria 1.1 and 2.1**

**Annexation Ordinance Section 2:** *All Annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement, and shall be consistent with applicable State law.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-191:** *[The City shall] Recognize and act on the basis that all annexations shall conform to the requirements of the Lebanon Municipal Code, Annexation Ordinance, Lebanon Land Development Ordinance, City of Lebanon/Linn County Urban Growth Management Agreement (UGMA), and shall be consistent with applicable State law.*

**Finding # 1:**

The proposed annexation complies with Annexation Ordinance Section 2 and LCP Annexation Policy #1 in that this proposal is in compliance with the requirements set forth by these provisions. The findings below detail this compliance.

**Criteria 1.2 and 2.2**

**Annexation Ordinance Section 3:** *All Annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-20:** *[The City shall] Recognize and act on the basis that all annexations shall be consistent with the goals and policies of the Lebanon Comprehensive Plan.*

**Finding # 2:**

The proposed annexation complies with Annexation Ordinance Section 3 and LCP Annexation Policy #2 in that this proposal is consistent with the goals and policies of the Lebanon Comprehensive Plan. The findings below detail this compliance.

**Criteria 1.3 and 2.3,**

**Annexation Ordinance Section 4:** *All lands included within the Urban Growth Boundary are eligible for annexation and urban development. Areas within the Urban Growth Boundary with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.*

**LCP Chapter 3 (Urbanization) – Annexation Policy #P-21:** *[The City shall] Recognize and act on the basis that all lands included within the Urban Growth Boundary are eligible for annexation and urban development. (Areas within the Urban Growth Boundary (UGB) with designated environmental constraints may be annexed and utilized as functional wetlands, parks, open space and related uses.)*

**Finding # 3:**

The proposed annexation complies with the above noted criteria in that the annexation territory is within the City's Urban Growth Boundary, and is therefore eligible for annexation and urban development. This annexation territory has been identified as land needed by the City for nearly a quarter of a century.

#### **Criteria 1.4 and 2.4**

**Annexation Ordinance Section 5:** *The City shall only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-22:** *[The City shall] Only annex land that is contiguous to the existing City limits and is within the City's Urban Growth Boundary (UGB).*

#### **Finding # 4:**

The proposed annexation complies with Annexation Ordinance Section 5 and LCP Annexation Policy #P-22 in that the annexation territory is both contiguous to the existing City limits and within the City's Urban Growth Boundary, and is therefore eligible for annexation and urban development. The annexation territory is contiguous to the existing City Limits on the south and west.

#### **Criteria 1.5, 1.13, 1.14, and 2.5**

**Annexation Ordinance Section 6:** *An annexation shall be deemed orderly if the annexation territory is contiguous to the existing City limits. An annexation is efficient if the annexation territory can be developed or redeveloped to an urban use. Urban uses may include functional wetlands, parks, open space and related uses.*

**Annexation Ordinance Section 13:** *The areas within the Urban Growth Boundary with designated environmental constraints may be annexed and developed as functional wetlands, parks, open space and related uses.*

**Annexation Ordinance Section 14:** *An "urban use" is hereby defined as any land use that is authorized under the terms and provisions of the land use regulations, Zoning Ordinance, Subdivision Ordinance, Comprehensive Plan, and other related documents of the City of Lebanon.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-23:** *[The City shall] Deem an annexation orderly if the annexation territory is contiguous to the existing City Limits, and deem an annexation efficient if the annexation territory can be developed or redeveloped to an urban use (urban uses may include functional wetlands, parks, open space and related uses).*

#### **Finding # 5:**

The proposed annexation complies with the above noted criteria. (1) Since the annexation territory is contiguous to the existing City limits the annexation or this territory is deemed orderly. (2) The annexation is efficient since the annexation territory can be developed to an urban use. This territory can be developed according to the provisions of Lebanon Zoning Ordinance Section 4.020 lists the development opportunities, standards and requirements for the Residential Mixed Density (RM) zone, and this is consistent with all applicable provisions of the Comprehensive Plan.

#### **Criteria 1.6 and 2.6**

**Annexation Ordinance Section 7:** *Development proposals are NOT REQUIRED for annexation requests.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-24:** *[The City shall] Recognize and act on the basis that development proposals are NOT REQUIRED for annexation requests.*

#### **Finding # 6:**

The proposed annexation complies with the above noted criteria in that no development proposal was required to be submitted at this time.

### **Criteria 1.7 and 2.7**

**Annexation Ordinance Section 8:** *As part of the annexation process of developed property or properties, the City shall consider the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy #P-25:** *[The City shall] Consider as part of the annexation process of developed property or properties, the anticipated demands to access key City-provided urban utility services, which are water, storm drainage, sanitary sewerage, and streets, of existing development within the annexation territory.*

#### **Finding # 7:**

The proposed annexation complies with the above noted criteria in that this property is currently vacant. Access to City-provided services is not sought at this time, and therefore there are no anticipated needs at this time on the key City-provided urban utility services (i.e., are water, storm drainage, sanitary sewerage, and streets). However, all City services can be made available to the territory.

- **Sanitary Sewer:** The applicant's engineer and the City Engineer have determined that City sewer service can be accessed with an extension from the sewer line at Vine and Airway.
- **Water:** Water service is located at Airway and Vine.
- **Drainage:** The site is served by existing drainage.
- **Transportation Access:** Sunset Road is a locally maintained public road currently serving nine residences.

### **Criteria 1.8 and 2.8**

**Annexation Ordinance Section 9:** *As part of the annexation process of developed property or properties, the City shall consider the impacts on key City-provided urban utility services needed to serve these properties, which are water, storm drainage, sanitary sewerage, and streets.*

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy # P-26:** *[The City shall] Consider as part of the annexation process of developed property or properties, the impacts on the capacities of key City-provided urban utility services needed to satisfy the anticipated demands of the properties discussed in P-25 above.*

#### **Finding #8:**

The proposed annexation complies with the above noted criteria in that this property is currently vacant. Access to City-provided services is not sought at this time, and therefore there are no anticipated needs at this time on the key City-provided urban utility services (i.e., are water, storm drainage, sanitary sewerage, and streets). (See **Finding # 7** for further details.)

**Criterion 2.9**

**2004 LCP Chapter 3 (Urbanization) – Annexation Policy # P-27:** *Expand the City Limits as necessary to accommodate development, including housing, commercial, industrial, and services (that will in turn accommodate population growth).*

**Finding #9:**

The proposed annexation complies with the above noted criterion in that the annexation of this property is indeed necessary to accommodate development, specifically residential. It is anticipated that the development proposals by the applicant will be submitted following approval of this annexation request. It is reasonable to conclude that the major economic development activity in the community in recent months can be anticipated to generate population growth as many new jobs are created in the relatively near future. Accordingly, housing development opportunities will be in demand in the community. This annexation (i.e., expansion of the City limits) is therefore necessary to accommodate such development.

**Criterion 1.9**

**Annexation Ordinance Section 10:** *Needed Public rights-of-way, as identified in adopted transportation plans as necessary for the safe and efficient movement of traffic, bicycles and pedestrians, shall be dedicated to the City either with annexation or when the property develops and/or redevelops and thus creates an increased demand for the benefits and utility provided by additional rights-of-way dedication.*

**Finding # 10:**

The proposed annexation complies with Annexation Ordinance Section 10 in that any additional necessary right-of-way issues will be addressed when this property develops. However, at this time no need for additional right-of-way has been identified.

**Criteria 1.10, 1.11, and 3.0**

**Annexation Ordinance Section 11:** *Upon annexation, the annexation territory shall be assigned zoning classifications in accordance with the adopted Comprehensive Plan Map, as shown in the City's Annexation Zoning Matrix. Such zoning assignments in and of themselves are not a zoning map change and shall not require approval of a zoning map amendment, or a separate proceeding.*

**Annexation Ordinance Section 12:** *If a zoning designation other than one in accordance with the Comprehensive Plan Map (shown in the Annexation Zoning Matrix) is requested by an applicant, the zoning requested shall not be granted until the Comprehensive Plan Map is appropriately amended to reflect concurrence. Such an amendment shall require a separate application, hearing and decision, which may be held concurrently with an annexation hearing and will not become effective until the annexation is complete.*

**Zoning Ordinance Section 3.050 – Zoning of Annexed Areas:** *All areas annexed to the City shall be placed in a zoning classification in accordance with the adopted Comprehensive Plan. If a zoning designation other than one in accordance with the Comprehensive Plan is requested by an applicant, the zoning requested shall not be granted until the plan is amended to reflect concurrence.*

**Finding # 11:**

This proposed Annexation is in compliance with Annexation Ordinance Sections 11 and 12, and Zoning Ordinance Section 3.050. Currently the subject property does not have a City zoning designation because it is not within the City limits. However, since the property is within the City's Urban Growth Boundary, the current Comprehensive Plan designation on the subject property is Residential Mixed Density Residential (C-RM). The corresponding City zoning designation for a Comprehensive Plan designation of Residential Mixed Density Residential (RM) is Residential Mixed Density Residential (Z-RM). The applicant is requesting a Residential Mixed Density Residential (Z-RM) zoning designation for the subject property. Therefore, a City zoning designation of Residential Mixed Density Residential (Z-RM) can automatically be assigned at this time, without a separate hearing. This action is NOT a zoning map amendment.

**Criterion 1.14**

**Annexation Ordinance Section 15:** *At the applicant's discretion and with the City's concurrence, a development or redevelopment proposal for an annexation territory may be acted upon by the Planning Commission immediately following the Commission's hearing on the annexation proposal and a decision of recommendation of approval to the City Council. However, any approval of the Planning Commission of such a development or redevelopment proposal must be contingent upon subsequent approval of the annexation by City Council.*

**Finding # 12:**

The proposed annexation complies with Annexation Ordinance Section 15 in that no development proposal has been submitted at this time.

Feb 22, 2006

SCRIPT FOR PUBLIC HEARING FOR RECOMMENDATION OF APPROVAL OR DENIAL OF A CHANGE OF OWNERSHIP OF A LIQUOR LICENSE – LIMITED ON-PREMISES SALES

Mayor: Now is the time and place for a Public Hearing to determine whether the City of Lebanon will recommend either an approval or denial of a change in ownership for a liquor license, from Sarya Meeker to Diana E. Nicholson doing business as Red Beard's Den, Steak & Seafood Dining.

I declare the Public Hearing open at 7:50 PM.

Mayor: At this time, I would ask the staff to provide a staff report. (Chief Healy gives report) Are there any questions of the staff from any City Councilor?)

Mayor: Is there any member of the public here tonight who would like to speak in favor of this liquor license application. If so, please come forward and provide your name and address for the record. (Public gives input)

Mayor: is there any member of public here tonight who would like to speak in opposition to this change in ownership of a Liquor License. If so, please come forward and provide your name and address for the record. (Public Gives input)

Mayor: Is there any one else who hasn't already spoken, who would like to address this issue?

Mayor: Seeing none, I declare the Public Hearing closed at 7:52 PM.

Mayor: Are there any further questions of the staff?

Mayor: If not, the chair will entertain a motion to either recommend approval or denial of this license application to the Oregon State Liquor Control Commission.

Mayor: (After motion made) Is there any discussion on this motion?

Mayor: (After discussion) I will ask the clerk to take a roll call vote.

Mayor: (After vote) I declare the Motion passed and instruct staff to submit the appropriate forms to the OLCC.

February 22,  
2006

## JONES ANNEXATION

05 Jsk

A PUBLIC HEARING TO CONSIDER ANNEXATION A-04-12,  
ASSESSORS TAX LOT 706, ASSESORS MAP 12-2W-9AD, .36  
acres, Sunset Road.

Mayor: I will declare the Public Hearing open at 7:38 PM.

Mayor: At this time I will ask City Attorney McHill to give us some background and an overview of relevant legal matters.

(Tom Comments)

Mayor: Are there any questions for City Attorney McHill?.....

Mayor: At this time, I will ask the City Councilors if they have any conflict of interest or ex parte contacts to declare. (Be sure and say whether you have any ex parte contacts or conflicts to declare yourself)

(Wait for response)

Mayor: If there are no (or further) disclosures, I will ask Doug Parker to begin the staff report for this annexation request.

(Doug and others Give staff report for this annexation)

Mayor: Are there any questions from City Council of the staff?

Mayor: If there are no further questions, I will ask the representative of the applicant to come forward and give his presentation. Please provide your name and address for the record.

(After presentation)

Mayor: Are there any questions from the City Council?  
Hearing no further questions, I will ask if there are any other members of the public present who would like to speak in FAVOR of

this application? Please come forward to the podium and please state your name and address for the record.

(People Speak) After each one, ask if any City Councilor has any questions?

2. Mayor: "At this point, I will ask if there is anyone who would like to speak in opposition to the proposed annexation. If so, please come to the podium and provide your name and address for the record.

(People Speak) After each one, ask if any City Councilor has any questions.

Mayor: If there is no one else who wishes to speak in opposition, I will ask the applicant if he would like to present a rebuttal.

(Applicant presents rebuttal)

Mayor: At this time, I declare the public input of this hearing closed at 7:45 PM. All discussion will now be between and among City Council and City Staff.

As you know, the staff has prepared a draft ordinance as well as proposed findings. But before considering the draft ordinance and findings, I would like to ask the City Council to indicate their thinking on the merits of this application in relation to the relevant criteria, why they feel the way they do, and what evidence in the record you relied upon in reaching your tentative decision. After, and as a result of this discussion, we will then consider the draft ordinance and proposed findings. Are there any questions of staff at this time?

(Council asks questions)

Mayor: I would like to now ask the City Councilors to indicate their thinking about this proposed application, why, and what evidence from the record they relied upon.

(Mayor waits for responses)

(After each one responds) ask: Why do you feel the way you do about this application? Do you consider that ALL of the criteria have been met by the applicant? Why or why not? What evidence from the record do you rely upon in reaching these conclusions?

(Make Sure EVERY council member responds, for the record.)

Mayor: IF there is no further discussion from the City Council, the chair will ask the City Attorney to read the title of the proposed ordinance.

(City Attorney read title)

Mayor: The chair will entertain a motion to adopt the ordinance and proposed findings of fact.

(City Council makes motion and seconds)

Mayor: It has been moved and seconded to adopt the draft ordinance and findings of fact. Is there any discussion?

Mayor: (After discussion) I will ask the city clerk for a roll call vote.

Mayor: (after vote) I declare the ordinance adopted and the findings of fact approved for Annexation A-04-12.

# Agenda Item 2



LEBANON POLICE DEPARTMENT  
MEMORANDUM

TO: John Hitt, City Administrator  
FROM: Michael Healy, Police Chief   
DATE: 14 February 2006  
RE: LIQUOR LICENSE APPLICATIONS  
CC:

---

The following Lebanon, Oregon establishment is requesting consideration a change of ownership of an existing liquor license:

Redbeard's Den, Steak & Seafood Family Dining  
1581 S. Main Street; Lebanon, OR 97355  
Limited On-Premises Sales  
Owners: From Sarya Meeker To: Diana E. Nicholson

The Police Department does not possess any documented evidence to support the denial of this request.

*"Integrity, Professionalism and Teamwork"*

LIQUOR LICENSE APPLICATION APPROVAL/DENIAL FORM  
 FINANCE DEPARTMENT  
 CITY OF LEBANON

Date: 31 January 2006

Change of Ownership

From: Redbeards Steak & Seafood Family Dining; 1581 S. Main St.; Lebanon, OR 97355 Owner: Sarya Meeker.

To: Redbeards Den Steak & Seafood Family Dining; 1581 S. Main St.; Lebanon, OR 97355.

Owner: Diana E. Nicholson

License :Limited On-Premises Sales

\*\*\*\*\*

RECOMMENDATION:	APPROVAL	DENIAL	DATE
FIRE DISTRICT <u><i>Mark Wilby</i></u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>2-14-06</u>
POLICE DEPT <u><i>Mark Henry</i></u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>2/1/06</u>
PLANNING DEPT <u><i>D Parker</i></u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>2/3/06</u>
COUNCIL _____	<input type="checkbox"/>	<input type="checkbox"/>	_____

**NOTE:** Recommendation for denial must be accompanied by supporting documentation.

2/22/06 CC mtg

SCRIPT FOR PUBLIC HEARING – CLOSING 2001 FEDERAL  
HOUSING REHABILITATION GRANT

MAYOR: Now is the time and place for the public to make comment concerning the closing out of the city's 2001 Housing Rehabilitation Grant.

I declare the public hearing open at 7:54 PM

I would ask Casey Cole to make the staff presentation.

(After staff presentation and introductions)

Is there anyone here present who wishes to make comment concerning the grant or the city's performance implementing and completing the grant?  
If so, please come forward and state your name and address for the record:

MAYOR: ( after a waiting for comment) If there is no comment, I declare the public hearing closed at 7:56 PM.

# Agenda Item 3



**CITY OF LEBANON**  
**FINANCE DEPARTMENT**  
**MEMORANDUM**

---

**TO:** John E. Hitt, City Administrator  
**DATE:** February 15, 2006  
**FROM:** Casey Cole, Finance Director *CC*  
**SUBJECT:** 2001 Housing Rehab Grant

The City of Lebanon was successful in receiving a \$300,000 housing rehab grant in the 2001 grant cycle. Housing rehab grants are targeted to help low to moderate income citizens make needed upgrades and repairs to their homes. The City of Lebanon is in a partnership with Linn County and six other cities to more effectively apply for housing rehab grants. The partnership designated a qualified non profit organization, Linn County Affordable Housing, to be the grant administrator for grants the members of the partnership were able to obtain.

The funds are federal in origin, and are passed through to the State. This means there are a lot of steps in the grant process to remain in compliance with the Federal requirements. The funds were all disbursed during fiscal year 2003-04. One of the final steps in closing the grant is to hold a public hearing.

Carol Carter of Linn County Affordable Housing is here tonight to provide information on the households that were benefited by this housing rehab grant. A public hearing should then be held to obtain citizens views about the rehab project and to take comments. The public hearing notice was published in the Lebanon Express on Wednesday, February 15, 2006.

# Agenda Item 4



# CITY OF LEBANON

---

## MEMORANDUM

<b>TO:</b>	Lebanon City Council	<b>DATE:</b>	January 26, 2006
<b>FROM:</b>	Rodney Sell, Maintenance Services Division Manager		
<b>SUBJECT:</b>	Park Committee/Tree Board		

The Lebanon Parks Committee/Tree Board by a unanimous vote is recommending that Resolution No. 38, enacted October 9, 1996 "A Resolution to Create the Lebanon Parks Committee/Tree Board" be amended to include term limits.

At the January 17, 2006 Parks Committee Tree/Board Meeting Term limits were discussed. It was decided that members should be allowed to serve a 4-year term with the ability to renew one time. Resolution No. 38 states, "the Committee shall enact its own rules and procedures."

Currently, Section 2 of Resolution No. 38 reads as follows:

### Section 2.

The term of office for members of the committee shall be four years. The initial terms of committee members shall be staggered so that the terms of office for no more than two members shall expire in any one year.

Attached you will find the recommended amended resolution.

AN AMENDMENT TO RESOLUTION NO. 38 DATED  
OCTOBER 9, 1996, A RESOLUTION TO CREATE THE  
LEBANON PARK COMMITTEE/TREE BOARD

) RESOLUTION NO. \_\_\_\_\_  
) FOR 2006  
)

WHEREAS, the City Council for City of Lebanon recognizes the importance of Parks and Trees to the health, safety, and beauty of the City of Lebanon and its citizens; and

WHEREAS, the City Council desires to establish a committee consisting of citizens and elected officials to act in an advisory capacity to perform certain duties to assist the City Council in assessing needs and planning for parks and tree maintenance; and

WHEREAS, the City Council desires to promote the possible recognition for the City of Lebanon as a **Tree City U.S.A.** designated city by the National Arbor Day Foundation;

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF LEBANON DOES HEREBY RESOLVE AS FOLLOWS:

**Section 1.** There is hereby established a committee which shall be known as the "Parks Committee/Tree Board." The committee shall be appointed by the Mayor, and shall serve at the pleasure of the City Council. There shall be eight members appointed to the committee, with representation to be made by the following groups: The Lebanon Area Chamber of Commerce, the Lebanon Boys and Girls Club, a representative for citizens who are physically and/or mentally challenged and a member of the City Council. At least five representatives of the committee shall be residents of the City of Lebanon. All members shall be selected at large from citizens of the community interested in serving on the committee.

**Section 2.** The term of office for members of the committee shall be four years **with the opportunity to serve a second term.** The initial terms of committee members shall be staggered so that the terms of office for no more than two members shall expire in any one year.

**Section 3.** Members of the committee shall serve without pay, but may be reimbursed for expenses incurred in the performance of their job duties after obtaining preauthorization from the City Administrator or his delegate.

**Section 4.** The committee shall enact its own rules and procedures, but shall annually select one of its members to act as the chairperson and one member to act as secretary of the committee. The secretary shall maintain minutes of all meetings, and the minutes shall be maintained by the City pursuant to the appropriate Oregon Public Records law. All meetings of the committee shall comply with the Oregon Public Meeting laws as may be required by Oregon law.

**Section 5.** Meetings of the committee shall be held pursuant to the committee's established meeting schedule to take care of the committee's regular business. Regular meetings should not conflict with other regularly held city meetings to allow staff representatives to attend the Park Committee/Tree Board meetings. Special or extra meetings may be requested, with appropriate notice to committee members, when the City Council, the City Administrator or Public Works' staff recognizes a need for committee advice for special projects or problems.

**Section 6.** The Park Committee/Tree Board shall have no executive or administrative powers or authority except as provided in this section, and this section shall not be construed as depriving elected or appointed officials of the city of any power they may have under the laws of the state or the charter of the city. The Committee shall be advisory in nature to the City Council, City Administrator, and Public Works Staff in matters pertaining to general park policy and policy regarding trees along streets and other public rights-of-way. More specific functions may include, but are not limited to, the following:

- A. Promote Parks and the maintenance and preservation of trees in the City of Lebanon.
- B. Review and evaluate for final implementation of the park system draft master plan. The committee shall continue to evaluate progress toward the plan and recommend future changes as needed to keep abreast of current needs and conditions.
- C. Prioritize and help coordinate efforts of volunteer groups wishing to develop park improvements.
- D. Study, investigate, and develop a written plan for the care, preservation, pruning, planting, replanting, and removal of trees in parks and in public areas, which include public rights-of-ways. This plan will be presented to the City Council and upon its acceptance of the plan, the plan shall constitute the "City Tree Plan for the City of Lebanon." This written plan is an important part of obtaining the designation for the city as a Tree City U.S.A.
- E. Promote the annual Tree City U.S.A. designation by the National Arbor Day Foundation.
- F. Prioritize and recommend future parks and tree improvements to be included in the capital improvements program adopted by the City Council. The Committee shall make such recommendations to the Capital Improvements Plan Committee, established by the City Council.
- G. Review fee schedules for picnic shelter rental, camping fees or other fees pertaining to parks, and make recommended changes as needed.
- H. Promote the planting and proper maintenance of trees through special events, including an annual local celebration of Arbor Day.
- I. To carry out such other tasks as may be delegated to the committee from time to time by the City Council.

Passed by the Lebanon City Council by a vote of \_\_\_ for and \_\_\_ against this 22nd day of February, 2006.

\_\_\_\_\_  
Kenneth I. Toombs, Mayor [ ]  
J. Scott Simpson, Council President [ ]

ATTEST:

\_\_\_\_\_  
John E. Hitt, City Recorder

# Agenda Item 5



*City of Lebanon*  
*Community Development*

---

**MEMORANDUM**

**TO:** John Hitt, City Administrator  
**DATE:** February 17, 2006  
**FROM:** Terry Lewis, Assistant Community Development Planner  
**CC:** Tom McHill, City Attorney  
Doug Parker, Community Development Manager  
**SUBJECT:** Planning Commission Recommendation to Amend LMC Chapter 2.24  
(Planning Commission)

---

This is a request to amend Chapter 2.24 of the Lebanon Municipal Code regarding the Planning Commission. It is requested that the City Council amend Sections 2.24.020, 2.24.030, 2.24.040, and 2.24.070, as indicated in the attached ordinance.

On February 15, 2006, the Planning Commission conducted a public review and discussion, and voted unanimously to recommend approval to City Council of the above noted amendments to Chapter 2.24 of the Lebanon Municipal Code.

At this time it is appropriate for the City Council to review, deliberate, and take action regarding the attached ordinance and amendments as requested.

tml/jbl

**A BILL FOR AN ORDINANCE AMENDING )  
SECTIONS OF CHAPTER 2.24 OF THE )  
LEBANON MUNICIPAL CODE )  
CONCERNING THE LEBANON PLANNING )  
COMMISSION AND DECLARING AN )  
EMERGENCY )**

**Ordinance Bill No. \_\_\_\_\_  
for 2006**

**Ordinance Number \_\_\_\_\_**

WHEREAS, the Lebanon Planning Commission has considered and recommended changes to the membership and terms of office for members of the Lebanon Planning Commission; and

WHEREAS, the Lebanon City Council has considered such recommendations and finds that increasing the membership of the Planning Commission and amending the eligibility and tenure of members of the Planning Commission will increase the public participation in the planning process;

NOW, THEREFORE, THE CITY OF LEBANON ORDAINS AS FOLLOWS:

Section 1. Section 2.24.020 of the Lebanon Municipal Code, Membership – Appointment, is amended to read as follows:

2.24.020 Membership – Appointment. The commission shall consist of eleven members to be appointed by the mayor.

Section 2. Section 2.24.030 of the Lebanon Municipal Code, Occupation and residency, is amended to read as follows:

2.24.030 Occupation and residency. 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. At least 7 members must reside inside the Urban Growth Boundary of the City, provided that at least 5 of those members shall reside within the city limits. No more than four members of the commission shall be nonresidents of the city; however, said members must reside within the postal code zones of the Lebanon United States Postal Service; 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 3. Section 2.24.040 of the Lebanon Municipal Code, Term of Office, is amended to read as follows:  
2.24.040. Planning commissioner terms shall commence on the first day of April, and shall be staggered in order to establish an approximately equal number of expiring terms every calendar year. The terms of commissioners in office at the effective date of the ordinance codified in this chapter shall remain unchanged by the ordinance codified in this chapter. Planning Commissioners shall serve four year terms and are subject to reappointment pursuant to the provisions of this Chapter.
- Section 4. Section 2.24.070 of the Lebanon Municipal Code, Officers, is amended to read as follows:  
2.24.070. Officers. The planning commission shall annually at its regular meeting in April choose a Chairperson and Vice-Chairperson to preside over the meetings of the Planning Commission. No officer shall serve a term as said officer for more than four consecutive years; however, such member may be re-elected to such office after an interval of two years.
- Section 5. Emergency. Because the prompt administration and selection of members of the Planning Commission is necessary for the peace, health and safety of the people of the City of Lebanon, an emergency is declared to exist and this ordinance is effective upon its passage by the council.

Passed by the City Council of the City of Lebanon on the \_\_\_\_ day of February, 2006 by a vote of \_\_\_\_ for and \_\_\_\_ against.

---

Kenneth I Tombs, Mayor

ATTEST:

---

John E. Hit, City Recorder

# Agenda Item 6



# CITY OF LEBANON

## PUBLIC WORKS DEPARTMENT – ENGINEERING MEMORANDUM

**TO:** Jim Ruef Public Works Director  
**FROM:** Malcolm Bowie City Engineer 

**DATE:** February 15, 2006

**SUBJECT:** Irrevocable Petitions  
1.) Irrevocable Petition 1795 12<sup>th</sup> Street  
2.) Irrevocable Petition 1941 & 1947 12<sup>th</sup> Street  
3.) Irrevocable Petition 1010,1015,1018,1022,1027,1036 & 1044 Turtledove Loop

This memo requests City Council approval for the City to accept by signing the Irrevocable petitions submitted by the owners of the properties listed above. The documents are included for review.

### BACKGROUND

The petitions are submitted in lieu of attempting to patchwork a half street improvements. The petitions ensure participation by the property owner at the time that a larger scale street improvement occurs enhancing the street to city standards.

### RECOMMENDATION

We recommend that City Council pass a motion approving the city to sign the irrevocable petitions.

**IRREVOCABLE PETITION FOR PUBLIC IMPROVEMENTS**

Date OCTOBER 14, 2005.

PETITIONER(S): Marvin L. Adamo and Mary Ann Adamo

James A. Green and Beth L. Green

Petitioner is the owner of the following described real property:

Parcels 1, 2 and 3 of Partition Plat No. 2005 - 46, Linn County, Oregon.

Said property is currently Tax Lot 1700 of Linn County Assessor's map 12 S - 2 W - 15BC.

Said property is currently assigned the mail address as: 1941 & 1947 12<sup>th</sup> Street

Petitioner hereby irrevocably petitions the City of Lebanon to initiate the following local improvements in accordance with the standard specifications of the City:

City standard public street, curb, gutter, sidewalk, driveway, and associated public storm drainage improvements.

This petition is presented to the City of Lebanon so that Petitioner's property may be developed and receive municipal services from the City which will directly benefit Petitioner's property, and shall remain in force and effect for 20 years from the date hereof.

It is understood by Petitioner that:

1. The cost of the improvements shall be borne by the benefited property in accordance with state law, the Charter of the City of Lebanon and its ordinances and policies.
2. The City in its sole discretion may initiate the construction of all or part of the local improvements requested or may join all or part of Petitioner's property with other property when creating a local improvement assessment district.
3. Petitioner and Petitioner's heirs, assigns and successors in interest in the property shall be bound by this irrevocable petition which will run with the property and will be recorded by the City in the deed records of Linn County.
4. Petitioner declares that the public improvements herein sought will directly benefit the described property and will directly benefit the City through improvements to the public way and public utilities serving the property and other properties in the vicinity.
5. Petitioner shall not challenge the formation of a local improvement assessment district by the City and in any proceedings therein will acknowledge this petition of requested to do so by the City.
6. If the City is required to file an action in any court of competent jurisdiction to enforce the language in this petition or to prohibit the violation of any of the covenants contained herein, the prevailing party shall be entitled to recover reasonable attorney fees and costs and disbursements if litigation at trial or on appeal.
7. In construing this petition singular words include the plural.

PETITIONER(S): James A. Green - Beth L. Green  
Marvin L. Adamo - Mary Ann Adamo

STATE OF OREGON )  
County of Lane ) ss.

On the 6th day of September, 2005, personally appeared the above-named,  
Marvin L. Adamo and Mary Ann Adamo who acknowledged the foregoing instrument to be their  
voluntary act and deed.



BEFORE ME: Susan G. Stovall  
Notary Public for Oregon  
My Commission Expires: 9/18/07

On the 6th day of September, 2005, personally appeared the above-named,  
James A. Green and Beth L. Green who acknowledged the foregoing instrument to be their voluntary  
act and deed.



BEFORE ME: Susan G. Stovall  
Notary Public for Oregon  
My Commission Expires: 9/18/07

CITY OF LEBANON

By: \_\_\_\_\_  
Ken Toombs, Mayor [ ]  
Scott Simpson, Council President [ ]

\_\_\_\_\_  
John E. Hitt, Recorder

STATE OF OREGON )  
COUNTY OF LINN ) ss.

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared  
\_\_\_\_\_ and JOHN E. HITT, who each being duly sworn, did

say that the former is the \_\_\_\_\_ and the latter is the Recorder  
for the City of Lebanon, a Municipal Corporation, and that the seal affixed to the foregoing instrument  
was signed and sealed in behalf of said Corporation by authority of its City Council; and each of them  
acknowledged said instrument to be its voluntary act and deed.

BEFORE ME: \_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires:

IRREVOCABLE PETITION FOR PUBLIC IMPROVEMENTS

Date SEPTEMBER 27, 2005

PETITIONER(S): Ann Y. Brinkley

Petitioner is the owner of the following described real property:

A parcel of land in Township 12 South, Range 2 West, Section 15, in Linn County, Oregon, described in deed reference MF1126-631 of Linn County records, and described as follows:

Beginning at the northwest corner of that land deeded to A. Leroy Brinkley in deed reference Vol 634 Page 827 of Linn County records as shown in Linn County Survey 22264; thence following the north boundary of said survey South 89°51'54" East 123.26 feet to the northeast corner of said deeded land; thence, following the east boundary of said survey South 0°07'44" West 146.64 feet to the southeast corner of said deeded land; thence, following the south boundary of said survey North 89°53'55" West 122.71 feet to the southwest corner of said deeded land; thence, following the west boundary of said survey North 0°05'56" West 146.71 feet to the Point of Beginning.

Said property is currently Tax Lot 2000 of Linn County Assessor's map 12 S - 2 W - 15BC  
Said property is currently assigned the mail address as: 1795 12<sup>th</sup> Street, Lebanon.

Petitioner hereby irrevocably petitions the City of Lebanon to initiate the following local improvements in accordance with the standard specifications of the City:

City standard public street, curb, gutter, sidewalk, driveway, and associated public storm drainage improvements.

This petition is presented to the City of Lebanon so that Petitioner's property may be developed and receive municipal services from the City which will directly benefit Petitioner's property, and shall remain in force and effect for 20 years from the date hereof.

It is understood by Petitioner that:

1. The cost of the improvements shall be borne by the benefited property in accordance with state law, the Charter of the City of Lebanon and its ordinances and policies.
2. The City in its sole discretion may initiate the construction of all or part of the local improvements requested or may join all or part of Petitioner's property with other property when creating a local improvement assessment district.
3. Petitioner and Petitioner's heirs, assigns and successors in interest in the property shall be bound by this irrevocable petition which will run with the property and will be recorded by the City in the deed records of Linn County.
4. Petitioner declares that the public improvements herein sought will directly benefit the described property and will directly benefit the City through improvements to the public way and public utilities serving the property and other properties in the vicinity.
5. Petitioner shall not challenge the formation of a local improvement assessment district by the City and in any proceedings therein will acknowledge this petition of requested to do so by the City.
6. If the City is required to file an action in any court of competent jurisdiction to enforce the language in this petition or to prohibit the violation of any of the covenants contained herein, the prevailing party shall be entitled to recover reasonable attorney fees and costs and disbursements if litigation at trial or on appeal.
7. In construing this petition singular words include the plural.

PETITIONER(S): Ann Y. Brinkley  
Ann Y. Brinkley

STATE OF OREGON )  
 )  
COUNTY OF LINN ) ss.



On the 27<sup>th</sup> day of September, 20 05, personally appeared the above  
named Ann Y Brinkley who acknowledged the foregoing  
instrument to be his/her voluntary act and deed.

BEFORE ME: Tandil Williams  
Notary Public for Oregon  
My Commission Expires: March 7, 2006

On the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, personally appeared the above  
named \_\_\_\_\_ who acknowledged the foregoing  
instrument to be his/her voluntary act and deed.

BEFORE ME: \_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires:

CITY OF LEBANON

By: \_\_\_\_\_  
Ken Toombs, Mayor [ ]  
Scott Simpson, Council President [ ]

\_\_\_\_\_  
John E. Hitt, Recorder

STATE OF OREGON )  
 )  
COUNTY OF LINN ) ss.

On the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, personally appeared  
\_\_\_\_\_ and JOHN E. HITT, who each being duly sworn, did

say that the former is the \_\_\_\_\_ and the latter is the Recorder  
for the City of Lebanon, a Municipal Corporation, and that the seal affixed to the foregoing instrument  
was signed and sealed in behalf of said Corporation by authority of its City Council; and each of them  
acknowledged said instrument to be its voluntary act and deed.

BEFORE ME: \_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires:

**IRREVOCABLE PETITION FOR PUBLIC IMPROVEMENTS**

Date \_\_\_\_\_, 20\_\_\_\_

PETITIONER(S): BROWN CONSTRUCTION INC.

Petitioner is the owner of the following described real property:

SUNDOWN PLACE SUBDIVISION, CITY OF LEBANON, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP, SAID POINT BEING NORTH 89°33'01" EAST 30.11', SOUTH 00°04'00" EAST 98.55' AND SOUTH 89°52'44" EAST 270.57' FROM THE SOUTHWEST CORNER OF THE WILLIAM RALSTON D.L.C. NO 48; THENCE SOUTH 00° 06'50" WEST 193.31' TO A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP; THENCE NORTH 89°49'55" WEST 269.96' TO A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP; THENCE NORTH 00°04'00" WEST 193.09' TO A 1/2" IRON PIPE; THENCE SOUTH 89°52'44" EAST 270.57' TO THE POINT OF BEGINNING.

Said property is currently Tax Lot 2300 of Linn County Assessor's map 12 S - 2 W - 15BC.

Said property is currently assigned the mail addresses as: 1010, 1015, 1018, 1022, 1027, 1036, and 1044 Turtledove Loop

Petitioner hereby irrevocably petitions the City of Lebanon to initiate the following local improvements in accordance with the standard specifications of the City:

City standard public street, curb, gutter, sidewalk, driveway, and associated public storm drainage improvements.

This petition is presented to the City of Lebanon so that Petitioner's property may be developed and receive municipal services from the City which will directly benefit Petitioner's property, and shall remain in force and effect for 20 years from the date hereof.

It is understood by Petitioner that:

1. The cost of the improvements shall be borne by the benefited property in accordance with state law, the Charter of the City of Lebanon and its ordinances and policies.
2. The City in its sole discretion may initiate the construction of all or part of the local improvements requested or may join all or part of Petitioner's property with other property when creating a local improvement assessment district.
3. Petitioner and Petitioner's heirs, assigns and successors in interest in the property shall be bound by this irrevocable petition which will run with the property and will be recorded by the City in the deed records of Linn County.
4. Petitioner declares that the public improvements herein sought will directly benefit the described property and will directly benefit the City through improvements to the public way and public utilities serving the property and other properties in the vicinity.
5. Petitioner shall not challenge the formation of a local improvement assessment district by the City and in any proceedings therein will acknowledge this petition of requested to do so by the City.
6. If the City is required to file an action in any court of competent jurisdiction to enforce the language in this petition or to prohibit the violation of any of the covenants contained herein, the prevailing party shall be entitled to recover reasonable attorney fees and costs and disbursements if litigation at trial or on appeal.
7. In construing this petition singular words include the plural.

AFTER RECORDING RETURN TO: CITY OF LEBANON, 853 MAIN STREET, LEBANON, OREGON 97355

PETITIONER(S): BROWN CONSTRUCTION INC.

Kirk Brown

STATE OF OREGON            )  
  )        ss.  
COUNTY OF LINN            )

On the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, personally appeared the above  
named \_\_\_\_\_ who acknowledged the foregoing  
instrument to be his/her voluntary act and deed.

BEFORE ME: \_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires:

On the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, personally appeared the above  
named \_\_\_\_\_ who acknowledged the foregoing  
instrument to be his/her voluntary act and deed.

BEFORE ME: \_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires:

CITY OF LEBANON

By: \_\_\_\_\_  
Ken Toombs, Mayor                    [ ]  
Scott Simpson, Council President    [ ]

\_\_\_\_\_  
John E. Hitt, Recorder

STATE OF OREGON            )  
  )        ss.  
COUNTY OF LINN            )

On the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, personally appeared  
\_\_\_\_\_ and JOHN E. HITT, who each being duly sworn, did  
say that the former is the \_\_\_\_\_ and the latter is the Recorder  
for the City of Lebanon, a Municipal Corporation, and that the seal affixed to the foregoing instrument  
was signed and sealed in behalf of said Corporation by authority of its City Council; and each of them  
acknowledged said instrument to be its voluntary act and deed.

BEFORE ME: \_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires:

# Agenda Item 7



# CITY OF LEBANON

## PUBLIC WORKS DEPARTMENT - CAPITAL IMPROVEMENTS MEMORANDUM

**TO:** Malcolm Bowie, City Engineer

**DATE:** February 13, 2006

**FROM:** Ron Whitlatch, Senior Engineer *RW*  
**APPROVAL TO ADVERTISE FOR PROJECT**

**SUBJECT:** Northwest Industrial Area Improvements, Project No. 05707

This memo requests City Council approval of the contract documents for the Northwest Industrial Area Improvements Project and authorization for City staff to advertise for bids. Attached to this memo is an overview and details of the project, as well as the proposed Contract. If anyone wishes to view the entire set of project plans and or specifications, they can stop by the Community Development Center, or call me at 541-258-4269.

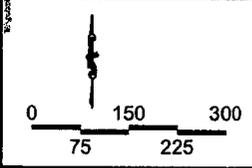
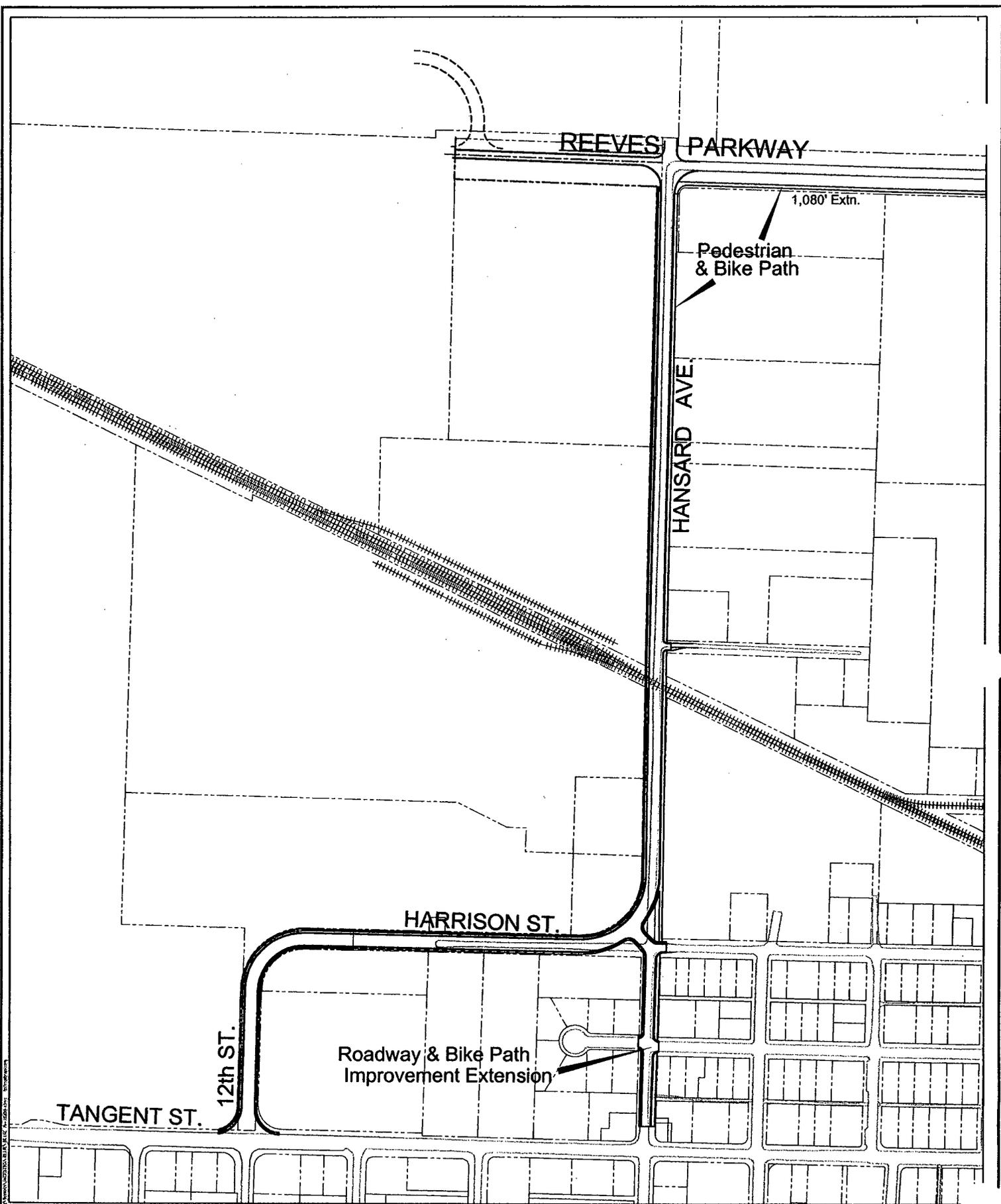
### BACKGROUND

This project is being initiated per the agreement that the City of Lebanon has with Lowe's to provide infrastructure to their proposed distribution center that will be located in the Northwest Industrial area. The project will extend Twelfth Street north of Tangent, the reconstruction of Harrison Street and Hansard Avenue, and the extension of Reeves Parkway to the west.

The major components of the project include 24,000 cubic yards of roadway excavation, approximately 50,000 tons of aggregate base, installation of a piped drainage system, extension of the Westside Interceptor to Tangent Street, approximately 11,000 tons of HMAC paving, installation of lighting and landscaping, as well as other miscellaneous items to complete the project. The Engineers Estimate for construction is between \$4,000,000 and \$5,000,000. The project is being funded by a combination of grants and loans given to the city in conjunction with Lowe's locating in Lebanon.

### RECOMMENDATION

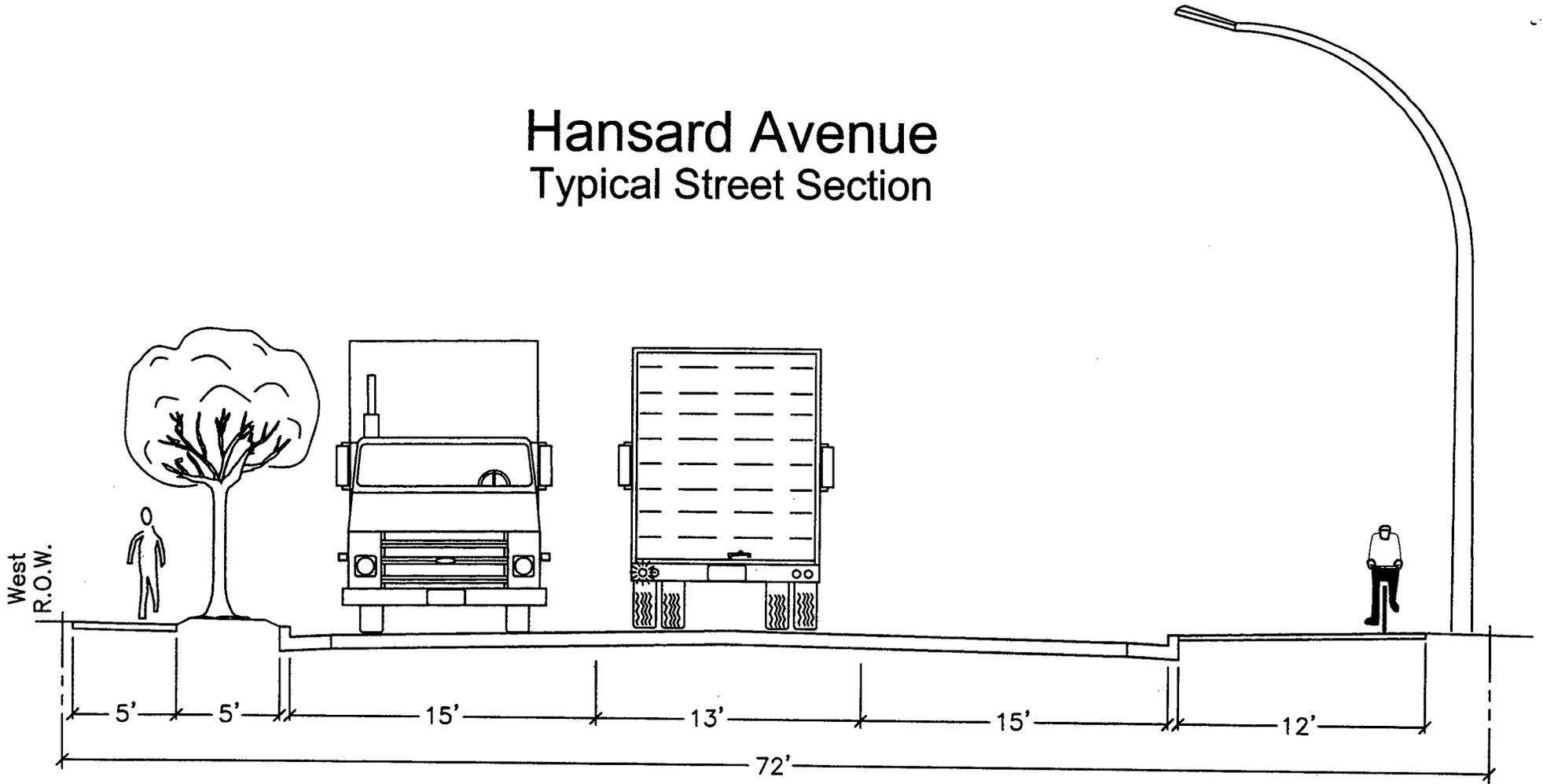
I recommend that City Council pass a motion approving the contract documents and authorizing City staff to advertise for bids.



City of Lebanon  
Northwest Industrial Area Improvements  
Capital Improvement Project



# Hansard Avenue Typical Street Section



City of Lebanon  
Northwest Industrial Area Improvements  
Capital Improvement Project



# City of Lebanon Oregon

**Contract Documents  
for  
Proposed**

## **Northwest Industrial Area Improvements**

**Grading, Paving, Drainage, Water, Sewer, and Illumination**

**Project No. 05707**

**Linn County**

**February, 2006**



### **City Council**

**Ken Toombs, Mayor**

<b>Ray Weldon</b>	<b>Dan Thackaberry</b>
<b>Ron Miller Jr.</b>	<b>Scott Simpson</b>
<b>Rebecca Grizzle</b>	<b>Bob Elliott</b>

**John E. Hitt, City Administrator**

**Thomas McHill, City Attorney**

**James P. Ruef, Director of Public Works**

# **Table of Contents**

**Northwest Industrial  
Area Improvements  
Project #05707**

**ADVERTISEMENT FOR BIDS**

**INFORMATION TO BIDDERS**

**AGREEMENT**

**BID PROPOSAL (Included in Contract Copies)**

**PERFORMANCE BOND**

**PAYMENT BOND**

**ACCEPTANCE OF NOTICE**

**RAILROAD INSURANCE AGREEMENT**

**PREVAILING WAGE RATES**

**SPECIAL PROVISIONS**

**APPENDIX A – Project Forms**

**PROJECT PLANS**

# Advertisement for Bids

Northwest Industrial  
Area Improvements  
Project #05707  
CITY OF LEBANON

## Proposals Due 9:00 a.m. on March 29, 2006

Sealed proposals for Northwest Industrial Area Improvements Project in Lebanon will be received by James Ruef, Director of Public Works, at the Community Development Center, 853 Main Street, Lebanon, Oregon 97355-3200 until **9:00 a.m. on March 29, 2006**, when the sealed proposals will be publicly opened and read. The outside of the envelopes shall plainly identify: (1) project name, (2) bid opening time and date, (3) bidder's name, and (4) Contractor's license number. Proposals submitted after the above-specified time or without the correct information will not be accepted. If you have any technical questions or have questions concerning the project, please contact Michael Schmidt, Project Engineer, at 541-258-4267.

The major work to be completed includes approximately 24,000 cubic yards of General Excavation, Approximately 34,600 tons of 3"-0" Aggregate Subbase, approximately 23,200 tons of 1"-0" Aggregate Base, P.C.C. Sidewalks, Driveways, and Multi-Use Path, approximately 9,200 lineal feet of Modified Curb and Gutter, approximately 11,500 tons of HMAC paving, approximately 10,700 square feet of HMAC Multi-Use Path construction, removal and salvage of approximately 488 of 8x3 Box Culvert, approximately 5,800 lineal feet Storm Sewer Construction, approximately 1,040 lineal feet of 42" Reinforced Concrete Sanitary Sewer Construction, approximately 590 lineal feet of 18" PVC Sanitary Sewer Pipe, approximately 740 lineal feet of Potable Water Pipe Installation, Striping, Illumination, Landscaping, and performance of such additional and incidental work as called for in the plans and specifications. The Engineer's estimate is between \$4,000,000.00 and \$5,000,000.00.

Documents may be examined or obtained for a non-refundable fee of \$25 at the Community Development Center Office located at 853 Main Street, Lebanon or call 541-258-4923 for other locations. The general specifications applicable to this job are the 2002 Oregon Standard Specifications for Construction, published jointly by the American Public Works Association (Oregon Chapter) and the Oregon Department of Transportation. These specifications are supplemented by City Supplemental Standard Specifications and project Special Provisions.

No proposal will be considered unless it contains a statement that the bidder will comply with the provisions required by ORS 279C.840, that workers of public works be paid not less than prevailing rate of wage on contracts of \$50,000.00 or more. Each bid shall contain a statement as to whether the bidder is a resident bidder as defined in ORS 279A.120. The contractor or subcontractor must be registered with the Construction Contractors Board as required by ORS Chapter 701. Bidders shall comply with all requirements set forth in Chapter 279A, B, C and other applicable sections of the Oregon Revised Statutes. Bidders are required to disclose proposed first-tier subcontractors. The City of Lebanon encourages the subcontractor disclosure form be submitted with the bid documents but will accept this list no later than **11:00 a.m., March 29, 2006** (2 hours after bid opening) at the Community Development Center, 853 Main Street, Lebanon, Oregon

All proposals shall be submitted on the prescribed form and in the manner as indicated in the specifications and shall be accompanied by a certified or cashier's check or bid bond in the amount of ten (10) percent of the total amount of the proposal. The bid bond shall be issued by a surety authorized and licensed to issue such bonds in the State of Oregon, conditioned that the successful bidder will pay the City of Lebanon, as liquidated damages, the amount specified in the bond, unless the bidder enters into a contract with the bidder's proposal and furnishes an insurance certificate and a performance bond with surety satisfactory to the City of Lebanon in an amount equal to 100 percent of the contract price within ten days from the date of notification to successful bidder. If the bidder fails to enter into the contract and furnish the performance bond within the above-specified time, the check (or bid bond) and the amount thereof shall be forfeited to the City of Lebanon. The City of Lebanon reserves the right to award a contract to the firm submitting the most qualified proposal, to postpone the acceptance of the proposal and the award of contract, for a period not to exceed 30 days, or to reject any and all proposals received.

# Information to Bidders

## Northwest Industrial Area Improvements Project #05707

### Principal Features

The work to be completed under this Contract consists of the following work on the Northwest Industrial Area Improvements in the City of Lebanon, Oregon. The principal features of the work are as follows:

1. Approximately 24,000 cubic yards of General Excavation.
2. Approximately 34,600 tons of 3"-0" Aggregate Subbase and 23,200 tons of Aggregate Base.
3. Approximately 9,200 lineal feet of Modified Curb and Gutter, approximately 3,850 square yards of 4" P.C.C. sidewalks, approximately 2,770 square yards of 12 foot P.C.C. Multi-Use Path (4" depth), and 6" and 8" P.C.C. Driveways.
4. Approximately 11,500 tons of HMAC Paving and 10,700 square feet of HMAC Multi-Use Path construction.
5. Approximately 488 lineal feet of Box Culvert Removal and Salvage, demolition and disposal of existing Cast-in-place Box Culvert End Pieces, Wing Walls, and Aprons.
6. Approximately 5,800 lineal feet of Storm Sewer Construction, Catch Basins, Area Drains, and Drainage Manholes.
7. Approximately 1,040 lineal feet of 42" Reinforced Concrete Sanitary Sewer Pipe construction, 740 lineal feet of 18" PVC Sanitary Sewer Pipe construction, and Sanitary Sewer Manholes.
8. Approximately 740 lineal feet of Potable Water Pipe Construction.
9. Approximately 13,250 lineal feet of Permanent Pavement Striping, 9,200 lineal feet of Permanent Curb Striping, and Type 'B' Thermoplastic Lines and Symbols.
10. Illumination Installation. Includes pole bases, poles, luminaires, switching, conduit, wiring, and all other incidentals associated with the installation.
11. Landscaping, Irrigation System, and Restoration.
12. The list above is not all-inclusive; there are many other items of work that must be completed as called for in the project plans and specifications.

### Addresses and Representatives

Owner:

City of Lebanon  
Department of Public Works  
Engineering Division, Capital Improvement Projects  
925 Main Street  
Lebanon, OR 97355-3200

The contact person for this project is Michael Schmidt, Project Engineer, phone number 541-258-4267.

The Contractor shall keep the City informed of the address and person to which the Contractor wishes official correspondence to be directed, and the address and telephone number where a principal of the Contractor may be reached outside of normal working hours in emergency situations.

## Basis of Award

If at the time this Contract is to be awarded, the lowest base bid submitted by a responsible bidder does not exceed the amount of funds then estimated by the Owner as available to finance the Contract, the Contract will be awarded on the base bid only.

## Insurance

The Contractor's general liability insurance shall hold the City harmless from claims due to the potential health and safety risks of the work to be performed under this Contract.

## Utilities

The City makes no representations as to the existence or precise location of utility lines. For locations call: 1-800-332-2344, Utilities Notification Center.

Agencies with utilities known to be located within the project limits:

Pacific Power & Light  
Comcast Cable

NW Natural Gas  
City of Lebanon

CenturyTel  
Consumer's Power, Inc.

## Coordination of Work of Others

The Contractor shall be responsible for coordinating all activities within the project limits including the work of utilities, other contractors and City operations throughout the Contract.

## Standard Specifications

The Standard Specifications applicable to the work on this project are the 2002 Oregon Standard Specifications for Construction, published jointly by the American Public Works Association (Oregon Chapter) and the Oregon Department of Transportation. This document is hereby incorporated as part of the Contract Documents and Specifications by reference.

The Supplemental Standard Specifications applicable to the work on this project are the 2005 Supplemental Standard Specifications to the 2002 Oregon Standard Specifications for Construction, by the City of Lebanon. This document is hereby incorporated as part of the Contract Documents and Specifications by reference. The Project Special Provisions further supplement the Standard Specifications and take precedence for this proposed work.

All numbered references in the Supplemental Standards and the Special Provisions shall be understood to refer to the section or subsection of the Standard Specifications bearing like numbers and applicable modifications to sections or subsections contained therein in their entirety.

These documents do not include the 2005 City of Lebanon Supplemental Standard Specifications to the 2002 Oregon Standard Specifications for Construction or Standard Drawings. These are available under separate cover from the Department of Public Works, Lebanon Community Development Center, 853 Main Street for a fee of \$20, which includes registration to receive updates when published.

## Project Information

### **Bid bond**

Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is based.

### **Performance and Payment Bonds**

The Contractor awarded the project shall provide separate Payment Bond and Performance Bond, each in the amount of 100 percent of the contract price. The date of each Bond must not be prior to the date of Contract. If Contractor is a Partnership, all partners should execute Bond.

Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is based.

### **Additional Public Works Bond**

In addition to the required performance and payment bonds, the Contractor must provide and file with the Construction Contractor's Board a \$30,000.00 "Public Works Bond" to be used exclusively for unpaid wages determined by BOLI. The Contractor must verify that all subcontractors have filed a Public Works Bond prior to a subcontractor commencing work on the project.

### **City of Lebanon Prequalification**

The Lowest Responsible Bidders shall file pre-qualifications in accordance with the requirements set forth by the City of Lebanon prior to Notice of Award being issued. City pre-qualification forms may be obtained at the Community Development Center located at 853 Main Street, Lebanon or call 541-258-4271. Contractors may also file current ODOT pre-qualification forms. There is a non-refundable fee of \$50 to file pre-qualification forms with the City of Lebanon.

# Agreement, Page 1 of 2

Northwest Industrial  
Area Improvements  
Project #05707

THIS AGREEMENT, made and entered into by and between the City of Lebanon, hereafter referred to as CITY and \_\_\_\_\_, hereafter referred to as CONTRACTOR whose names are subscribed hereto.

WITNESSETH:

WHEREAS, the City has invited Proposals from contractors, has received said Proposals, analyzed the same, and duly given notice of acceptance and awarded a Contract to the CONTRACTOR as herein set forth and as stated more in detail in the Contract Documents which are as follows:

- |   |                                |
|---|--------------------------------|
| a. Advertisement for Bids                       | i. Addenda (if applicable)     |
| b. Information to Bidders                       | j. Prevailing Wage Rates       |
| c. Agreement                                    | k. Project Certifications      |
| d. Proposal                                     | l. Standard Specifications     |
| e. Contractor's Prequalification App. (on file) | m. Supplemental City Standards |
| f. Performance Bond                             | n. Special Provisions          |
| g. Payment Bond                                 | o. Project Plans               |
| h. Railroad Insurance Agreement                 | p. Change Orders               |

all of which are made a part hereof and which constitute the whole Contract between the CITY and the CONTRACTOR, and

WHEREAS the CONTRACTOR has proposed to undertake and perform the construction required in the Bid Schedule, which is made a part of the CONTRACTOR'S Proposal

NOW THEREFORE, it is hereby agreed that:

- (a) the CONTRACTOR shall furnish all construction, pay all costs, and perform the construction required by the Contract in the manner specified in the Contract Documents, and
- (b) if the Bid Schedule calls for unit prices the CITY shall pay to the CONTRACTOR a total contract amount computed from the unit prices in said Bid Schedule and the actual quantities of units measured in the completed construction.

Based upon the unit prices in said Bid Schedule and estimated quantities of units, the

ESTIMATED TOTAL CONTRACT PRICE IS \$ \_\_\_\_\_

# Agreement, Page 2 of 2

## Northwest Industrial Area Improvements Project #05707

It is further agreed that the CONTRACTOR will start work immediately upon receipt of the CITY'S notice to proceed and shall complete the work in the Contract in the number of calendar days after said notice to proceed (or by the specified completion date) as set forth in the Special Provisions.

The CONTRACTOR agrees to indemnify and save harmless the CITY from any and all defects appearing and developing in the materials furnished and workmanship performed under this Contract for a period of one (1) year after the date of acceptance of the work by the CITY.

IN WITNESS WHEREOF, three (3) identical counterparts of this Contract, each of which shall, for all purposes, be deemed an original thereof, have been duly executed by the parties herein above named on the day and year written below.

Contract Documents approved as to form:

\_\_\_\_\_  
Attorney for the City of Lebanon

### CITY OF LEBANON, OREGON

By: \_\_\_\_\_

Title: Ken Toombs, Mayor

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

By: \_\_\_\_\_

Title: John E. Hitt, City Administrator

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

### CONTRACTOR

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

# Performance Bond, Page 1 of 2

Northwest Industrial  
Area Improvements  
Project #05707

KNOW ALL MEN BY THESE PRESENTS:

that \_\_\_\_\_, as Principal,  
(Contractor)

and \_\_\_\_\_, as Surety,  
(Bonding Agency)

a corporation in the State of \_\_\_\_\_, whose principal

office is located in the City of \_\_\_\_\_, State

of \_\_\_\_\_, telephone number of \_\_\_\_\_ are  
firmly bound unto the City of Lebanon, as Obligee, to fulfill the obligations of the Principal  
and the Surety under the Contract, to which reference is hereafter made, in the amount of  
\_\_\_\_\_ Dollars (\$) \_\_\_\_\_ in  
lawful money of the United States, for the payment whereof Principal and Surety bind  
themselves, their heirs, executors, administrators, successors and assigns, jointly and  
severally, firmly by these presents.

WHEREAS, Principal has, by written Agreement dated \_\_\_\_\_, entered into a  
Contract with Obligee for the Northwest industrial Area Improvements Project as set forth  
in the Specifications and Contract Documents dated \_\_\_\_\_, which Contract, including  
all modifications to the Contract that may hereafter be made, notice of said modifications to  
the Surety being hereby waived, is by this reference made a part hereof, and which is  
hereinafter referred to as the Contract.

NOW THEREFORE, the condition of this obligation is such that if the Principal shall  
faithfully perform all provisions of the Contract on his/her part, and maintain the Obligee  
and the Obligee's property free and clear of all liens arising out of Agreements for labor  
and material entering into the construction and pay all laborers, mechanics, subcontractors,  
and materialmen with provisions and supplies for the carrying on of such work, and  
indemnify and save harmless the Obligee from all loss, cost, or damage which it may suffer  
by reason of the failure to do any of the foregoing, then this obligation shall be void:  
otherwise, it shall remain in full force and effect.

# Performance Bond, Page 2 of 2

Northwest Industrial  
Area Improvements  
Project #05707

All persons who have furnished labor, materials, or supplies for use in and about the work provided for in the Contract shall have a direct right of action under this bond subject to the City's priority.

Any suit under this bond shall be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_ counterparts, each one of which shall be deemed an original,

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_

(Principal)

\_\_\_\_\_

(Title)

\_\_\_\_\_

(Surety)

\_\_\_\_\_

(Title)

# Payment Bond, Page 1 of 2

Northwest Industrial  
Area Improvements  
Project #05707

KNOW ALL MEN BY THESE PRESENTS:

that \_\_\_\_\_,  
as Principal,  
(Contractor)

and \_\_\_\_\_,  
as Surety,  
(Bonding Agency)

a corporation in the State of \_\_\_\_\_, whose principal  
office is located in the City of \_\_\_\_\_, State

of \_\_\_\_\_, telephone number of \_\_\_\_\_ are  
firmly bound unto the City of Lebanon, as Obligee, to fulfill the obligations of the Principal  
and the Surety under the Contract, to which reference is hereafter made, in the amount of

\_\_\_\_\_ Dollars (\$\_\_\_\_\_) in  
lawful money of the United States, for the payment whereof Principal and Surety bind  
themselves, their heirs, executors, administrators, successors and assigns, jointly and  
severally, firmly by these presents.

WHEREAS, Principal has, by written Agreement dated \_\_\_\_\_, entered into a  
Contract with Obligee for the Northwest Industrial Area Improvements Project as set forth  
in the Specifications and Contract Documents dated \_\_\_\_\_, which Contract, including all  
modifications to the Contract that may hereafter be made, notice of said modifications to  
the Surety being hereby waived, is by this reference made a part hereof, and which is  
hereinafter referred to as the Contract.

NOW THEREFORE, the condition of this obligation is such that if the Principal shall  
promptly make payment to all persons supplying labor and material in the prosecution of  
the work provided for in said Contract, and any and all duly authorized modifications of said  
Contract that may hereafter be made, notice of which modifications to Surety being waived,  
then this obligation shall be void: otherwise, it shall remain in full force and effect.

# Payment Bond, Page 2 of 2

Northwest Industrial

Area Improvements

Project #05707

All persons who have furnished labor, materials, or supplies for use in and about the work provided for in the Contract shall have a direct right of action under this bond subject to the City's priority.

Any suit under this bond shall be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_ counterparts, each one of which shall be deemed an original,

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
(Principal)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Surety)

\_\_\_\_\_  
(Title)

# Acceptance of Notice

Northwest Industrial

Area Improvements

Project #05707

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

Contractor Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, and Zip: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Receipt of the Notice of Award letter is hereby acknowledged:

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

# Agenda Item 8



**CITY OF LEBANON**  
**PUBLIC WORKS DEPARTMENT – ENGINEERING**  
**MEMORANDUM**

**TO:** Jim Ruef Public Works Director  
**FROM:** Malcolm Bowie City Engineer *MJB*  
**SUBJECT:** Walden CWSRF financing loan

**DATE:** 2-17-2006

This memo requests City Councils approval for the city to enter into an agreement with the Oregon State Department of Ecology to receive a Clean Water State Revolving Fund Loan for the design and construction of the Walden project.

**BACKGROUND**

The loan agreement No R56200 has been offered by the State of Oregon to the city for an amount of \$3,442,000 million dollars for the purpose of financing the Walden project. Interest rate is 2.93% per annum with a 20 year retirement period. The proposed agreement and resolution are attached for review.

**RECOMMENDATION**

We recommend that City Council pass the attached resolution

A RESOLUTION OF THE LEBANON CITY ) RESOLUTION NO. \_\_\_\_\_  
 COUNCIL AUTHORIZING THE CITY OF )  
 LEBANON TO ENTER INTO A CLEAN WATER ) For 2006  
 STATE REVOLVING FUND LOAN (CWSRF), )  
 AGREEMENT #R56200, TO BORROW )  
 \$3,442,000 FOR THE WASTEWATER )  
 DISCHARGE PROJECT, AUTHORIZING )  
 INDIVIDUALS TO SIGN THE LOAN ON )  
 BEHALF OF THE CITY AND AUTHORIZING )  
 A REQUIRED LOAN RESERVE )

WHEREAS, the City of Lebanon has applied for and has been tentatively accepted to receive funding from the State of Oregon whereby the City can borrow \$3,442,000 from the Clean Water State Revolving Fund (CWSRF); and

WHEREAS, the City of Lebanon desires to enter into agreement #R56200 to borrow said funds for the purpose of financing the City's wastewater subsurface discharge project; and

WHEREAS, the City Council has reviewed the loan agreements with the State of Oregon; and

WHEREAS, the City Council finds that entering into the Clean Water State Revolving Fund loan agreement #R56200 will be in the best interests of the citizens of the City of Lebanon in order to provide the financing for the wastewater subsurface discharge project.

NOW, THEREFORE, the City Council for the City of Lebanon resolves as follows:

**Section 1.** The City of Lebanon is hereby authorized to enter into the Clean Water State Revolving Fund (CWSRF) loan agreement #R56200 for the purpose of allowing the City to borrow \$3,442,000 from the State of Oregon for the purpose of providing financing for the City's wastewater subsurface discharge project.

**Section 2.** The Mayor of the City of Lebanon is hereby authorized to sign the above referenced loan agreement on behalf of the City of Lebanon.

**Section 3.** The Clean Water State Revolving Fund loan agreement #R56200 requires that the City maintain a loan reserve which shall be no less than the sum of \$116,098 for the purpose of insuring the repayment on this loan. Said loan reserve is hereby authorized and the City of Lebanon shall maintain at least that sum, or such other loan reserve as may be required by the State of Oregon.

**Section 4.** This Resolution shall become effective immediately upon its passage.

Passed by a vote of \_\_\_\_\_ for and \_\_\_\_\_ against before the Lebanon City Council, and approved by the Mayor this 22<sup>nd</sup> day of February, 2006.

\_\_\_\_\_  
 Mayor

ATTEST:

\_\_\_\_\_  
 City Recorder

**CLEAN WATER STATE REVOLVING FUND  
LOAN AGREEMENT  
No. R56200**

**BETWEEN**

**THE STATE OF OREGON  
ACTING BY AND THROUGH ITS  
DEPARTMENT OF ENVIRONMENTAL QUALITY**

**AND**

**CITY OF LEBANON**

**COPY**

TABLE OF CONTENTS

ARTICLE 1: THE LOAN - SPECIFIC TERMS .....3  
ARTICLE 2: GENERAL LOAN PROVISIONS .....4  
ARTICLE 3: GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS .....7  
ARTICLE 4: CONDITIONS TO LOAN .....8  
ARTICLE 5: COVENANTS OF BORROWER.....9  
ARTICLE 6: REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS RELATING TO  
CONSTRUCTION PROJECTS ONLY .....13  
ARTICLE 7: DISCLAIMERS BY DEQ; LIMITATIONS ON DEQ'S LIABILITY.....16  
ARTICLE 8: DEFAULT AND REMEDIES .....17  
ARTICLE 9: DEFINITIONS .....18  
ARTICLE 10: MISCELLANEOUS .....20  
  
APPENDIX A: REPAYMENT SCHEDULE.....24  
APPENDIX B: ESTIMATED CWSRF LOAN DISBURSEMENT SCHEDULE.....25  
APPENDIX C: MBE/WBE AFFIRMATIVE STEPS .....26  
APPENDIX D: APPLICABLE FEDERAL AUTHORITIES AND LAWS ("CROSS-CUTTERS").....27

**THIS LOAN AGREEMENT** is made and entered into as of the date it is fully executed by both parties (and in the case of the State, approved by the Attorney General's Office, if required) and is by and between the **State of Oregon, acting by and through its Department of Environmental Quality ("DEQ")**, and the **Borrower** (as defined below). Unless the context requires otherwise, capitalized terms not defined below shall have the meanings assigned to them by ARTICLE 9 of this Loan Agreement. The reference number for the Loan made pursuant to this Loan Agreement is Loan No. R56200.

DEQ agrees to make, and Borrower agrees to accept, the Loan on the terms and subject to the conditions set forth below.

### ARTICLE 1: THE LOAN - SPECIFIC TERMS

DEQ agrees to make the Loan on the following terms and conditions:

- (A) **BORROWER:** City of Lebanon.
- (B) **BORROWER'S ADDRESS:** City of Lebanon  
925 Main Street  
Lebanon, Oregon 97355  
Fax 541-258-4955
- (C) **LOAN AMOUNT:** \$3,442,000.
- (D) **TYPE AND PURPOSE OF LOAN.** The Loan is a "Revenue Secured Loan" made by DEQ pursuant to OAR Section 340-054-0065(2) for the purpose of financing the Project.
- (E) **PROJECT TITLE:** Wastewater subsurface discharge.
- (F) **DESCRIPTION OF THE PROJECT:** This project is referred to as "Project Walden" by the Borrower, and includes design and construction necessary to complete an alternate discharge, as described in the Borrower's application dated April 6, 2005.
- (G) **INTEREST RATE:** Two and 93/100 percent (2.93%) per annum. Calculation of interest is also discussed in ARTICLE 2(E) and in ARTICLE 2(F)(4) of this Agreement.
- (H) **REPAYMENT PERIOD:** Twenty (20) years from the Completion Date.
- (I) **TERMS OF REPAYMENT:** An interest-only payment six months after the Project Completion Date and thereafter semi-annual payments of principal and interest in accordance with Appendix A and ARTICLE 2(F) of this Agreement.
- (J) **PLEDGE:** The Borrower hereby grants to DEQ a security interest in and irrevocably pledges its Net Operating Revenues to pay the amounts due under this Loan Agreement. The Net Operating Revenues so pledged and hereafter received by the Borrower shall immediately be subject to the lien of such pledge without physical delivery or further act, and except as expressly provided in this ARTICLE 1(J) the lien of the pledge shall be superior to

all other claims and liens whatsoever, to the fullest extent permitted by ORS 288.594. The Borrower represents and warrants that the pledge of Net Operating Revenues hereby made by the Borrower complies with, and shall be valid and binding from the date of this Agreement pursuant to, ORS 288.594. The Borrower covenants with DEQ and any assignee of this Agreement that except as otherwise expressly provided herein, the Borrower shall not issue any other obligations which have a pledge or lien on the Net Operating Revenues superior to or on a parity with the pledge herein granted without the written permission of DEQ. This Loan is a parity obligation with all other CWSRF loans between DEQ and the Borrower and with an Oregon Department of Energy loan with a June 30, 2004 balance of \$6,075 (as reported in the Borrower's Annual Financial Report for the year ended 6/30/2004); provided, however, that this provision shall not affect the priority that prior CWSRF loans are entitled to in relation to any loans between Borrower and any third parties. This Loan is subordinate to wastewater revenue bonds issued by the Borrower under authority of the Borrower's Ordinance No. 2076, dated June 25, 1990, as amended by Resolution No. 10 for 1993, Resolution No. 37 for 1999 and Resolution No. 32 for 2003 (together the "Bond Resolution"), and Additional Bonds, as defined and authorized by the Bond Resolution.

**(K) BOND RESOLUTION:** The Borrower agrees to provide DEQ with a copy of any ordinances or resolutions passed by the City Council which either amend the Bond Resolution or authorize issuance of Additional Bonds, within 30 days of passage of such ordinances or resolutions.

**(L) ANNUAL FEE:** An annual fee of 0.5% of the Outstanding Loan Amount (as determined prior to the posting of the payment due on that date) is due during the Repayment Period commencing with the second payment date hereunder and annually thereafter.

## ARTICLE 2: GENERAL LOAN PROVISIONS

**(A) AGREEMENT OF DEQ TO LOAN.** DEQ agrees to loan the Borrower an amount not to exceed the Loan Amount, subject to the terms and conditions of this Loan Agreement, but solely from funds available to DEQ in the Water Pollution Control Revolving Fund for its Clean Water State Revolving Fund program. This Loan Agreement is given as evidence of a Loan to the Borrower made by DEQ pursuant to ORS Chapters 190, 287, 288, and 468, and OAR Chapter 340, all as amended from time to time, consistent with the express provisions hereof.

**(B) AVAILABILITY OF FUNDS.** DEQ's obligation to make the Loan described in this Agreement is subject to the availability of funds in the Water Pollution Control Revolving Fund for its CWSRF program, and DEQ shall have no liability to the Borrower or any other party if such funds are not available or are not available in amounts sufficient to fund the entire Loan described herein. Funds may not be available ahead of the estimated schedule of disbursements submitted by the Borrower, which is attached as Appendix B. This schedule may be revised from time to time by the parties without the necessity of an amendment by replacing the then current Appendix B with an updated Appendix B which is dated and signed by both parties.

**(C) DISBURSEMENT OF LOAN PROCEEDS.**

**(1) Project Account(s).** Loan proceeds (as and when disbursed by DEQ to the Borrower) shall be deposited in a Project account(s). The Borrower shall maintain

Project account(s) as segregated account(s). Funds in the Project account(s) shall only be used to pay for Project costs, and all earnings on the Project account(s) shall be credited to the account(s).

(2) Documentation of Expenditures. The Borrower shall provide DEQ with written evidence of materials and labor furnished to and performed upon the Project and such receipts for the payment of the same, releases, satisfactions and other signed statements and forms as DEQ may reasonably require. DEQ will disburse funds to pay Project costs only after the Borrower has provided documentation satisfactory to DEQ that such Project costs have been incurred and qualify for reimbursement hereunder.

(3) Adjustments and Corrections. DEQ may at any time review and audit requests for disbursement and make adjustments for, among other things, ineligible expenditures, mathematical errors, items not built or bought, unacceptable work and other discrepancies. Nothing in this Agreement requires DEQ to pay any amount for labor or materials unless DEQ is satisfied that the claim therefor is reasonable and that the Borrower actually expended and used such labor or materials in the Project. In addition, DEQ shall not be required to make any disbursement which would cause the total of all disbursements made hereunder (including the requested disbursement) to be greater than the total estimated cost of the work completed at the time of the disbursement, as determined by DEQ.

(4) Contract Retainage Disbursement. DEQ will not disburse Loan proceeds to cover contractor retainage unless the Borrower is disbursing retainage to an escrow account and provides proof of the deposit, or until the Borrower provides proof that it paid retained funds to the contractor.

(D) **AGREEMENT OF BORROWER TO REPAY**. The Borrower agrees to repay all amounts owed on this Loan as described in ARTICLE 1(I) and ARTICLE 2(F) in U.S. Dollars in immediately available funds at the place listed for DEQ in ARTICLE 10(A). In any case, the Borrower agrees to repay all amounts owed on this Loan within the Repayment Period.

(E) **INTEREST**. Interest will accrue at the rate specified in ARTICLE 1(G) from the date that a disbursement hereunder is mailed or delivered to the Borrower or deposited into an account of the Borrower. Interest will accrue using a 365/366 day year and actual days elapsed until the Final Loan Amount is determined and the final repayment schedule is prepared and thereafter on a 360-day year basis and actual days elapsed.

(F) **LOAN REPAYMENT**.

(1) Preliminary Repayment Schedule; Interim Payments. The attached Appendix A is a preliminary repayment schedule based on the estimated date of the first disbursement hereunder and Loan Amount. Until the final repayment schedule is effective, the Borrower shall make the payments set forth in the preliminary repayment schedule.

(2) Final Repayment Schedule. After the Borrower has submitted its final request for Loan proceeds and DEQ has made all required disbursements hereunder, DEQ will determine the Final Loan Amount and prepare a final payment schedule that provides

for level semi-annual installment payments of principal and interest (commencing on the next semi-annual payment date), each in an amount sufficient to pay accrued interest to the date of payment and to pay so much of the principal balance as to fully amortize the then Outstanding Loan Amount over the remaining Repayment Period. This final repayment schedule, when signed and dated by the parties, will replace the preliminary payment schedule as Attachment A without the necessity of an amendment to this Agreement.

(3) Crediting of Scheduled Payments. A scheduled payment received before the scheduled repayment date will be applied to interest and principal on the scheduled repayment date, rather than on the day such payment is received. Scheduled payments will be applied first to fees due, if any, and then to interest, according to the applicable repayment schedule, and then to principal.

(4) Crediting of Unscheduled Payments. All unscheduled payments, including any prepayments and partial payments, will be applied first to fees due, if any, and then to accrued unpaid interest (which will be computed as otherwise provided in this Agreement, except that interest from the last payment date will be calculated using a 365/366 day year and actual days elapsed), and then to principal. In the case of a Loan prepayment that does not prepay all of the principal of the Loan, DEQ will determine, in its sole discretion, how it will apply such Loan prepayment to the Outstanding Loan Amount. After a partial payment, DEQ may, in its sole and absolute discretion, reamortize the Outstanding Loan Amount at the same interest rate for the same number of payments to decrease the Loan payment amount; provided, however, that nothing in this Agreement requires DEQ to accept any partial payment or to reamortize the Outstanding Loan Amount if it accepts a partial payment.

(5) Final Payment. The Outstanding Loan Amount, all accrued and unpaid interest, and all unpaid fees and charges due hereunder are due and payable no later than twenty (20) years after the Completion Date.

**(G) PREPAYMENT.**

(1) Optional Prepayment. The Borrower may prepay any amount owed on this Loan without penalty on any business day upon 24 hours prior written notice. Any prepayment made hereunder will be applied in accordance with ARTICLE 2(F)(4).

(2) Refinancing of Loan by the Borrower. If the Borrower refinances the portion of the Project financed by this Loan or obtains an additional grant or loan that is intended to finance the portion of the Project financed by this Loan, it will prepay the portion of the Loan being refinanced by the additional grant or loan.

(H) LATE PAYMENT FEE. The Borrower agrees to pay immediately upon DEQ's demand a late fee equal to five percent (5%) of any payment (including any loan fee) that is not received by DEQ on or before the tenth (10<sup>th</sup>) calendar day after such payment is due hereunder.

(I) TERMINATION OF LOAN AGREEMENT. Upon performance by the Borrower of all of its obligations under this Loan Agreement, including payment in full of the Final Loan Amount,

all accrued interest and all fees, charges and other amounts due hereunder, this Loan Agreement will terminate, and DEQ will release its interest in any collateral given as security under this Loan Agreement.

**ARTICLE 3: GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS**

**(A) REPRESENTATIONS AND WARRANTIES OF THE BORROWER.** The Borrower represents and warrants to DEQ that:

- (1) It is a duly formed and existing municipal corporation of the State of Oregon and has full corporate and other powers to enter into this Loan Agreement.
- (2) This Agreement has been duly authorized and executed and delivered by an authorized officer of the Borrower and constitutes the legal, valid and binding obligation of the Borrower enforceable in accordance with its terms.
- (3) All acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Agreement have existed, have happened, and have been performed in due time, form and manner as required by law.
- (4) Neither the execution of this Loan Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with any of the terms and conditions of this Loan Agreement will violate any provision of law, or any order of any court or other agency of government, or any agreement or other instrument to which the Borrower is now a party or by which the Borrower or any of its properties or assets is bound. Nor will this Loan Agreement be in conflict with, result in a breach of, or constitute a default under, any such agreement or other instrument, or, except as provided hereunder, result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower.
- (5) This Loan Agreement does not create any unconstitutional indebtedness. The Loan Amount together with all of the Borrower's other obligations does not, and will not, exceed any limits prescribed by the Constitution, any of the statutes of the State of Oregon, the Borrower's charter, or any other authority.
- (6) The Project is a project which the Borrower may undertake pursuant to Oregon law and for which the Borrower is authorized by law to borrow money.
- (7) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date hereof to own, operate and maintain the Facility and the Project, other than licenses and permits relating to the Facility or the Project which the Borrower expects to and shall receive in the ordinary course of business, to carry on its activities relating thereto, to execute and deliver this Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Agreement.

(8) The information contained herein which was provided by the Borrower is true and accurate in all respects, and there is no material adverse information relating to the Project or the Loan, known to the Borrower, that has not been disclosed in writing to DEQ.

(9) No litigation exists or has been threatened that would cast doubt on the enforceability of the Borrower's obligations under this Loan Agreement.

(10) The estimated Completion Date of the Project is January 31, 2008.

(11) The estimated total Costs of the Project are \$3,638,000.

(12) The Borrower is in compliance with all laws, ordinances, and governmental rules and regulations to which it is subject, the failure to comply with which would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower or the Project.

**(B) CONTINUING REPRESENTATIONS OF THE BORROWER.** The representations of the Borrower contained herein shall be true on the closing date for the Loan and at all times during the term of this Agreement.

**(C) REPRESENTATIONS AND WARRANTIES OF DEQ.** DEQ represents and warrants that the Director has power under ORS Chapter 468 and OAR Chapter 340, Division 54, to enter into the transactions contemplated by this Loan Agreement and to carry out DEQ's obligations thereunder and that the Director is authorized to execute and deliver this Loan Agreement and to make the Loan as contemplated hereby.

#### **ARTICLE 4: CONDITIONS TO LOAN**

**(A) CONDITIONS TO CLOSING.** DEQ's obligations hereunder are subject to the condition that on or prior to ~~February 28, 2006~~, the Borrower will duly execute and deliver to DEQ the following items, each in form and substance satisfactory to DEQ and its counsel:

(1) this Agreement duly executed and delivered by an authorized officer of the Borrower;

(2) a copy of the ordinance, order or resolution of the governing body of the Borrower authorizing the execution and delivery of this Agreement, certified by an authorized officer of the Borrower;

(3) an opinion of the legal counsel to the Borrower to the effect that:

(a) The Borrower has the power and authority to execute and deliver and perform its obligations under this Loan Agreement;

(b) This Loan Agreement has been duly executed and acknowledged where necessary by the Borrower's authorized representative(s), all required approvals have been obtained, and all other necessary actions have been taken, so that this Loan Agreement is valid, binding, and enforceable against the Borrower in

accordance with its terms, except as such enforcement is affected by bankruptcy, insolvency, moratorium, or other laws affecting creditors rights generally;

(c) To such counsel's knowledge, this Loan Agreement does not violate any other agreement, statute, court order, or law to which the Borrower is a party or by which it or any of its property or assets is bound; and

(d) The Net Operating Revenues used as security for the Loan will **not** constitute taxes that are limited by Section 11b, Article XI of the Oregon Constitution; and

(4) such other documents, certificates, opinions and information as DEQ or its counsel may reasonably require.

**(B) CONDITIONS TO DISBURSEMENTS.** Notwithstanding anything in this Agreement to the contrary, DEQ shall have no obligation to make any disbursement to the Borrower under this Agreement unless:

(1) No Event of Default and no event, omission or failure of a condition which would constitute an Event of Default after notice or lapse of time or both has occurred and is continuing;

(2) All of the Borrower's representations and warranties in this Agreement are true and correct on the date of disbursement with the same effect as if made on such date; and

(3) The Borrower submits a disbursement request to DEQ that complies with the requirements of ARTICLE 2(C);

provided, however, DEQ shall be under no obligation to make any disbursement if:

(1) there is insufficient money available in the SRF and CWSRF Program for the Project; or

(2) there has been a change in any applicable state or federal law, statute, rule or regulation so that the Project is no longer eligible for the Loan.

#### ARTICLE 5: COVENANTS OF BORROWER

**(A) GENERAL COVENANTS OF THE BORROWER.** Until the Loan is paid in full, the Borrower covenants with DEQ that:

(1) The Borrower shall use the Loan funds only for payment or reimbursement of the Costs of the Project in accordance with this Loan Agreement. The Borrower acknowledges and agrees that the Costs of the Project do NOT include any Lobbying costs or expenses incurred by Borrower or any person on behalf of Borrower and that Borrower will not request payment or reimbursement for Lobbying costs and expenses.

(2) If the Loan proceeds are insufficient to pay for the Costs of the Project in full, the Borrower shall pay from its own funds and without any right of reimbursement from DEQ all such Costs of the Project in excess of the Loan proceeds.

(3) The Borrower is and will be the owner of the Facility and the Project and shall defend them against the claims and demands of all other persons at any time claiming the same or any interest therein.

(4) The Borrower shall not sell, lease, transfer, or encumber or enter into any management agreement or special use agreement with respect to the Facility or any financial or fixed asset of the utility system that produces the Net Operating Revenues without DEQ's prior written approval, which approval may be withheld for any reason. Upon sale, transfer or encumbrance of the Facility or the Project, in whole or in part, to a private person or entity, this Loan shall be immediately due and payable in full.

(5) Concurrent with the execution and delivery of this Loan Agreement, or as soon thereafter as practicable, the Borrower shall take all steps necessary to cause the Project to be completed in a timely manner in accordance with all applicable DEQ requirements.

(6) The Borrower shall take no action that would adversely affect the eligibility of the Project as a CWSRF project or cause a violation of any Loan covenant in this Agreement.

(7) The Borrower shall undertake the Project, request disbursements under this Loan Agreement, and use the Loan proceeds in full compliance with all applicable laws and regulations of the State of Oregon, including but not limited to ORS Chapter 468 and Oregon Administrative Rules Sections 340-054-0005 to 340-054-0065, as they may be amended from time to time, and all applicable federal authorities and laws and regulations of the United States, including but not limited to Title VI of the Clean Water Act as amended by the Water Quality Act of 1987, Public Law 100-4, the federal cross-cutters listed at Appendix D (attached hereto and by this reference made a part hereof) and regulations of the U.S. Environmental Protection Agency, all as they may be amended from time to time.

(8) The Borrower shall keep the Facility in good repair and working order at all times and operate the Facility in an efficient and economical manner. The Borrower shall provide the necessary resources for adequate operation, maintenance and replacement of the Project and retain sufficient personnel to operate the Facility.

(9) The Borrower covenants and agrees that it shall not take any action or omit to take any action which action or omission would result in the loss of the exclusion of the interest on the Loan from gross income for purposes of federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and any regulations or rulings thereunder.

**(B) DEBT SERVICE COVERAGE REQUIREMENT; WASTEWATER RATE COVENANT; REPORTING.**

(1) Debt Service Coverage Requirement. The Borrower shall maintain wastewater rates and charge fees in connection with the operation of the Facility that are adequate to generate Net Operating Revenues in each fiscal year sufficient to pay (i) all debt service (excluding debt service on the Loan), (ii) all other financial obligations imposed in connection with prior lien obligations of the Borrower, and (iii) an amount equal to the debt service coverage factor of 105% multiplied by the debt service payments due under this Loan Agreement in that fiscal year; provided, however, the amount required under (i) shall include any amounts required by DEQ to provide coverage satisfactory to DEQ on prior lien obligations or new lien obligations the Borrower may incur that DEQ determines are inadequately secured or otherwise may adversely affect the ability of the Borrower to repay the Loan.

(2) Wastewater Rate Adjustments. The Borrower shall review its wastewater rates and fees at least annually. If, in any fiscal year, the Borrower fails to collect fees sufficient to meet the debt service coverage requirement described in ARTICLE 5(B)(1), the Borrower shall promptly adjust its wastewater rates and fees to assure future compliance with such coverage requirement. The Borrower's adjustment of the wastewater rates and fees does **not** constitute a cure of any default by the Borrower of the debt service coverage requirement set forth in ARTICLE 5(B)(1). The Borrower's failure to adjust rates shall not, at the discretion of DEQ, constitute a default if the Borrower transfers to the fund that holds the Net Operating Revenues unencumbered resources in an amount equal to the revenue deficiency to the Facility that produces the Net Operating Revenues.

(3) Reporting Requirement. By December 31 of each year the Borrower shall provide DEQ with a report that demonstrates the Borrower's compliance with the requirements of this ARTICLE 5(B). If the audit report described in ARTICLE 5(F) identifies the Net Operating Revenues and contains a calculation demonstrating whether the Borrower satisfied the requirements of this ARTICLE 5(B), that audit will satisfy the requirements of this ARTICLE 5(B)(3).

**(C) LOAN RESERVE REQUIREMENT; LOAN RESERVE ACCOUNT.**

(1) Loan Reserve Requirement. The Loan reserve requirement equals 100% times one-half of the average annual debt service based on the final repayment schedule. Until the Final Loan Amount is calculated, the Loan Reserve Requirement is \$116,098. The Borrower shall deposit the Loan reserve requirement amount into the Loan Reserve Account no later than the date the first payment is due hereunder.

(2) Loan Reserve Account. The Borrower shall create a segregated Loan Reserve Account that shall be held in trust for the benefit of DEQ. The Borrower hereby grants to DEQ a security interest in and irrevocably pledges the Loan Reserve Account to pay the amounts due under this Loan Agreement. The funds in Loan Reserve Account so pledged and hereafter received by the Borrower shall immediately be subject to the lien of such pledge without physical delivery or further act, and the lien of the

pledge shall be superior to all other claims and liens whatsoever, to the fullest extent permitted by ORS 288.594. The Borrower represents and warrants that the pledge of the Loan Reserve Account hereby made by the Borrower complies with, and shall be valid and binding from the date of this Agreement pursuant to, ORS 288.594. The Borrower shall use the funds in the Loan Reserve Account solely to pay amounts due hereunder until the principal, interest, fees, and any other amounts due hereunder have been fully paid.

(3) Additional Deposits. If the balance in the Loan Reserve Account falls below the Loan reserve requirement, the Borrower shall promptly deposit from the first Net Operating Revenues available after payment of the amounts due hereunder (unless the Borrower has previously made such deposit from other money of the Borrower) an amount sufficient to restore the balance up to the Loan reserve requirement.

(D) **INSURANCE**. At its own expense, the Borrower shall, during the term of this Agreement, procure and maintain insurance coverage (including, but not limited to, hazard, flood and general liability insurance) adequate to protect DEQ's interest and in such amounts and against such risks as are usually insurable in connection with similar projects and as is usually carried by entities operating similar facilities. The insurance shall be with an entity which is acceptable to DEQ. The Borrower shall provide evidence of such insurance to DEQ. Self insurance maintained pursuant to a recognized municipal program of self-insurance will satisfy this requirement.

(E) **INDEMNIFICATION**. *The Borrower shall, to the extent permitted by law and the Oregon Constitution, indemnify, save and hold the State, its officers, agents and employees harmless from and (subject to ORS Chapter 180) defend each of them against any and all claims, suits, actions, losses, damages, liabilities, cost and expenses of any nature whatsoever resulting from, arising out of or relating to the acts or omissions of the Borrower or its officers, employees, subcontractors or agents in regard to this Agreement or the Project.*

**(F) THE BORROWER'S FINANCIAL RECORDS; FINANCIAL REPORTING REQUIREMENTS.**

(1) Financial Records. The Borrower shall keep proper and complete books of record and account and maintain all fiscal records related to this Agreement, the Project, and the Facility in accordance with generally accepted accounting principles, generally accepted government accounting standards, the requirements of the Governmental Accounting Standards Board, and state minimum standards for audits of municipal corporations. The Borrower must maintain separate Project accounts in accordance with generally accepted government accounting standards promulgated by the Governmental Accounting Standards Board. The Borrower will permit DEQ and the Oregon Secretary of State and their representatives to inspect its properties, and all work done, labor performed and materials furnished in and about the Project, and DEQ, the Oregon Secretary of State and the federal government and their duly authorized representatives shall have access to the Borrower's fiscal records and other books, documents, papers, plans and writings that are pertinent to this Agreement to perform examinations and audits and make excerpts and transcripts and take copies.

(2) **Record Retention Period.** The Borrower shall retain and keep accessible files and records relating to the Project for at least three (3) years (or such longer period as may be required by applicable law) after Project completion as determined by DEQ and financial files and records until all amounts due under this Loan Agreement are fully repaid, or until the conclusion of any audit, controversy, or litigation arising out of or related to this Agreement, whichever date is later.

(3) **Audit.** Federal enabling legislation and applicable regulations require an audit of each CWSRF Loan. The Borrower agrees to provide to DEQ the following which DEQ agrees to accept as adequate to meet this federal audit requirement.

(a) As soon as possible, but in no event later than six (6) months following the Project Completion Date, a full and complete accounting of the Costs of the Project, including but not limited to documentation to support each cost element and a summary of the Costs of the Project and the sources of funding; and

(b) As soon as possible, but in no event later than nine (9) months after the end of each fiscal year, a copy the Borrower's annual audit report.

(4) **Single Audit Act Requirements.** The CWSRF Program receives capitalization grants through the Catalog of Federal Domestic Assistance (CFDA) No. 66.458: Capitalization Grants for State Revolving Funds and is subject to the regulations of the U.S. Environmental Protection Agency. The CWSRF Program is subject to the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" implementing the Single Audit Act of 1996 ("Circular A-133"). As a sub-recipient of a federal grant, the Borrower is subject to Circular A-133 to the extent that Loan proceeds include federal capitalization grant funds. DEQ will notify the Borrower of the sources of the Loan funds at the end of each fiscal year, and to the extent required, the Borrower is responsible for compliance with the requirements of Circular A-133.

(G) **MBE, WBE AND SBRA AFFIRMATIVE STEPS.** Pursuant to the affirmative steps described in Appendix C, the Borrower shall make a good faith effort to promote fair share awards to Minority Business Enterprises ("MBE"), Women's Business Enterprises ("WBE"), and Small Businesses in Rural Areas ("SBRA") on all contracts and subcontracts awarded as part of the Project.

(H) **PROJECT ASSURANCES.** Nothing in this Loan Agreement prohibits the Borrower from requiring more assurances, guarantees, indemnity or other contractual requirements from any party performing Project work.

**ARTICLE 6: REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS RELATING TO  
CONSTRUCTION PROJECTS ONLY**

(A) **THE BORROWER'S REPRESENTATION AND WARRANTY REGARDING COSTS  
ALREADY INCURRED.**

(1) The Borrower represents and warrants to DEQ that, as of the date of this Loan Agreement, the Costs of the Project actually incurred by the Borrower for construction, do not exceed \$ -0-.

(2) The Borrower acknowledges that DEQ is relying upon the Borrower's representation regarding the amount of Costs of the Project incurred by the Borrower for construction prior to the date of this Loan Agreement as set forth in ARTICLE 6(A)(1) above to determine what portion of the Loan qualifies as a "refinancing" under the EPA's Clean Water State Revolving Fund regulations, 40 C.F.R. Part 35, that may be disbursed on a reimbursement basis.

**(B) CONDITION TO DISBURSEMENTS.** DEQ's obligation to make disbursements hereunder is further conditioned on the following:

(1) The Borrower's plans, specifications and related documents for the Project shall be reviewed and approved by DEQ.

(2) The Borrower has submitted documentation satisfactory to DEQ that the disbursement is for work that complies with plans, specifications, change orders and addenda approved by DEQ.

(3) The Borrower has submitted a copy of the awarded contract and bid documents (including a tabulation of all bids received) to DEQ for the portion of the Project costs that will be funded with the disbursement.

**(C) GENERAL PROVISIONS.** The Borrower covenants with DEQ that:

(1) Construction Manual. Unless stated otherwise in this Agreement, the Borrower shall comply with the requirements set forth in the current version of the Manual. DEQ will provide the Borrower with a copy of the Manual upon request.

(2) Plans and Specifications. The Borrower shall obtain DEQ's review and approval of the Borrower's plans, specifications, and related documents for the Project prior to any disbursement of Loan proceeds hereunder.

(3) Change Orders. The Borrower shall submit all change orders to DEQ. The Borrower shall not use any Loan proceeds to pay for costs of any change order that DEQ has not approved in writing. This ARTICLE 6(C)(3) shall not prevent the Borrower from using funds other than Loan proceeds to pay for a change order before DEQ approves it, but the Borrower bears the risk that DEQ will not approve the change order.

(4) Inspections; Reports. The Borrower shall provide inspection reports during the construction of the Project as required by DEQ to ensure that the Project complies with approved plans and specifications. Qualified inspectors shall conduct these inspections under the direction of a registered civil, mechanical or electrical engineer, whichever is appropriate. DEQ or its representative(s) may enter property owned or controlled by the Borrower to conduct interim inspections and require progress

reports sufficient to determine compliance with approved plans and specifications and with the Loan Agreement, as appropriate.

(5) Asbestos and Other Hazardous Materials. The Borrower shall ensure that only persons trained and qualified for removal of asbestos or other Hazardous Materials will remove any asbestos or Hazardous Materials, respectively, which may be part of this Project.

(6) Operation and Maintenance Manual. The Borrower shall submit to DEQ a draft Facility operation and maintenance manual before the Project is fifty percent (50%) complete. The Borrower shall submit to DEQ a final Facility operation and maintenance manual that meets DEQ's approval before the Project is ninety percent (90%) complete.

(7) Project Performance Certification. The Borrower shall submit to DEQ draft performance standards before the Project is fifty percent (50%) complete. The Borrower shall submit to DEQ final performance standards that meet DEQ's approval before the Project is ninety percent (90%) complete. The Borrower shall submit to DEQ the following done in accordance with the Manual: (i) no later than 10.5 months after the Initiation of Operation (as that term is defined in OAR 340-054-0010(26)), a performance evaluation report based on the approved performance standards; (ii) within one year after the Project's Initiation of Operation, Project performance certification statement; and (iii) within two (2) months of submission of such Project performance certification statement, a corrective action plan for any Project deficiencies noted in said statement.

(8) Alterations After Completion. The Borrower shall not materially alter the design or structural character of the Project after completing the Project without DEQ's written approval.

(9) Project Initiation of Operations.

(a) The Borrower shall notify DEQ of the Initiation of Operation no more than thirty (30) days after the actual Project Completion Date.

(b) If the Project is completed, or is completed except for minor items, and the Project is operable, but DEQ has not received a notice of Initiation of Operation from the Borrower, DEQ may assign an Initiation of Operation date.

**(D) PROVISION APPLICABLE TO CONTRACTS AND SUBCONTRACTS AWARDED FOR THE PROJECT**

(1) Davis-Bacon Requirements. The Project is not subject to the wage rate requirements of the Davis-Bacon Act, as amended, 40 U.S.C. §§276a to 276a-5 (1994). However, all contracts and subcontracts awarded as part of the Project shall comply with the requirements of the *Prevailing Wage Rates for Public Works Projects in Oregon* established under ORS 279C.800 through 279C.870 and OAR 839-025-0000 through 839-025-0540.

(2) Retainage. The Borrower shall require a five percent (5%) retainage in all of its contracts related to the Project for an amount greater than One Hundred Thousand Dollars (\$100,000).

**ARTICLE 7: DISCLAIMERS BY DEQ; LIMITATION OF DEQ'S LIABILITY**

(A) **DISCLAIMER OF ANY WARRANTY.** DEQ EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, REGARDING THE PROJECT, THE QUALITY OF MATERIALS SUPPLIED TO AND THAT BECOME A PART OF THE PROJECT, THE QUALITY OF THE WORKMANSHIP PERFORMED UPON THE PROJECT, OR THE EXTENT AND STAGE OF COMPLETION OF THE PROJECT. No such warranty or guarantee shall be implied by virtue of any inspection or disbursement made by DEQ. Any inspection done by DEQ shall be for its sole benefit.

(B) **DISCLAIMER OF LIABILITY OF DEQ.** DEQ EXPRESSLY DISCLAIMS LIABILITY OF ANY KIND OR CHARACTER WHATSOEVER FOR PAYMENT OF LABOR OR MATERIALS OR OTHERWISE IN CONNECTION WITH THE COMPLETION OF THE PROJECT OR CONTRACTS ENTERED INTO BY THE BORROWER WITH THIRD PARTIES FOR THE COMPLETION OF THE PROJECT. All Project costs of labor, materials and construction, including any indirect costs, shall be the responsibility of and shall be paid by the Borrower.

(C) **NONLIABILITY OF STATE.**

(1) The State and its officers, agents and employees shall not be liable to the Borrower or to any other party for any death, injury, damage, or loss that may result to any person or property by or from any cause whatsoever, arising out of any defects in the plans, design drawings and specifications for the Project, any agreements or documents between the Borrower and third parties related to the Project or any activities related to the Project. DEQ shall not be responsible for verifying cost-effectiveness of the Project, doing cost comparisons or reviewing or monitoring compliance by the Borrower or any other party with state procurement laws and regulations.

(2) The Borrower hereby expressly releases and discharges DEQ, its officers, agents and employees from all liabilities, obligations and claims arising out of the Project work or under the Loan, subject only to exceptions previously agreed upon in writing by the parties.

(3) Any findings by DEQ concerning the Project and any inspections or analyses of the Project by DEQ are for determining eligibility for the Loan and disbursement of Loan proceeds only. Such findings do not constitute an endorsement of the feasibility of the Project or its components or an assurance of any kind for any other purpose.

(4) Review and approval of Facilities plans, design drawings and specifications or other documents by or for DEQ does not relieve the Borrower of its responsibility to properly plan, design, build and effectively operate and maintain the Facility as required by law, regulations, permits and good management practices.

#### ARTICLE 8: DEFAULT AND REMEDIES

(A) **EVENTS OF DEFAULT.** The occurrence of one or more of the following events constitutes an Event of Default, whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency:

(1) The Borrower fails to make any Loan payment within thirty (30) days after the payment is scheduled to be made according to the repayment schedule;

(2) Any representation or warranty made by the Borrower hereunder was untrue in any material respect as of the date it was made;

(3) The Borrower becomes insolvent or admits in writing an inability to pay its debts as they mature or applies for, consents to, or acquiesces in the appointment of a trustee or receiver for the Borrower or a substantial part of its property; or in the absence of such application, consent, or acquiescence, a trustee or receiver is appointed for the Borrower or a substantial part of its property and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement or moratorium or any dissolution or liquidation proceeding is instituted by or against the Borrower and, if instituted against the Borrower, is consented to or acquiesced in by the Borrower or is not dismissed within twenty (20) days;

(4) As a result of any changes in the United States Constitution or the Oregon Constitution or as a result of any legislative, judicial, or administrative action, any part of this Loan Agreement becomes void, unenforceable or impossible to perform in accordance with the intent and purposes of the parties hereto or is declared unlawful;

(5) The Borrower defaults in the performance or observance of any covenants or agreements contained in any loan documents between itself and any lender or lenders, and the default remains uncured upon the expiration of any cure period provided by said loan documents; or

(6) The Borrower fails to cure non-compliance in any material respect with any other covenant, condition, or agreement of the Borrower hereunder, other than as set forth in (1) through (5) above, within a period of thirty (30) days after DEQ provides notice of the noncompliance.

(B) **REMEDIES.** If DEQ determines that an Event of Default has occurred, DEQ may, without further notice:

(1) Declare the Outstanding Loan Amount plus any unpaid accrued interest, fees and any other amounts due hereunder immediately due and payable;

- (2) Cease making disbursement of Loan proceeds or make some disbursements of Loan proceeds and withhold or refuse to make other disbursements;
- (3) Appoint a receiver, at the Borrower's expense, to operate the facility that produces the pledged revenues and collect the Gross Revenues
- (4) Set and collect utility rates and charges;
- (5) Pay, compromise or settle any liens on the Facility or the Project or pay other sums required to be paid by the Borrower in connection with the Project, at DEQ's discretion, using the Loan proceeds and such additional money as may be required. If DEQ pays any encumbrance, lien, claim, or demand, it shall be subrogated, to the extent of the amount of such payment, to all the rights, powers, privileges, and remedies of the holder of the encumbrance, lien, claim, or demand, as the case may be. Any such subrogation rights shall be additional cumulative security for the amounts due under this Loan Agreement;
- (6) Direct the State Treasurer to withhold any amounts otherwise due to the Borrower from the State of Oregon and, to the extent permitted by law, direct that such funds be applied to the amounts due DEQ under this Loan Agreement and be deposited into the SRF;
- (7) Pursue any other legal or equitable remedy it may have.

#### ARTICLE 9: DEFINITIONS

(A) "**BORROWER**" means the public agency (as defined in ORS 468.423(2)) shown as the "Borrower" in Article 1(A) of this Agreement.

(B) "**COMPLETION DATE**" means the date on which the Project is completed. If the Project is a planning project, the Completion Date is the date on which DEQ accepts the planning project. If the Project is a design project, the Completion Date is the date on which the design project is ready for the contractor bid process. If the Project is a construction project, the Completion Date is the date on which the construction project is substantially complete and ready for Initiation of Operation.

(C) "**COSTS OF THE PROJECT**" means expenditures approved by DEQ that are necessary to construct the Project in compliance with DEQ's requirements and may include but are not limited to the following items:

- (1) Cost of labor and materials and all costs the Borrower is required to pay under the terms of any contract for the design, acquisition, construction or installation of the Project;
- (2) Engineering fees for the design and construction of the Project.
- (3) The costs of surety bonds and insurance of all kinds that may be required or necessary during the course of completion of the Project;

(4) The legal, financing and administrative costs of obtaining the Loan and completing the Project; and

(5) Any other costs approved in writing by DEQ.

(D) "CWSRF PROGRAM" or "CWSRF" means the Clean Water State Revolving Fund Loan Program, a loan program administered by DEQ under ORS 468.423 to 468.440.

(E) "DEQ" means the Oregon Department of Environmental Quality.

(F) "DIRECTOR" means the Director of DEQ or the Director's authorized representative.

(G) "FACILITY" means all property owned or used by the Borrower to provide wastewater collection, treatment and disposal services, of which the Project is a part.

(H) "FINAL LOAN AMOUNT" means the total of all Loan proceeds disbursed to the Borrower under the Loan Agreement, determined on the date on which the Borrower indicates that no further Loan funds will be requested, all eligible expenditures have been reimbursed from the Loan proceeds, or all Loan proceeds have been disbursed hereunder, whichever occurs first.

(I) "GROSS REVENUES" means all fees and charges resulting from operation of the Facility and any interest earnings thereon; provided however, Gross Revenues does not include: the proceeds of any grants; the proceeds of any borrowings for capital improvements; the proceeds of any liability insurance; or the proceeds of any casualty insurance which the Borrower intends to and does utilize for repair or replacement of the Facility or a part thereof.

(J) "HAZARDOUS MATERIALS" means and includes flammable explosives, radioactive materials, asbestos and substances defined as hazardous materials, hazardous substances or hazardous wastes in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and regulations promulgated thereunder.

(K) "LOAN" means the loan made pursuant to this Loan Agreement.

(L) "LOAN AGREEMENT" or "AGREEMENT" means this loan agreement and its exhibits, appendices, schedules and attachments (which are by this reference incorporated herein), and any amendments thereto.

(M) "LOAN AMOUNT" means the maximum amount DEQ agrees to loan the Borrower hereunder.

(N) "LOAN RESERVE ACCOUNT" means the account described in ARTICLE 5(c)(2).

(O) "LOBBYING" means influencing or attempting to influence a member, officer or employee of a governmental agency or legislature in connection with the awarding of a government

contract, the making of a government grant or loan or the entering into of a cooperative agreement with such governmental entity or the extension, continuation, renewal, amendment or modification of any of the above.

(P) "MANUAL" means CWSRF Manual for Construction Projects.

(Q) "NET OPERATING REVENUES" means the Gross Revenues less the Operating Expenses for the Facility.

(R) "OPERATING EXPENSES" means all direct and indirect expenses incurred for operation, maintenance and repair of the Facility, including but is not limited to administrative expenses, legal, financial and accounting expenses, insurance premiums, claims (to the extent that monies are not available from insurance proceeds), taxes, engineering expenses relating to operation and maintenance, payments and reserves for pension, retirement, health, hospitalization, and sick leave benefits, and any other similar expenses to be paid to the extent properly and directly attributable to operations of the Facility. Operating expenses include an appropriate amount for reserves for repair and replacement of the Facility based on the expected life of the collection, treatment and disposal facilities.

(S) "OUTSTANDING LOAN AMOUNT" means, as of any date, the sum of all disbursements to the Borrower hereunder less the sum of all Loan principal payments received by DEQ.

(T) "PROJECT" means the facilities, activities or documents described in ARTICLE 1(E) and (F).

(U) "REPAYMENT PERIOD" means the repayment period specified in ARTICLE 1(H) which shall not exceed twenty (20) years after the Completion Date.

(V) "SRF" means the Water Pollution Control Revolving Fund established under ORS 468.427, also known as the State Revolving Fund.

(W) "STATE" means the State of Oregon.

#### ARTICLE 10: MISCELLANEOUS

(A) NOTICES. All notices, payments, statements, demands, requests or other communications under this Loan Agreement by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered by personal delivery, by certified mail, return receipt requested, or by facsimile transmission, and, if to the Borrower, delivered, addressed or transmitted to the location or number listed in ARTICLE 1(B), and if to DEQ, delivered, addressed or transmitted to:

Clean Water State Revolving Fund Loan Program  
Water Quality Division  
Department of Environmental Quality  
811 S.W. Sixth Avenue  
Portland, Oregon 97204-1390  
Fax (503) 229-6037

or to such other addresses or numbers as the parties may from time to time designate. Any notice or other communication so addressed and mailed shall be deemed to be given five (5) days after mailing. Any notice or other communication delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. To be effective against DEQ, such facsimile transmission must be confirmed by telephone notice to DEQ's CWSRF Program Coordinator. Any notice or other communication by personal delivery shall be deemed to be given when actually delivered.

**(B) WAIVERS AND RESERVATION OF RIGHTS.**

(1) DEQ's waiver of any breach by the Borrower of any term, covenant or condition of this Loan Agreement shall not operate as a waiver of any subsequent breach of the same or breach of any other term, covenant, or condition of this Loan Agreement. DEQ may pursue any of its remedies hereunder concurrently or consecutively without being deemed to have waived its right to pursue any other remedy.

(2) Nothing in this Loan Agreement affects DEQ's right to take remedial action, including, but not limited to, administrative enforcement action and action for breach of contract against the Borrower, if the Borrower fails to carry out its obligations under this Loan Agreement.

**(C) TIME IS OF THE ESSENCE.** The Borrower agrees that time is of the essence under this Loan Agreement.

**(D) RELATIONSHIP OF PARTIES.** The parties agree and acknowledge that their relationship is that of independent contracting parties, and neither party hereto shall be deemed an agent, partner, joint venturer or related entity of the other by reason of this Loan Agreement.

**(E) NO THIRD PARTY BENEFICIARIES.** DEQ and the Borrower are the only parties to this Loan Agreement and are the only parties entitled to enforce the terms of this Loan Agreement. Nothing in this Loan Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Loan Agreement. Any inspections, audits, reports or other assurances done or obtained, or approvals or consents given, by DEQ are for its benefit only for the purposes of administering this Loan and the CWSRF Program.

**(F) ASSIGNMENT.** DEQ shall have the right to transfer the Loan or any part thereof, or assign any or all of its rights under this Loan Agreement, at any time after execution of this Loan Agreement upon written notice to the Borrower. Provisions of this Loan Agreement shall inure to the benefit of DEQ's successors and assigns. This Loan Agreement or any interest therein may be assigned or transferred by the Borrower only with DEQ's prior written approval (which consent may be withheld for any reason), and any assignment or transfer by the Borrower in contravention of this ARTICLE 10(F) shall be null and void.

**(G) DEQ NOT REQUIRED TO ACT.** Nothing contained in this Loan Agreement requires DEQ to incur any expense or to take any action hereunder in regards to the Project.

**(H) FURTHER ASSURANCES.** The Borrower and DEQ agree to execute and deliver any written instruments necessary to carry out any agreement, term, condition or assurance in this Loan Agreement whenever a party makes a reasonable request to the other party for such instruments.

**(I) VALIDITY AND SEVERABILITY; SURVIVAL.** If any part, term, or provision of this Loan Agreement or of any other Loan document shall be held by a court of competent jurisdiction to be void, voidable, or unenforceable by either party, the validity of the remaining portions, terms and provisions shall not be affected, and all such remaining portions, terms and provisions shall remain in full force and effect. Any provision of this Agreement which by its nature or terms is intended to survive termination, including but not limited to ARTICLE 5(E), shall survive termination of this Agreement.

**(J) NO CONSTRUCTION AGAINST DRAFTER.** Both parties acknowledge that they are each represented by and have sought the advice of counsel in connection with this Loan Agreement and the transactions contemplated hereby and have read and understand the terms of this Loan Agreement. The terms of this Loan Agreement shall not be construed against either party as the drafter hereof.

**(K) HEADINGS.** All headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Loan Agreement.

**(L) ATTORNEYS' FEES AND EXPENSES.** In any action or suit to enforce any right or remedy under this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, to the extent permitted by law.

**(M) LAWS GOVERNING; VENUE; JURISDICTION.** This Agreement shall be governed by and construed in accordance with the laws of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between DEQ (and/or any other agency or department of the State of Oregon) and the Borrower that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this ARTICLE 10(M) be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. BORROWER, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

**(N) COUNTERPARTS.** This Loan Agreement may be executed in any number of counterparts, each of which is deemed to be an original, but all together constitute but one and the same instrument.

**(O) ENTIRE AGREEMENT; AMENDMENTS.** This Loan Agreement constitutes the entire agreement between the Borrower and DEQ on the subject matter hereof, and it shall be binding on

the parties thereto when executed by all the parties and when all approvals required to be obtained by DEQ have been obtained. This Loan Agreement, including all related Loan documents and instruments, may not be amended, changed, modified, or altered without the written consent of the parties.

**CITY OF LEBANON**

By: \_\_\_\_\_  
Authorized Officer

\_\_\_\_\_ Date

Typed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**STATE OF OREGON ACTING BY AND THROUGH ITS  
DEPARTMENT OF ENVIRONMENTAL QUALITY**

By: \_\_\_\_\_  
Lauri G. Aunan, Water Quality Administrator

\_\_\_\_\_ Date

Approved as to legal sufficiency  
By the Attorney General's Office:

\_\_\_\_\_  
Assistant Attorney General      \_\_\_\_\_ Date  
E-mail approval 1/24/2006  
*CAW*

APPENDIX A: REPAYMENT SCHEDULE

Due Date	Pmt#	PAYMENT				Principal Balance
		Principal	Interest	Fees	Total	
						3,442,000
		0	101,000	0	101,000	3,442,000
2/1/2009	2	66,060	50,425	17,210	133,695	3,375,940
8/1/2009	3	67,027	49,458	0	116,485	3,308,913
2/1/2010	4	68,009	48,476	16,545	133,030	3,240,904
8/1/2010	5	69,006	47,479	0	116,485	3,171,898
2/1/2011	6	70,017	46,468	15,859	132,344	3,101,881
8/1/2011	7	71,042	45,443	0	116,485	3,030,839
2/1/2012	8	72,083	44,402	15,154	131,639	2,958,756
8/1/2012	9	73,139	43,346	0	116,485	2,885,617
2/1/2013	10	74,211	42,274	14,428	130,913	2,811,406
8/1/2013	11	75,298	41,187	0	116,485	2,736,108
2/1/2014	12	76,401	40,084	13,681	130,166	2,659,707
8/1/2014	13	77,520	38,965	0	116,485	2,582,187
2/1/2015	14	78,656	37,829	12,911	129,396	2,503,531
8/1/2015	15	79,808	36,677	0	116,485	2,423,723
2/1/2016	16	80,977	35,508	12,119	128,604	2,342,746
8/1/2016	17	82,164	34,321	0	116,485	2,260,582
2/1/2017	18	83,367	33,118	11,303	127,788	2,177,215
8/1/2017	19	84,589	31,896	0	116,485	2,092,626
2/1/2018	20	85,828	30,657	10,463	126,948	2,006,798
8/1/2018	21	87,085	29,400	0	116,485	1,919,713
2/1/2019	22	88,361	28,124	9,599	126,084	1,831,352
8/1/2019	23	89,656	26,829	0	116,485	1,741,696
2/1/2020	24	90,969	25,516	8,708	125,193	1,650,727
8/1/2020	25	92,302	24,183	0	116,485	1,558,425
2/1/2021	26	93,654	22,831	7,792	124,277	1,464,771
8/1/2021	27	95,026	21,459	0	116,485	1,369,745
2/1/2022	28	96,418	20,067	6,849	123,334	1,273,327
8/1/2022	29	97,831	18,654	0	116,485	1,175,496
2/1/2023	30	99,264	17,221	5,877	122,362	1,076,232
8/1/2023	31	100,718	15,767	0	116,485	975,514
2/1/2024	32	102,194	14,291	4,878	121,363	873,320
8/1/2024	33	103,691	12,794	0	116,485	769,629
2/1/2025	34	105,210	11,275	3,848	120,333	664,419
8/1/2025	35	106,751	9,734	0	116,485	557,668
2/1/2026	36	108,315	8,170	2,788	119,273	449,353
8/1/2026	37	109,902	6,583	0	116,485	339,451
2/1/2027	38	111,512	4,973	1,697	118,182	227,939
8/1/2027	39	113,146	3,339	0	116,485	114,793
2/1/2028	40	114,793	1,682	574	117,049	0

TOTALS 3,442,000 1,201,905 192,283 4,836,188  
 REQUIRED LOAN RESERVE: \$ 116,098

**APPENDIX B: ESTIMATED CWSRF LOAN DISBURSEMENT SCHEDULE**

Loan funds are expected to be available based on the following Project schedule:

04,07 - 06,07: \$1,147,000  
07,07 - 09,07: \$1,147,500  
10,07 - 12,07: \$ 573,750  
01,08 - 03,08: \$ 573,750

APPENDIX C: MBE/WBE AFFIRMATIVE STEPS

At a minimum a recipient or prime contractor must take six affirmative steps to demonstrate good faith effort to utilize minority (MBE), women-owned (WBE) and small (SBE) businesses. The six steps are:

- 1) The bidder includes qualified small, minority and women's businesses on solicitation lists;
- 2) The bidder assures that small, minority, women's businesses are solicited whenever they are potential sources;
- 3) The bidder divides total requirements, whenever economically feasible, into smaller tasks or quantities to permit maximum participation by small, minority or women's businesses;
- 4) The bidder establishes delivery schedules whenever the requirements of the work permit, which will encourage participation by small, minority and women's businesses;
- 5) The bidder uses the services and assistance of the Small Business Administration (<http://pro-net.sba.gov>) and the Minority Business Development Agency of the U.S. Department of Commerce (<http://www.mbda.gov>) to identify appropriate small, minority and women businesses; and
- 6) If the bidder awards contracts/procurements, the bidder will require the subcontractors to take all of the affirmative action steps described above. (40 CFR Section 35.3145(d))

Forms for documenting compliance with these requirements may be found at Tab 6 of the Manual for Construction Projects. Please note that these requirements apply to any procurement of construction, supplies, equipment or services.

Additional resources available to recipients and contractors include the following:

EPA Office of Small and Disadvantaged Business Utilization:

Phone: 206 – 553 – 2931

Web Site: [www.epa.gov/bsdbu](http://www.epa.gov/bsdbu)

Oregon Office of Minority, Women and Emerging Small Business

350 Winter Street N.E., Room 300

Salem, OR 97301-3878

Phone: 503 – 947 – 7922

Web Site: [www.cbs.state.or.us/omweshb](http://www.cbs.state.or.us/omweshb)

**APPENDIX D: APPLICABLE FEDERAL AUTHORITIES AND LAWS ("CROSS-CUTTERS")**

**ENVIRONMENTAL LEGISLATION:**

Archaeological and Historic Preservation Act of 1974, PL 93-291.  
Clean Air Act, 42 U.S.C. 7506(c).  
Coastal Barrier Resources Act, 16 U.S.C. 3501, et seq.  
Coastal Zone Management Act of 1972, PL 92-583, as amended.  
Endangered Species Act 16 U.S.C. 1531, et seq.  
Executive Order 11593, Protection and Enhancement of the Cultural Environment.  
Executive Order 11988, Floodplain Management.  
Executive Order 11990, Protection of Wetlands.  
Farmland Protection Policy Act, 7 U.S.C. 4201, et seq.  
Fish and Wildlife Coordination Act, PL 85-624, as amended.  
National Historic Preservation Act of 1966, PL 89-665, as amended.  
Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended.  
Wild and Scenic Rivers Act, PL 90-542, as amended.  
Federal Water Pollution Control Act Amendments of 1972, PL 92-500.

**ECONOMIC LEGISLATION:**

Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended.  
Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including  
Executive Order 11738, Administration of the Clean Air Act and the Federal Water  
Pollution Control Act with Respect to Federal Contracts, Grants or Loans.

**SOCIAL LEGISLATION:**

The Age Discrimination Act of 1975, Pub. L. No. 94-135, 89 Stat. 713, 42 U.S.C. §6102 (1994).  
Civil Rights Act of 1964, Pub. L. No. 88-352, 78 Stat. 252, 42 U.S.C. §2000d (1988).  
Section 13 of PL 92-500; Prohibition against Sex Discrimination under the Federal Water Pollution  
Control Act.  
Rehabilitation Act of 1973, Pub. L. No. 93-1123, 87 Stat. 355, 29 U.S.C. §794 (1988), including  
Executive Orders 11914 and 11250).

**MISCELLANEOUS AUTHORITY:**

Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 92-646.  
Executive Order 12549 and 40 CFR Part 32, Debarment and Suspension.  
Disclosure of Lobbying Activities, Section 1352, Title 31, U.S. Code.

# Agenda Item 9



**CITY OF LEBANON**

---

**MEMORANDUM**

**TO:** Mayor Toombs and City Council

**DATE:** February 15, 2006

**FROM:** John Hitt, City Administrator

**SUBJECT:** City Administrator's Report

At the February 22 City Council meeting, I will provide the City Council a brief update on the following matters:

1. FY 06/07 Budget
2. Project Mustang
3. URD Amendments
4. Miscellaneous

JEH/lgk