



# LEBANON CITY COUNCIL REGULAR MEETING MINUTES

August 14, 2024 at 6:00 PM

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

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## 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**

## 6:00 PM – CITY COUNCIL REGULAR SESSION

### CALL TO ORDER / FLAG SALUTE

The meeting was Called to Order at 6 PM.

### ROLL CALL

#### PRESENT

Mayor Kenneth Jackola  
Councilor - Ward 1 Wayne Dykstra  
Councilor - Ward 1 Carl Mann  
Councilor - Ward 2 Kim Ullfers  
Councilor - Ward 2 Dave Workman  
Councilor - Ward 3 Jeremy Salvage  
Council President - Ward 3 Michelle Steinhebel

#### Staff

Interim City Manager Ron Whitlatch  
City Attorney Tre Kennedy  
Finance Director Brandon Neish  
Police Chief Frank Stevenson  
Community and Economic Development Director Kelly Hart  
IT Administrative Assistant Erin Gomez  
Human Resources Manager Angela Solesbee  
City Recorder Julie Fisher

### 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.*

Motion to approve the Consent Calendar made by Council President - Ward 3 Steinhebel, Seconded by Councilor - Ward 3 Salvage.

Voting Yea: Councilor - Ward 1 Dykstra, Councilor - Ward 1 Mann, Councilor - Ward 2 Ullfers,

Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

1. **AGENDA:** Lebanon City Council Agenda – August 14, 2024
2. **BOARD MINUTES:**  
*Parks, Trees & Trails Advisory Committee - April 17, 2024*  
*Senior & Disabled Services Advisory Committee - April 17, 2024*
3. **COUNCIL MINUTES:** 2024-07-10 City Council Executive Session and Regular Meeting  
2024-07-22 City Council Strategic Planning Work Session

#### **PRESENTATION / RECOGNITION**

4. Ryan Vogt - Oregon Cascades West Council of Governments

Ryan Vogt with Oregon Cascades West Council of Governments presented the Annual Report to the Council. He announced the Community Services Consortium and Oregon Cascades West Council of Governments will soon both be headed by a single Executive Director. He added there are departments, such as IT, which both entities share. Executive Director Vogt introduced Jacklyn Disney, the new Economic Development Director who spoke to the importance of community readiness and highlighted current projects and programs.

#### **PUBLIC COMMENTS**

Linda Newport spoke in favor of eliminating parking on a portion of Elmore Street.

Melinda Rickard spoke concerning a utility billing fee that was from a past tenant. Finance Director Neish stated the fee was removed from her account.

Shelley Jackola gave an update on the Lebanon Downtown Association happenings, including concerts in the park, a car show, and art boards. The LDA also helped welcome Western University students with welcome backs that included coupons and samples from many downtown businesses. It was reported that the totem pole in Strawberry Park would be repaired.

5. Written Public Comment - 2024-07-15 Petition to the City Council

A written public comment was submitted regarding quality-of-life policing. It was included in the packet.

#### **PUBLIC HEARING(S)**

There were no Public Hearings scheduled.

#### **REGULAR SESSION**

6. Acceptance of the FY2023 Annual Financial Report

Finance Director Neish introduced the Independent Auditor's Report and opinion. Director Neish highlighted the following:

Net position increased 19% from 2022 in governmental activities which is everything in the organization except for water, sewer and storm drainage programs. In simple terms, the net position demonstrates the amount of assets and deferred outflow of resources against liabilities and deferred inflows of resources. We want a positive net position. Net position also increased in the utility programs, noted as Business-Type Activities throughout the report. We will want to monitor the deficit unrestricted net position over time but that did decrease in 2023.

Fees, fines, and charges for service declined for the fiscal year ended June 30, 2023, offset in part by increases in property taxes and franchise fees. As property taxes continue to climb the maximum 3% annually, the City will become more reliant on charges for service. Look for that to maintain or increase in future years.

Long-term debt in business-type activities increased due to the Westside Interceptor project. Total debt outstanding is equal to 130% of total revenues generated. For comparison, the recent federal debt as a percent of GDP was 122%.

General Fund expenditures and transfers out exceeded revenue by \$108k. In 2022, revenue exceeded expenditures and transfers by \$78k.

The City added \$3 million in cash during 2023.

A new Governmental Accounting Standards Board (GASB) rules was implemented with GASB 96, Subscription-Based Information Technology Agreements which records a right-to-use asset and a related liability for the agreement terms and associated implementation costs.

Net pension liability increased for the year ended June 30, 2023. Yields for the PERS program were not as robust as desired in 2022 increasing the unfunded actuarial liability. 2023 did not look any better unfortunately meaning this will get worse over time.

The General Fund has three lines over expended in 2023. These were the Library which exceeded its authorized budget by \$996 due primarily to year-end adjustments in personnel expenditures, capital outlay for non-departmental which overran by \$790 due to cost overruns with a new fire system installation at the Justice Center and the principal debt service line due to the implementation of GASB 96 and subsequent adjustments at year-end.

Brad Bingenheimer, a partner at SingerLewak, and auditor Fierce Catoc, provided the audit opinion to City Council and did not have any policy or procedural changes to recommend.

Motion made to accept the FY2023 Annual Financial Report for the City of Lebanon by Councilor - Ward 2 Workman, Seconded by Councilor - Ward 2 Ullfers.

Voting Yea: Councilor - Ward 1 Dykstra, Councilor - Ward 1 Mann, Councilor - Ward 2 Ullfers, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

7. *Adjourn as the Lebanon City Council and Reconvene as the Lebanon Urban Renewal Agency*

Acceptance of the FY2023 Annual Finance Report for the Lebanon Urban Renewal Agency

*Adjourn as the Lebanon Urban Renewal Agency and Reconvene as the Lebanon City Council*

*Adjourn as the Lebanon City Council and Reconvene as the Lebanon Urban Renewal Agency*

Finance Director Neish introduced the Independent Auditor's Report and opinion. Director Neish highlighted the following:

Net position increased 28% from 2022. The net position is still a deficit however due to the high long-term debt carried by the URA compared to the total assets. Remember, for assets, the district's only assets are primarily cash and cash equivalents.

Overall revenue increased, driven by property tax increases allowed under Measure 50.

The agency is carrying nearly \$10.5 million in debt. The majority of that is in the Northwest Urban Renewal District which has no new projects in the works and is only working on debt repayment at this point.

Two areas within the Urban Renewal Agency overexpended this year. \$260 was spent on compliance fees in the Northwest URD. This was a payment to the Oregon Government Ethics Commission, an annual payment. However, budget authorization in this fund resided in debt service lines. The other was in the Mill Race District where property values and taxes exceeded the estimates by the agency. As a result, the URA had to pay out additional costs for the economic development agreement in place.

Brad Bingenheimer, a partner at SingerLewak, and auditor Fierce Catoc, provided the audit opinion to City Council and did not have any policy or procedural changes to recommend.

*Adjourn as the Lebanon Urban Renewal Agency and Reconvene as the Lebanon City Council*

Motion made to accept the FY2023 Annual Finance Report for the Lebanon Urban Renewal Agency by Councilor - Ward 2 Ullfers, Seconded by Councilor - Ward 1 Dykstra.

Voting Yea: Councilor - Ward 1 Dykstra, Councilor - Ward 1 Mann, Councilor - Ward 2 Ullfers, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

8. Resolution No. 22 for 2024 - A Resolution Eliminating Parking on a Portion of Elmore Street within the City of Lebanon

Interim City Manager Whitlatch introduced the resolution that would eliminate parking on a portion of Elmore Street. There was a traffic study conducted, and the surrounding property owners were notified; only one response was received in favor of the resolution. Councilor Salvage introduced a photo that showed a driveway partially blocked by parked vehicles.

Motion made to approve Resolution No. 22 for 2024 by Councilor - Ward 2 Ullfers, Seconded by Councilor - Ward 1 Mann.

Voting Yea: Councilor - Ward 1 Dykstra, Councilor - Ward 1 Mann, Councilor - Ward 2 Ullfers, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

9. Ordinance Bill No. 2024-07 - Ordinance No. 3023 - A Bill for an Ordinance Amending Lebanon Municipal Code Title 13 - Public Services

Finance Director Neish introduced the draft ordinance that amended language to allow a 7% Franchise Fee in storm drainage instead of the 5% currently in place. This would standardize the Franchise Fees. Additionally, it was recommended to change language that specifies a Utility Rate Review Committee and replace with City Council who does annual review the rates and allows public forum and comment.

City Attorney Kennedy read the title of the ordinance.

Motion made to approve Ordinance Bill No. 2024-07 - Ordinance No. 3023 - A Bill for an Ordinance Amending Lebanon Municipal Code Title 13 - Public Services by Councilor - Ward 3 Salvage, Seconded by Councilor - Ward 2 Workman.

Voting Yea: Councilor - Ward 1 Dykstra, Councilor - Ward 1 Mann, Councilor - Ward 2 Ullfers, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

10. League of Oregon Cities - Legislative Priorities Discussion

Community and Economic Development Director Kelly Hart listed the Legislative Priorities as received from the Council in a Survey Monkey. The priorities were reviewed by staff and one minor change was recommended. The following were identified as priorities: Infrastructure funding, Restoration of Recreational Immunity, 2025 Transportation package, Behavioral Health Enhancements, Full funding and alignment for housing production. There was discussion from council with input from Police Chief Frank Stevenson, Finance Director Brandon Neish, and Legislative Representative Sean Tate.

Motion to approve the identified Legislative Priorities and allow the City Manager to submit them to the League of Oregon Cities made by Councilor - Ward 2 Workman, Seconded by Councilor - Ward 2 Ullfers.

Voting Yea: Councilor - Ward 1 Dykstra, Councilor - Ward 1 Mann, Councilor - Ward 2 Ullfers, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

11. City Manager Recruitment Discussion

Interim City Manager Ron Whitlatch stated there are several options for recruitment of a permanent City Manager. City staff can post the recruitment through various methods, or the City could hire a recruitment firm. Councilor Steinhebel stated that Interim City Manager Ron Whitlatch has done an excellent job as the Interim City Manager. Ron has lived in the community for 30 years and has worked for the City of Lebanon for the same. Councilor Steinhebel stated she would support Ron Whitlatch as the permanent City Manager. The consensus of the Council was the same. Interim City Manager Ron Whitlatch responded that he appreciated the support and would consider the position. Council directed Human Resources Manager Angela Solesbee and City Attorney Tre Kennedy to negotiate a contract.

12. Department Reports:

Interim City Manager Ron Whitlatch presented the Department Reports. There was an update on the Strategic Plan which will be on the Agenda for the October City Council meeting. There were no questions from Council.

**ITEMS FROM COUNCIL**

Mayor Jackola noted that he would be out of town for the September 11, 2024 City Council Meeting. Council President Steinhebel will conduct the meeting.

Councilor Ullfers stated he was please at the staffing levels of the Lebanon Police Department and was pleased with the reports received from the department. City Attorney Kennedy stated he contacted the police department as a downtown business owner and was very impressed with the response and handling of the call by the Community Services Officer.

**PUBLIC/PRESS COMMENTS**

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

There were no comments from the public or press.

**NEXT SCHEDULED COUNCIL MEETING(S):** August 28, 2024 Work Session  
September 11, 2024 Regular Meeting

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September 11, 2024 Regular Meeting

**ADJOURNMENT**

The meeting adjourned at 7:37 PM.

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Kenneth E. Jackola, Mayor

Michelle Steinhebel, Council President

Attested:

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Julie Fisher, City Recorder