



CITY COUNCIL WORK SESSION AND REGULAR MEETING MINUTES

September 10, 2025 at 5:00 PM

Library Community Meeting Room
55 Academy Street, Lebanon, Oregon

MISSION STATEMENT

*We provide services that foster a resilient, safe, and growing community,
strengthened by our community connections*

Mayor: Kenneth Jackola

Council President Michelle Steinhebel | Councilor Dominic Conti | Councilor Carl Mann

Councilor Jeremy Salvage | Councilor David McClain | Councilor Dave Workman

5:00 PM – CALL TO ORDER WORK SESSION

The meeting was called to order at 5 PM.

DISCUSSION ITEMS

1. Champion Mill Site Update

The City Council heard an update from Kelly Hart, Community Development Director, regarding the Champion Mill site. Hart outlined the discussion in three areas: what has been completed, what is ongoing, and what remains to be done. She reviewed the cleanup process for brownfields, funding opportunities, and grant strategies.

Hart provided a historical overview of the site, which has been home to plywood, paper, and lumber mills that introduced contaminants through industrial processes. The site is divided into two ownerships: the main parcel owned by the City, and a 5.28-acre parcel sold by Linn County to a private party about two years ago without the City's knowledge. The city's assessments and grant-funded studies only apply to the larger parcel.

Much of the property has been cleared of buildings, though concrete pads, machinery, and a water tower remain. The site has a single legal access point and includes wetlands and a portion of Cheadle Lake, requiring sediment and ecological assessments.

Environmental work began with a \$70,000 Business Oregon grant in the early 2000s, followed by a \$1 million EPA coalition grant that has supported multiple rounds of Phase 2 assessments. Round 2 was completed in spring 2025, and Round 3 is scheduled for fall. Additional funding is supporting transportation and sewer capacity studies. Testing has revealed some areas of concern for human health and ecological risk, but not widespread contamination. Future testing will focus on soil vapor, methane, and sediment along the lake.

Hart emphasized the importance of this project beyond cleanup, citing public safety concerns with trespassing, dumping, fires, and hazards. The city has spent over \$35,000 on cleanup, only for the site to return to poor condition. Economically, the site generates minimal property tax compared to other industrial areas, and its location next to Cheadle Lake Park makes

redevelopment a community priority. The comprehensive plan has long identified the property for revitalization and mixed-use development.

Grant-funded studies are underway to examine market feasibility, transportation access, and sewer needs, which will help guide public engagement and realistic redevelopment options. The site is subject to DEQ's voluntary cleanup process, which involves phased assessments, feasibility studies, and mitigation measures that balance health, ecology, and cost. The city may also need to consider a Prospective Purchaser Agreement to limit liability if it acquires the property. Cleanup costs could range from \$1 million to \$10 million depending on final assessments, and grant stacking will be essential.

Hart outlined additional challenges such as secondary access to Highway 20, extensive concrete removal not covered by brownfield grants, wetlands mitigation, underground tanks, and restoration of the water tower. She suggested diversifying funding through brownfield grants, URD resources, parks and arts grants, EDA funding, and possible public-private partnerships.

Next steps include completing Phase 2 assessments, designating a project lead or committee, considering legal and consultant support, and identifying funding sources. Hart concluded by noting that with dedicated resources the project could be completed in three to five years, but without them it could take a decade or more.

Council members asked about staffing needs, with City Manager Whitlatch recommending consultants and grant specialists rather than hiring additional staff at this stage. He confirmed that managing stacked grants would require significant support.

The update concluded with acknowledgement of the project's complexity, importance to the community, and need for long-term commitment and coordination.

ADJOURN WORK SESSION

The work session was adjourned at 5:45 PM.

6:00 PM – CITY COUNCIL REGULAR SESSION

The meeting was called to order at 6:00 PM.

CALL TO ORDER / FLAG SALUTE

ROLL CALL

PRESENT

Mayor Kenneth Jackola
Councilor - Ward 2 David McClain
Councilor - Ward 2 Dave Workman
Councilor - Ward 3 Jeremy Salvage
Council President - Ward 3 Michelle Steinhebel

ABSENT

Councilor - Ward 1 Dominic Conti
Councilor - Ward 1 Carl Mann

STAFF

City Manager Ron Whitlatch
City Attorney Tre' Kennedy
Community Development Director Kelly Hart
Finance Director Brandon Neish
IT Director Brent Hurst
IT Administrative Assistant Erin Gomez

Chief of Police Frank Stevenson
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 made to approve the consent calendar by Councilor - Ward 3 Salvage, Seconded by Councilor - Ward 2 Workman.

Voting Yea: Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

1. **AGENDA:** Lebanon City Council Agenda – September 10, 2025
2. **COMMITTEE MINUTES:**
Library Advisory Committee - April 8, 2025
3. **COUNCIL MINUTES:**
August 27, 2025 Regular, Work & Executive Sessions

PRESENTATION / RECOGNITION

4. OCWCOG Annual Impact Report - Ryan Vogt

Oregon Cascades West Council of Governments Executive Director Ryan Vogt presented an update to the City Council. He began by thanking the Mayor, Council, and staff, noting that in addition to leading the Council of Governments (COG), he also now serves as Executive Director of the Community Services Consortium (CSC). Vogt explained that the two organizations provide overlapping services, particularly for low-income seniors, and have been working toward closer integration to create more of a “one-stop” system for community members in need of housing, utility, food, and related supports.

He highlighted local impacts, including COG’s assistance with economic development projects in Lebanon. Recently, COG supported the City in securing a \$100,000 Housing Infrastructure Support Fund grant to improve sewer and road access at the Champion Mill site and has provided ongoing help with brownfield planning and management. On the social services side, Vogt reported that 48 Lebanon residents recently received Senior Health Insurance Benefit Assistance (SHIBA) counseling, and that food insecurity remains a critical issue. He emphasized how the Community Services Consortium’s food distribution efforts and COG’s Meals on Wheels program serve many of the same residents, and that greater coordination will help strengthen long-term stability.

Vogt also shared a story of collaboration between Adult Protective Services and the Lebanon Police Department, commending Officer Fountain for personally purchasing equipment for a family in need, reflecting the kind of community-centered service both organizations value.

Looking forward, Vogt noted concerns about anticipated changes to Medicaid and SNAP that could increase food insecurity and said the organizations are preparing to meet rising needs. He also answered questions from Council regarding the wetlands feasibility study, confirming that Phase 1 has been completed and that a Phase 2 grant application has been submitted.

At the close of the presentation, City Manager Ron Whitlatch thanked Vogt and his staff for their responsiveness and partnership, emphasizing the positive working relationship between the City and the Council of Governments.

5. Lebanon Museum Foundation Update - Paul Aziz

Former Mayor Paul Aziz, Director of the Lebanon Museum Foundation, presented an update to the City Council on the foundation’s progress and ongoing efforts. He explained that the museum project began eight years ago after being included in the City’s strategic plan under

arts and culture. The City initially provided \$10,000 in seed money, which led to the creation of a 501(c)(3) nonprofit in 2018. The foundation now has a seven-member board and continues to receive support from community members and donors.

Aziz highlighted the foundation's collection, which includes artifacts and photographs from earlier efforts to establish a museum, as well as donations such as the John Dalton photography collection, Strawberry Festival memorabilia, and historic items from the Lebanon Hotel and local schools. The collection is currently stored in a secure, temperature-controlled facility, though the group's biggest challenge remains finding a permanent building to house a museum. Aziz emphasized that most grants available to the foundation require an existing building, making acquisition a top priority.

The foundation has been active in community programming, hosting well-attended lectures and events on topics ranging from local mills, the fire and police departments, downtown history, Native American storytelling, and the fruit industry. They also conduct oral history projects, supported by grants, to record the stories of longtime residents before those memories are lost. Additional fundraising efforts have included the creation of historical calendars and small displays, such as those currently on view at a downtown business.

Financially, the foundation has managed its resources carefully, growing from the City's initial \$10,000 contribution to a current balance of approximately \$12,000, while also securing about \$17,000 in grants for projects and equipment. Looking ahead, Aziz said the group continues to search for a suitable building—ideally 800 to 2,000 square feet with secure, climate-controlled space for both exhibits and collections work. The long-term goal is to provide not only a museum for the community but also educational opportunities for local schools, eventually cataloging the collection online.

During discussion, Aziz clarified that the foundation is not connected to the Scroggins Mill Foundation, which sold its property to a private company. He concluded by thanking the Council for its support and invited members to attend future programs.

City Manager Ron Whitlatch added that staff will be updating the City's surplus property list in the coming months, which may provide potential opportunities for the museum project.

PUBLIC COMMENTS

Shellie Jackola, Executive Director of the Lebanon Downtown Association, presented an update on summer and fall activities. She reported that the LDA partnered with the Lebanon School District on the first Pow Wow at Boulder Falls, which was a huge success and is expected to become an annual event. The Wine Walk doubled participation from the previous year with approximately 200 tastings, live music, food, and photo booths. The annual Car Show drew 112 cars, 30 vendors, and more than 1,000 attendees, filling downtown with activity. Seven concerts were held at Academy Square with record attendance, the largest attracting around 600 people and consistent vendor support throughout the series. Movies at the Mill, hosted in partnership with Santiam Excursion, drew about 100 people by the final showing.

Jackola noted that the first Harvest Festival and Chili Cook-off was held this fall and brought more than 1,000 people downtown. Visitors came from 35 towns, four states, and even from Brazil, with both the festival and the car show generating local hotel bookings. She explained that she is working on ways to better track visitor data in future events through QR codes.

Additional downtown improvements included the upcoming installation of 45 veterans' banners, new scarecrow decorations on lamp posts, the first downtown crosswalk art project, and preparations for the Halloween Hustle, Downtown Trick-or-Treat, and Holidays in the Park. Jackola also discussed the possibility of closing streets during events, noting both the benefits and concerns raised by merchants and visitors, and said she would explore what would be involved.

Councilor Salvage thanked Jackola and the LDA for their work, noting that he attended one of the concerts and enjoyed the music, vendors, and atmosphere, and wished he could have attended more.

Council President Steinhebel also thanked Jackola for her efforts, praising the concerts and the success of the fall festival. She specifically appreciated the tourism and hotel data collected, noting its importance in showing the impact of LDA's work. Jackola concluded by thanking the Council for their continued support.

PUBLIC HEARING(S)

6. Ordinance No. 8 for 2025, Ordinance Bill No. 3039 - Comprehensive Plan and Zoning Map Amendments to Change the Designation from Mixed Use to Commercial/Highway Commercial for a 1.35-acre Parcel on the East Side of S Santiam Highway, North of Burdell Blvd. (12S 02W 23B, tax lot 114)

The public hearing for Ordinance #8-2025, Ordinance Bill #3039, regarding amendments to the Comprehensive Plan and Zoning Map, was opened at 6:40 p.m. The City Attorney read the hearing procedures pursuant to the quasi-judicial standards outlined in ORS 197.787, noting that Council members must disclose any ex parte communications, conflicts of interest, or bias, and that testimony must be directed to the criteria outlined in the staff report, the Comprehensive Plan, or the City's land use regulations. Failure to raise issues by the close of the hearing could prevent appeal to the Land Use Board of Appeals. No Council member declared any ex parte contact, conflict, or bias, and no objections to notice or jurisdiction were raised by the public.

Community Development Director Hart presented the proposal, explaining that it involves amending the Comprehensive Plan and zoning designation for a 1.35-acre parcel on the east side of South Santiam Highway, north of Burdell Boulevard, to allow a car wash facility. The property is currently designated mixed-use, which does not permit car washes, and the amendment would rezone it to highway commercial, consistent with the Comprehensive Plan designation of commercial. The Planning Commission conducted a public hearing on August 20th and found that the application met decision criteria, recommending approval of both the rezone and related conditional applications, including a property line adjustment and the car wash development permit. Hart noted minor revisions to the conditions of approval, removing two conditions that were not applicable to this property.

Two proponents spoke in support of the application. Nick Wecker, civil engineer and architect for Barghausen Consulting representing Thoroughbred Car Wash, described the proposal as a 3,000-square-foot conveyor car wash with 15 vacuum stations and three employee parking spaces, utilizing existing access points and ensuring an attendant is on site during business hours. Conner Hayer, also with Barghausen Consulting and Director of Development for the car wash, also spoke in favor, expressing that the facility would be a valuable addition to the community. No members of the public spoke in opposition.

The public hearing was closed at 6:47 p.m., and Council discussion focused on access points, confirming that the driveway off the highway would be one-way and that access from other directions would be via the light at Walgreens.

The City Attorney read the title of the ordinance.

Motion made approving the Comprehensive Plan and zoning map amendments from mixed-use to commercial/highway commercial for the parcel made by Councilor - Ward 2 Workman, Seconded by Councilor - Ward 3 Salvage.

Voting Yea: Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

REGULAR SESSION

7. Resolution No. 2025-14 - Declaring City-Owned Property as Surplus and Authorizing its Sale

Council President Steinhebel presided as Mayor recused himself due to a conflict of interest. City Manager Whitlatch presented Resolution 2025-14, recommending that the Santiam Travel Station be declared surplus property. Whitlatch explained that the City had evaluated potential

municipal uses for the property, particularly after moving the council chambers, and determined there is no future use for it. He provided background that the building had been renovated with grants in the early 2000s, and guidance from OHDA and the historic SHPO confirmed that the grant funds would not need to be repaid, provided a historical clause remains on the deed.

He outlined that declaring the property surplus allows the City to proceed with public notice and a public hearing, followed by the sale of the property, with a current appraisal already in place. The next step would be a public hearing at the October Council meeting, where the public can comment, and a potential purchase agreement could be considered if an offer is received.

Council members asked clarifying questions regarding the timing of the public hearing. The City Attorney read the title of the resolution.

Motion made to approve Resolution 2025-14 by Councilor - Ward 2 McClain, Seconded by Councilor - Ward 2 Workman.

Voting Yea: Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage

8. Department Report

City Manager Ron Whitlatch provided the department report. He suggested to the Council that the totem pole formerly located in Strawberry Plaza, currently stored at the Cheadle Lake shop, be donated to the Lebanon Museum Foundation. The City does not have it on its asset list, and it would likely be discarded if not given to the museum, which plans to repair it and include it in a future indoor museum location. The Council agreed.

Whitlatch announced that at the September 24th City Council meeting, Benton Clean and Strong will present on the economic implications of expanding Coffin Butte Landfill, highlighting potential consequences if it were to close. This presentation will precede any consideration of a support letter or resolution from the Council.

He also noted that auditors, who had been expected to be behind, are now anticipated to meet the December 31st deadline for last year's audit, thanks to proactive follow-up from staff. Whitlatch briefly mentioned the upcoming recruitment following Community Development Director Kelly Hart's departure, acknowledging her contributions and noting plans to fill her position soon.

Additionally, he reported that Ryan Vogt and the Council of Governments will assist with planning services, including Planning Commission meetings and administrative application reviews.

No further questions were raised by Council, and the report concluded.

ITEMS FROM COUNCIL

There was a reminder of the 9/11 Flag of Honor Event tomorrow (9/11) starting at 10am in the circle of flags outside of Boulder Falls and it would be great to have everyone in attendance.

PUBLIC/PRESS COMMENTS

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

There was a correction regarding Bob and Betty Smith for the Lebanon Museum Foundation corrected to Betty Adams.

NEXT SCHEDULED COUNCIL MEETING(S)

Mayor Jackola announced a noon meeting on September 24, 2025.

ADJOURNMENT