



LEBANON CITY COUNCIL SPECIAL MEETING AND EXECUTIVE SESSION AGENDA

October 23, 2024 at 12:00 PM

Santiam Travel Station – 750 3rd Street, Lebanon, Oregon

MISSION STATEMENT

The City of Lebanon is dedicated to providing exceptional services and opportunities that enhance the quality of life for present and future members of the community.

Mayor: Kenneth Jackola

Council President Michelle Steinhebel | Councilor Wayne Dykstra | Councilor Carl Mann

Councilor Jeremy Salvage | Councilor Kim Ullfers | Councilor Dave Workman

CALL TO ORDER / FLAG SALUTE

ROLL CALL

CONSENT CALENDAR

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

1. **AGENDA:** Lebanon City Council Agenda – October 23, 2024
2. **APPROVAL TO AWARD:** Airport Rd/Stoltz Hill Rd Intersection Improvements (Project #20709)

PRESENTATION / RECOGNITION

PUBLIC COMMENTS

*Citizens may address the Council by filling out a testimony/comment card prior to speaking and hand it to the City Recorder. Each citizen is provided up to 5 minutes to provide comments to the Council. The Council may take an additional two minutes to ask clarifying questions. The City Recorder will accept and distribute written comments at a speaker's request. Public comments can also be submitted by email to city.recorder@lebanonoregon.gov prior to **5:00 p.m. on October 22, 2024**. The City Recorder will distribute comments to the Mayor and Council prior to the meeting.*

PUBLIC HEARING(S)

REGULAR SESSION

3. Strategic Plan Update and Discussion - SSW Consulting
4. Proposed City Services Fee
5. Solar Discussion

ITEMS FROM COUNCIL

PUBLIC/PRESS COMMENTS

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

NEXT SCHEDULED COUNCIL MEETING(S):

November 13, 2024 @ 4:30pm Joint Planning Commission and City Council Work Session

November 13, 2024 @ 5:30pm City Council Work Session

November 13, 2024 @ 6:00pm City Council Meeting

EXECUTIVE SESSION

Executive Sessions are closed to the public due to the highly confidential nature of the subject. It is unlawful to discuss anything outside of the Executive Session. Final action/decisions are to be made in open session.

6. Per ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

REGULAR SESSION

ADJOURNMENT

INSTRUCTIONS FOR TESTIFYING ON AGENDA AND NON-AGENDA ITEMS:

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

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

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

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



925 S. Main Street
Lebanon, Oregon 97355
TEL: 541.258.4923
www.lebanonoregon.gov

MEMORANDUM

Engineering Services

Date: October 15, 2024

To: Mayor Jackola and City Council
From: Ron Whitlatch, Engineering Services Director
Subject: **Approval to Award Project**
Airport Road – Stoltz Hill Road Intersection Improvements
Project No. 20709

I. INTRODUCTION

The Airport Road – Stoltz Hill Road Intersection Improvements Project was advertised on Thursday, September 19, 2024 for bids.

II. CURRENT REPORT

Bids for the project were opened Tuesday, October 15, 2024. There was a total of eight bids received; a comparison of the bids with the Engineer’s Estimate is presented below.

Company	Bid Amount	Company	Bid Amount
K&E Excavating, Inc	\$2,380,395.50	Riverbend Construction	\$2,093,565.00
Knife River	\$2,248,304.36	The Saunders Company	\$2,988,882.00
North Santiam Paving Co	\$2,195,261.55	Turney Excavating	\$2,160,942.00
Pacific Excavation Inc	\$2,356,504.00	Willamette Valley Excavating	\$2,267,970.24
		Engineer’s Estimate	\$2,867,276.00

The lowest responsive bid was submitted by Riverbend Construction from Eugene, Oregon as indicated above. Their bid is approximately 27% lower than the Engineer’s Estimate.

III. RECOMMENDATION

This memo requests a City Council motion to award the Airport Road – Stoltz Hill Road Intersection Improvements Project to Riverbend Construction, of Eugene, Oregon.



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MEMORANDUM

Administrative Services

To: Mayor Jackola and City Council

Date: October 15, 2024

From: Ron Whitlatch, Interim City Manager

Subject: **City Services Fee Discussion and Ordinance/Resolution Review**

I. BACKGROUND

The following agenda item is intended to hear from the City Council of any proposed changes to the City Services Fee following the two Town Hall Meetings held on October 10th and 15th. Attached is an example Ordinance and Resolution for discussion purposes. Any proposed changes will be captured at the meeting and brought before the City Council in November for approval consideration.

II. RECOMMENDATION

No recommendation as this a discussion item only.

A BILL FOR AN ORDINANCE CREATING) ORDINANCE BILL NO. 2024-
SECTION 3.24 - CITY SERVICES FEE)
TO THE LEBANON MUNICIPAL CODE) ORDINANCE NO.

WHEREAS, In the 1990s, Oregon tax limitation measures capped property tax revenue; and

WHEREAS, City revenue has not kept pace with inflation; and

WHEREAS, Lebanon is growing and so is the demand on City services; and

WHEREAS, The City will not be able to maintain the programs and services that our community has come to expect without additional funding; and

WHEREAS, The City Council has reviewed options for generating revenue and determined that a City Services Fee is vital to supporting valued city services; and

WHEREAS, The City Services Fee will be used to support staffing, programs, and services in the General Fund.

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

Section 1. Lebanon Municipal Code (LMC) Section 3.24 City Services Fee, is hereby created as follows:

3.24.010 Title and Purpose

This section shall be known and may be cited as the “City Services Fee Code of the City of Lebanon.” The purpose of this section is to establish a fee to offset the cost of providing city services, and for the administration of such a fee.

3.24.030 Definitions

The following words, terms, and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (1) “City” means the City of Lebanon, a municipal corporation of the State of Oregon.
- (2) “City Manager” means the person chosen by the Lebanon City Council to meet the requirements of Section 21 of the Lebanon Charter or such person as may be designated by the City Manager to act in their name and capacity.
- (3) “Director” means the person designated by the City Manager to supervise the Finance Department and who is charged with certain duties and responsibilities by this title, or the duly appointed representative.
- (4) “Developed property” means a lot or parcel, or portion thereof, of land within the corporate limits of the city of Lebanon that receives a direct or indirect benefit from city services. It is presumed that a developed property receives a direct or indirect benefit from city services if improvements exist on the premises or the premises is served by a city utility system.

3.24.040 Administration and Rulemaking

The Director shall administer and enforce the provisions of this chapter, have the authority to render written and oral interpretations, conduct audits, and to adopt

administrative rules and procedures governing the administration, enforcement, and collection of the city services fee.

3.24.050 Fee Established

A city services fee is hereby created and imposed on the owner, tenant, agent or other authorized representative responsible for occupancy of a developed property in amounts set forth by City Council resolution. The city services fee is based on the direct and indirect use of or benefit from the provision and use of general city services; it is not a property tax; and it is not subject to the limitation of article XI, section 11 of the Oregon Constitution. The obligation to pay a city services fee arises when a person receives the direct or indirect benefit of city services. It is presumed that the benefit of city services is received whenever there is a developed property. All monies received from the city services fee shall be deposited into the General Fund.

3.24.060 Commencement

The City Services Fee shall be applied to all developed properties within the city limits on the effective date of this ordinance. For developed properties annexed into the city after the effective date, the city services fee shall apply upon the approved annexation ordinance.

3.24.070 Fee Amount and Annual Adjustments

(1) The rate for the city services fee shall be established by City Council resolution and shall be applied to utility customer accounts by classification.

(2) Customer account classification shall be determined by the Director or the duly authorized representative. Any appeal of the Director's determination shall be made in writing to the Director in accordance with Council policy. Any request for review of the Director's appeal determination shall be made in writing to the City Manager. The City Manager's determination shall be final.

(3) The rate of the city services fee shall be adjusted annually for inflation as determined by the City Council.

(4) The rate, other charges, or any adjustments to the city services fee shall be set annually by resolution of the City Council.

3.24.080 Billing, Due Date, and Delinquency

(1) A city services fee shall be billed to and collected from the owner, tenant, agent, or other authorized representative responsible for occupancy of a developed property as defined within this chapter.

(2) Bills for the related fee shall follow the same cycle as defined in 13.04.100.

(3) A city services fee shall be included and separately identified in a utility billing statement for a developed property account and shall be due and payable on the same schedule as that set forth in the statement. Payments for a city services fee through the utility billing statement shall be applied in a priority consistent as established by the Director.

(4) Unless another person has agreed in writing to pay all or a portion of the city services fee, and a copy of that writing is filed with the Director, the responsible party shall pay the city services fee and all other applicable charges, including any administrative fees.

(5) An Account is delinquent fifteen (15) calendar days after the date of the bill. Delinquent accounts will receive written notice of the delinquency and may be subject to

administrative services charges and water service discontinuation until the entire bill balance is paid in full.

3.24.090 Adjustments, back-billing, credits, and refunds

The city may make adjustments, back-bill, pay refunds, or waive fees and charges in accordance with City Council policy. If no Council policy exists, the city may make adjustments where it is deemed necessary on a case-by-case basis as determined by the Director for the proper conduct of the administration of the city services fee. A full explanation of the reason for the adjustment or refund must be filed for the record and, subject to Oregon public records law, will be made available upon request. Refunds are to be made to the party that made the payment.

3.24.100 Exemption and Discount

Single unit residential and multi-unit developments that are 100% income restricted and who have been approved through the City 's Low Income Assistance Program shall pay a discounted City Services Fee in accordance with the effective City Council low-income assistance program resolution.

3.24.110 Appeals

Any person who is aggrieved by termination of water service, or who disputes the amount of billing may appeal per the parameters of LMC 13.04.340

3.24.120 Falsification

No person shall knowingly make any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained pursuant to this chapter.

3.24.130 Violations

Violation of any provision of this chapter, in addition to any civil penalties, shall be an infraction.

Section 2. Effective Date. This ordinance shall be effective January 1, 2025.

Passed by the Lebanon City Council and executed by the Mayor on this xx day of xxx, 2024 by a vote of ___ yeas and ___ nays.

CITY OF LEBANON, OREGON

Kenneth E. Jackola, Mayor
Michelle Steinhebel, Council President

ATTESTED BY:

Julie Fisher, CMC, City Recorder

**RESOLUTION SETTING RATES FOR A CITY OF)
LEBANON SERVICES FEE)**

RESOLUTION NO. 2024-

WHEREAS, the Lebanon City Council adopted Ordinance No. xxxx adding Lebanon Municipal Code Section 3.24; City Services Fee; and determined fee be established by Resolution; and

WHEREAS, The Lebanon City Council will consider future city services fee rate adjustments based on actual and anticipated revenues and expenditures within the General Fund.

NOW, THEREFORE, be it resolved by the Lebanon City Council that the City Services fees shall be as specifically described below are hereby adopted; and shall be effective January 1, 2025.

Classification	Basis	Rate
Single-Unit Residential	Per Dwelling Unit	\$18.00
Multi-Unit Residential	Per Dwelling Unit	\$18.00
Commercial / Industrial	¾" water meter	\$18.00
	1" water meter	\$45.00
	1.5" water meter	\$90.00
	2" water meter	\$144.00
	3" water meter	\$288.00
	4" water meter	\$450.00

Phased Implementation: The application of a City Services Fee to customer accounts may be phased in as deemed appropriate by the Director to ensure proper development of data and billing systems resulting in accurate calculation of customer bills. The phased application of the City Services Fee by customer class, billing cycle, or other appropriate method will be implemented as quickly as possible.

Special Conditions for Shared Water Meters: In cases where multiple classifications are served by a single water meter, e.g., a commercial building that shares a water meter with multi-unit apartments, the customer account shall be charged a City Services Fee for each multi-unit dwelling along with a separate City Services Fee for each commercial operation based on the Multi-Unit Commercial Rate.

Billing Accounts: In cases where multiple utility accounts exist on one parcel, e.g., commercial retail mall, multi-unit apartments, etc., the City will work with the property owner to either bill one of the accounts for the City Services Fee or for the full parcel, or a new account may be created

in the property owner's name and that account will be billed for the City Services Fee for the parcel. If a non-single unit residential customer has two or more parcels associated with a single business operation, e.g., a commercial building and an adjacent parking lot, those parcels may be consolidated into one bill for City Services Fee purposes.

Non-Metered Accounts: The Director or designee shall establish meter-equivalent rates for sewer-only or stormwater only accounts based on the permitted use of the property and/or the type of operation at the property and comparing them to similar operations within Lebanon that do have a water meter to the property.

Passed by the Lebanon City Council and executed by the Mayor on this 13th day of November 2024, by a vote of ___ yeas and ___ nays.

CITY OF LEBANON, OREGON

Kenneth E. Jackola, Mayor
Michelle Steinhebel, Council President

ATTESTED:

Julie Fisher, CMC, City Recorder



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4906
cdc@ci.lebanon.or.us
www.ci.lebanon.or.us

MEMORANDUM

Community Development

To: Mayor Jackola and City Council
From: Kelly Hart, Community Development Director
Subject: Solar Opportunities Work Session

Date: October, 2024

I. INTRODUCTION

As part of the city's continuing efforts to find additional cost savings and revenue opportunities, city staff has been evaluating the benefits of utilizing solar to offset electricity costs. The work session is intended to provide an overview of the city's current electricity cost burden, types of solar installations, and options for the council to consider.

II. CURRENT REPORT

On average, the city expends over \$800,000 annually across all funds for electricity, with the expected increase year over year based on utility rate increases set by the private utility companies.

At the mayor's request, staff began evaluating solar energy as a revenue generation concept. City staff has researched the types of solar installations, including commercial, utility-scale, and community solar. These types of solar installation, along with the cost-benefit analysis, potential locations, grant opportunities and tax credits, and cost savings, will be discussed at the October 23rd council meeting.

The goal of the discussion is to introduce the Council to the possible solar options for the city and to get direction on which option to pursue further. We are still in the initial phases of this concept, so additional research, site analysis, and assistance from consultants may be needed moving forward.

III. RECOMMENDED ACTION

Receive and file the report and provide staff with direction.

BRINGING SOLAR TO THE CITY OF LEBANON

- Work Session
- October 23, 2024

Agenda

- Background
- Solar options
- Funding opportunities
- Decision points
- Next steps



Annual financial impact: utility bills

Justice Center- \$78,000

Water Treatment Plant- \$165,000

Water Intake- \$86,000

Wastewater Treatment Plant- \$282,000

Travel Station- \$2,935

City Hall - \$14,450

Library - 19,435

Senior Center - 15,975

Streetlights - \$143,815

Parks- \$45,425

GRAND TOTAL - \$853,035

John Smith
123 John Doe St
Medford, OR 97501



Questions: Call
1-888-221-7070
24 hours a day,
7 days a week
pacifcpower.net



Your Balance With Us

Previous Account Balance	87.08
Payments/Credits	-170.42
New Charges	+160.10
Current Account Balance	\$76.76

Payments Received

DATE	DESCRIPTION	AMOUNT
Aug 27, 2020	Payment Received - Thank You	87.08
Sep 23, 2020	09/2020 Solar credit (853 KWH @ \$0.0977/KWH)	83.34
Total Payments		\$170.42

Bill credits 2

Note: \$83.34 Participation credit is for OREGON COMMUNITY SOLAR project @ 5432 Winthrop Hwy Medford

Detailed Account Activity

ITEM 1 - ELECTRIC SERVICE 123 John Doe St Medford OR
Oregon Residential Service, Schedule 4

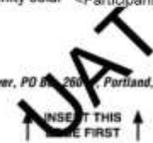
METER NUMBER	SERVICE PERIOD From To	ELAPSED DAYS	METER READINGS Previous	Current	METER MULTIPLIER	AMOUNT USED THIS MONTH
12345678	Aug 18, 2020 Sep 17, 2020	30	20055	20830	1.0	775 kwh

Next scheduled read date: 10-16. Date may vary due to scheduling or weather.

NEW CHARGES 09/20	UNITS	COST PER UNIT	CHARGE
Basic Charge - Single Phase			9.50
Delivery Charge	775 kwh	0.0442600	34.30
Supply Energy Charge Block 1	775 kwh	0.0555000	43.01
Federal Tax Act Adjustment	775 kwh	-0.0044500	-3.45
Oregon Corp Activities Tax Adj		0.0041000	0.34
Public Purpose		0.0300000	2.51
Energy Conservation Charge	775 kwh	0.0034600	2.68
Low Income Assistance			0.69
B P A Columbia River Benefits	775 kwh	-0.0093400	-7.24
Total New Charges			82.34

Note: This agreement is enrolled in community solar <Participant ID will be placed here>

Write account number on check & mail to: Pacific Power, PO Box 26000, Portland, OR 97256-0001

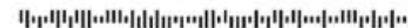


INSERT THIS SIDE FIRST

RETAIN THIS PORTION WITH YOUR PAYMENT.



PACIFIC POWER
PO BOX 26000
PORTLAND OR 97256-0001



Item # 5.

BILLING DATE: Sep 23, 2020
ACCOUNT NUMBER: 12345678-001
DUE DATE: Oct 9, 2020
AMOUNT DUE: \$76.76

Historical Data - ITEM 1 Total



Your Average Daily kwh Usage by Month

PERIOD ENDING	SEP 2020	SEP 2019
Avg. Daily Temp.	67	67
Total kwh	775	570
Avg. kwh per Day	26	19
Cost per Day	\$2.74	\$2.11

We continue to suspend nonpayment disconnections in response to COVID-19. If you are past due or need help with your account, we encourage you to visit our website or call us now to explore flexible payment arrangements.

Energy assistance resources are available now and may be able to help. Community Services Consortium (CSC) can be reached at 541-926-7163. Find out more at pacific-power.net/assistance.

1
Normal utility bill charges

is Payment Charge for Oregon rate payment charge of 2.0% may be applied on any balance not paid in full each month.

Change of Mailing Address or Phone? Check here & provide information on back.

Account Number: 12345678-001
Date Due: Oct 9, 2020

AMOUNT DUE: \$76.76

Please enter the amount enclosed.

Which solar installation option to choose?

Commercial Solar
On-site installation,
reduced energy costs.



Utility-Scale Solar
Large-scale generation
intended for revenue
generation



Community Solar
Shared access,
community benefit,
revenue opportunity.

Utility-Scale Solar

- Requires 10-200 acres
- WWTP only option
- Math doesn't Math



Commercial Solar (cost-offset approach)

- Roof vs. Ground Mounted
- Site Opportunities
- Net Metering
 - Size limits
 - One project vs. phased approach



Commercial Solar (cost-offset approach)

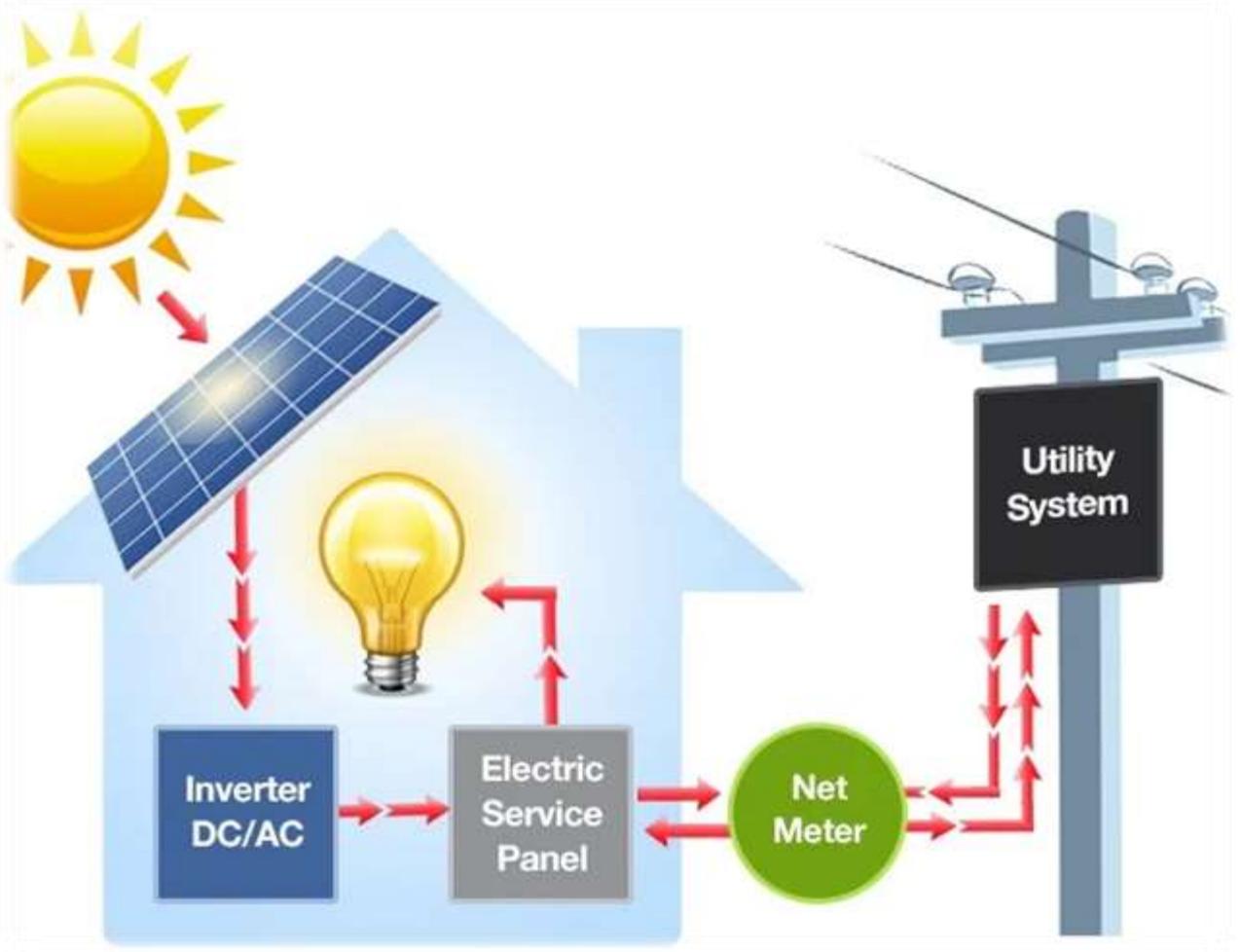
Item # 5.



Net Metering:

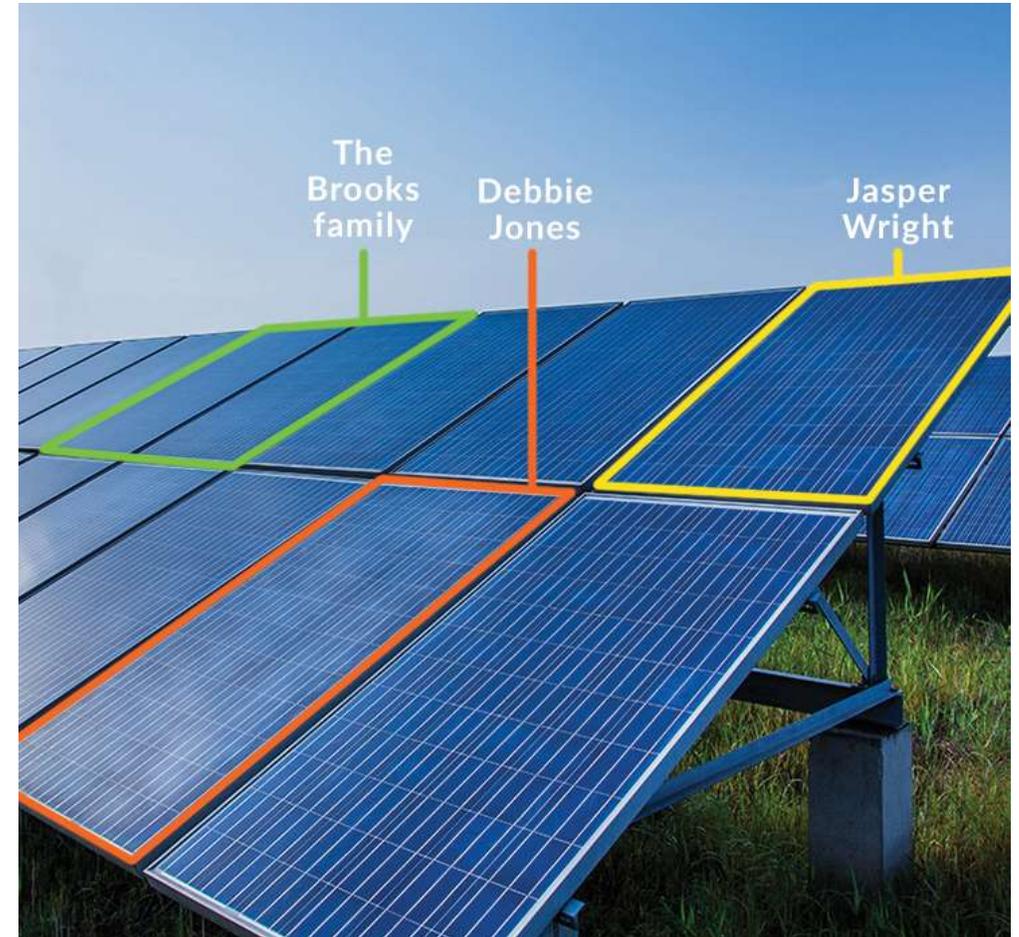
Net metering is an electricity billing mechanism that allows consumers who generate some or all of their own electricity to use that electricity anytime, instead of when it is generated.

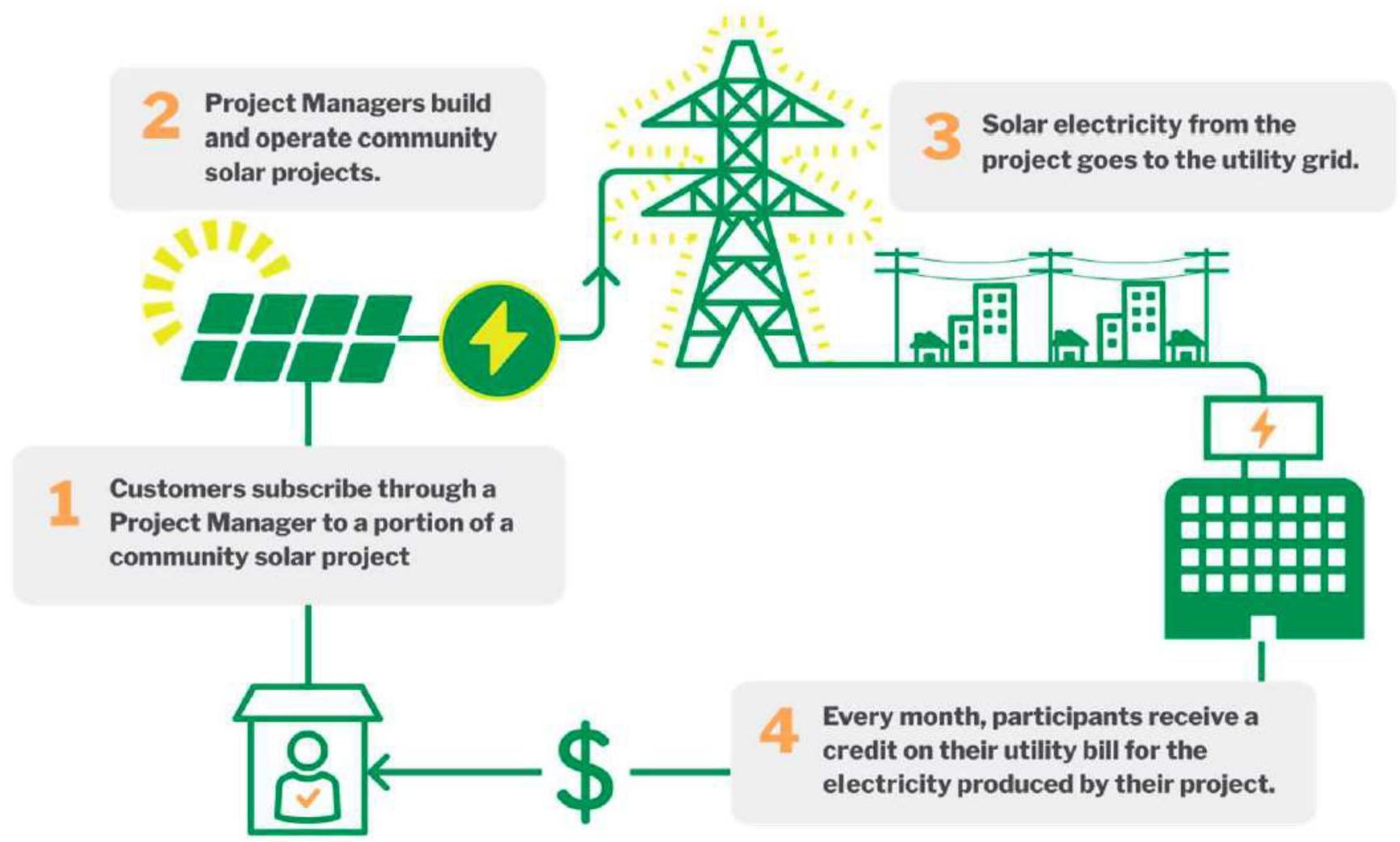
Monthly net metering allows consumers to use solar power generated during the day at night. Annual net metering rolls over a net kilowatt-hour (kWh) credit to the following month, allowing solar power that was generated in July to be used in December.



Community Solar revenue approach)

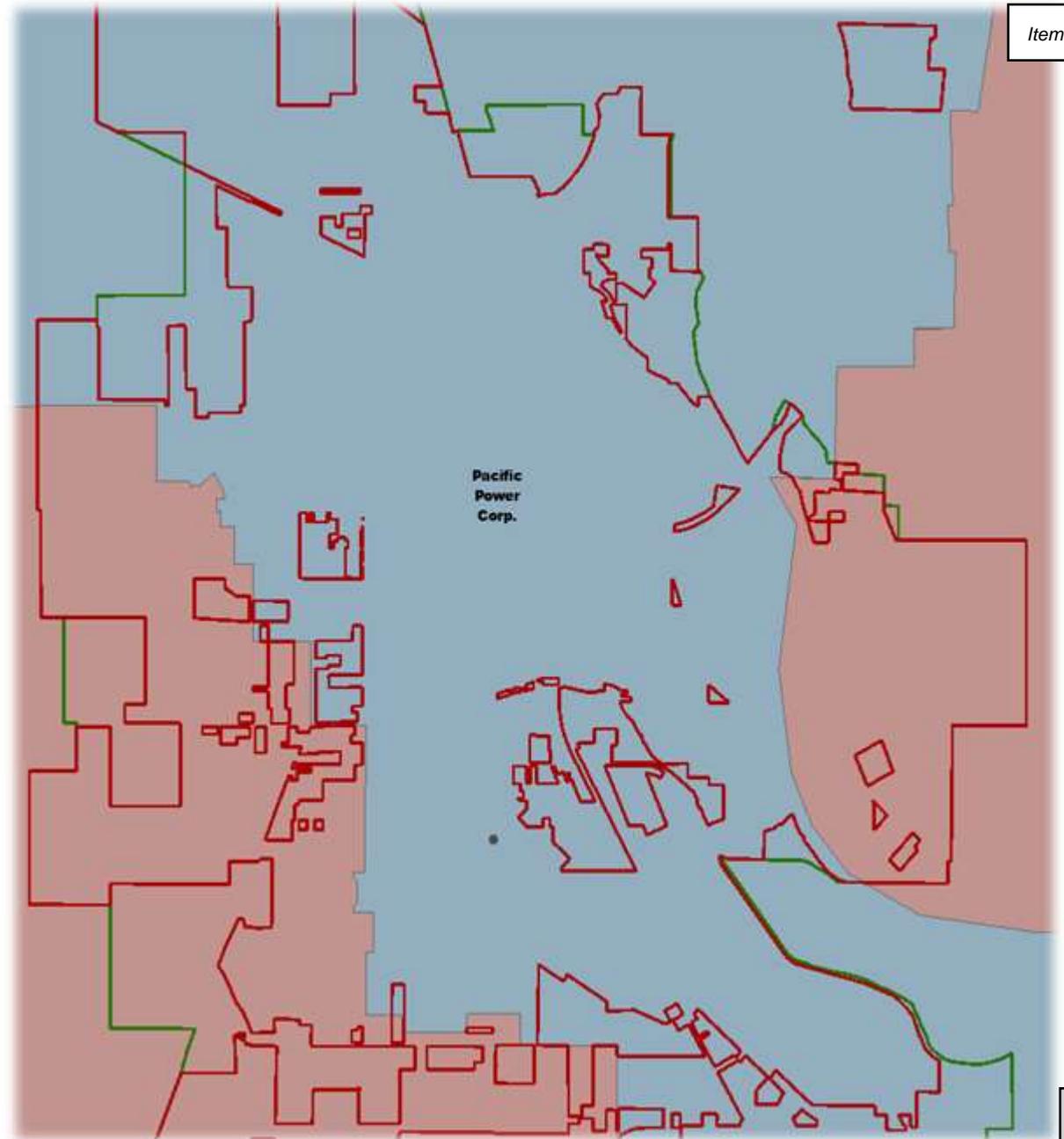
- Siting requirements
- Site Opportunity
- Operations
 - Customers
 - Low-income support
 - Residential requirement
 - Pacific Power v. CPI





Pacific Power coverage area:

- Although CPI also services portions of Lebanon, most City-owned facilities receive electricity from Pacific Power.
- CPI does not currently have any community solar projects.



Cost/Grants/Funding

Rule of thumb - \$1 million/1MW

Grant Opportunities

Tax Credits

Interfund loan - payback



Misc. Considerations

- Maintenance Requirements
- Security
- Replacement Schedules and cost
 - Panel warranty – 25 years
 - Battery replacement – 10 years



Which solar installation option to choose?

Commercial Solar
On-site installation,
reduced energy costs.



Utility-Scale Solar
Large-scale generation
intended for revenue
generation
...well....not this one...



Community Solar
Shared access,
community benefit,
revenue opportunity.

**TO BE
CONTINUED** 