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MEMORANDUM

Administration

To: Mayor Jackola and City Council
From: Ron Whitlatch, City Manager
Subject: **Administration Update – May 2026**

Date: June 1, 2026

- We have received the draft Wetland Delineation Report for several parcels off of West Oak Street. This is in conjunction with a potential Industrial Economic Development, in which the company is looking to expand on the West Coast. Lebanon is one of two sites being considered in Oregon. We will be circulating the report to the property owners for comment and review. Once that is complete, the report will be submitted to the Oregon Division of State Lands for concurrence.
- In conjunction with the Wastewater Treatment Plant Biosolids Improvements Project, we have initiated the Clean Water State Revolving Loan Fund Program with Oregon DEQ. The initial steps include a review of our Wastewater finances from DEQ to determine the loan amount we would be eligible for and how much Principal Forgiveness (essential grant) we could expect. This process will likely take 6-8 months.
- The City of Lebanon, along with several other surrounding cities, has been awarded a regional Safe Streets and Roads for All Grant. This grant will develop a Safety Action Plan, which is required to be eligible for Construction Dollars from future Federal Highway Grants. Due to the time required to be notified of the award, it is likely that executed contracts to begin work will be several months out.
- Staff is currently working with several property owners along Berlin Road to clear and clean up several encampments. Resource Officers with the Police Department have been out in this area identifying the locations of the encampments and the individuals staying in them.
- In conjunction with the Brownfield Grant to determine environmental impacts on the Champion Mill Site, a Market Assessment was completed by the Oregon Council of Governments and Maul Foster & Associates. The Market Assessment examined potential rezoning, needs analysis, and future uses. Staff is currently reviewing the assessment.
- Over the last several months, Staff has been working with PNW Strategies to prepare for the Lebanon Municipal Jail Levy. The original contract had PNW Strategies continuing to support the City through November. Staff reviewed the remaining items in the contract and made the determination that most could not be paid for with City Funds due to ethics requirements from the Secretary of State. We will be paying the

monthly retainer to PNW Strategies through May and then terminating the remainder of the Contract. We have appreciated all the initial help Betsy Shultz (PNW Strategies) has provided in preparing for the levy this fall.

- We are continuing to work with our outside legal counsel for claims against the Army Corps of Engineers (USACOE). The claim will be filed with the Federal District Court in the coming weeks. An amended complaint will be filed in early March. This is likely to be a lengthy (and slow) process, and we will provide more information as it becomes available. Albany and Millersburg have now joined the lawsuit and will share in attorney fees with Lebanon and Sweet Home.
- Staff continues to work with Sean Tate (Tate Public Affairs), who is helping the City navigate legislative affairs and advocate for the City. We currently meet with Sean every other Wednesday. Sean has also agreed to help with necessary tasks as we explore the operations levy for the Municipal Jail.
- We have been made aware that Congresswoman Bynum will be recommending our Wastewater Project for \$2.0 million in funding. This will be a lengthy process, as it must go through Congress and be appropriated before Lebanon receives the funds. I will continue to share information as it becomes available.
- The City of Lebanon and Western U Oregon have submitted a joint application for a Connect Oregon Grant. If awarded, the grant would fund the improvements needed to gain access to the proposed future campus site. Aspects of the project include new street access off of East Grant Street, a railroad bridge (allowing vehicular traffic to travel underneath, and the corresponding utilities. The City of Lebanon has agreed to hire an Engineering Intern for the duration of the project (approximately 3 years), with grant funding. This position would support day-to-day oversight of the project during its design and construction.
- Staff has spent substantial time during the month of May preparing for next year's budget process and year-end for fiscal year 26. The FY 27 Budget will be on the City Council agenda for June, with a recommendation for adoption.
- The sale of the Santiam Travel Station has been completed to Rick and Bernice Franklin. Per the sales agreement, the roadway (once approved by Linn County) may be transferred to the new owners if they so choose.
- Holding regular Department Director Meetings (every two weeks) to keep moving priorities forward.
- We continue to meet with Susan Patterson from the Oregon Cascades West Council of Governments twice a month to identify grant opportunities that could benefit the City. We are currently exploring funding opportunities to support wastewater plant projects, water service line replacements, street projects, and other initiatives benefiting the city.
- We have received a Planning Grant for a sanitary sewer analysis and transportation analysis of the Champion Mill site. We are currently under contract with Kittleson

Engineers to complete the transportation component of the grant and with David Evans & Associates to conduct the sanitary sewer analysis.

- Over the next couple of months, Staff will be reviewing all city-owned properties in an effort to identify properties no longer needed. Once the list has been updated, Staff will engage the City Council to recommend any that should be declared surplus.
- The first System Development Charges Citizens Advisory Committee Meeting will be held in late June. This effort will update the Wastewater and Drainage SDCs and the project lists associated with each system. We hope to have the project completed by late 2026.