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MEMORANDUM

Engineering Services

To: Mayor Jackola and City Council

Date: August 3, 2026

From: Ron Whitlatch, City Manager

Subject: **Approval to Award Engineering Service Contract**
Twelfth Street Extension and Realignment (Airport to Twelfth)
Project No. 26702

I.

INTRODUCTION

On July 15, 2026, the Lebanon Planning Commission approved a large Planned Development located off Twelfth Street, south of Airport Road. This residential development includes the construction of multiple streets and a traffic signal, as identified in the City's Transportation System Plan (TSP) and the current System Development Charges (SDC) Capital Project Plan.

The projects identified in the SDC Plan include:

- Extension of Twelfth Street
- Airway Road Extension
- Walker Road Extension
- Traffic signal at the intersection of Airport Road and Twelfth Street

These improvements are driven by growth and are eligible for SDC funding or SDC credits.

II. DISCUSSION

It is somewhat unique that multiple roadway improvements within the project area are identified as SDC-eligible capital projects. Staff has worked closely with the developer to establish an appropriate balance between SDC-funded improvements and SDC credits applied to the development.

The extension of Twelfth Street is the most logical project for the City to construct. This segment includes key infrastructure elements, such as the traffic signal at the intersection of Twelfth Street and Airport Road and the connection to Stoltz Hill Road. The project also includes the realignment of the existing roadway network, including the permanent closure of a portion of Stoltz Hill Road north of Walker Road. Stoltz Hill Road, from Airport Road to Wassom Street, will be designated a local road rather than a Collector (the attached drawing gives an overview of the final configuration).

The City will also be working through an Intergovernmental Agreement with Linn County for a Road Jurisdiction Transfer and potential upgrades for this section of Stoltz Hill Road at a future date.

The remaining SDC-eligible street improvements within the development will be constructed by the developer. In accordance with City policy, the developer will receive SDC credits applied to individual lots for eligible infrastructure improvements.

To advance the Twelfth Street Extension project, the City requested a proposal from Udell Engineering to complete the roadway and utility design. Udell Engineering has extensive experience with similar projects and is well positioned to deliver this work efficiently.

ORS 279C.115(2) provides that a contracting agency may enter into a contract for engineering services directly with a consultant if the work has been substantially described, planned, or previously studied under an earlier contract, and the new contract is a continuation of that project.

Udell Engineering will be completing the civil engineering work for the Planned Development and is currently under contract with the City to perform the initial topographic survey for this project. Based on this prior work, staff considers the proposed contract to be a continuation of work that has already been substantially planned, thereby meeting the requirements of ORS 279C.115(2).

Funding for this project will be primarily allocated from the Transportation SDC Fund. A minor portion of the costs will be funded by the Water and Wastewater Utility Funds to accommodate necessary utility extensions associated with the project.

III. RECOMMENDATION

I recommend the City Council pass a motion to award Udell Engineering the Engineering Services Contract for \$418,160.