

**A BILL FOR AN ORDINANCE AMENDING) ORDINANCE BILL NO. 2026-03
LEBANON MUNICIPAL CODE CHAPTER 3.04 –)
PUBLIC CONTRACTS) ORDINANCE NO. 3045**

WHEREAS, Lebanon Municipal Code (“LMC”) Chapter 3.04 establishes the City of Lebanon’s framework for public contracting and purchasing authority; and,

WHEREAS, LMC §3.04.020 provides that, except as specifically stated otherwise, public contracts and purchases shall be awarded, administered, and governed in accordance with ORS Chapters 279A, 279B, and 279C, and the Attorney General’s Model Public Contract Rules; and,

WHEREAS, the Oregon Legislature periodically amends ORS Chapter 279 to adjust procurement thresholds and contracting requirements applicable to local governments; and,

WHEREAS, embedding detailed procedural requirements and dollar thresholds directly in municipal code necessitates frequent ordinance amendments to remain consistent with state law and evolving procurement practices; and,

WHEREAS, the City Council desires to maintain a durable municipal code that establishes legal authority, governance structure, and oversight, while delegating detailed purchasing procedures to administrative policy adopted consistent with state law; and,

WHEREAS, a Purchasing Policy shall be adopted that implements operational procedures, internal controls, and documentation requirements consistent with ORS Chapters 279A, 279B, and 279C and the Attorney General’s Model Rules; and,

WHEREAS, shifting detailed procurement procedures from municipal code to administrative policy allows the City to respond more efficiently to legislative changes, technological systems, and best practices while preserving transparency and accountability.

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

Section 1. The purpose of this ordinance is to amend Lebanon Municipal Code Chapter 3.04 to:

1. Reaffirm the applicability and supremacy of ORS Chapters 279A, 279B, and 279C;
2. Remove detailed operational procedures and fixed dollar thresholds from the municipal code; and,
3. Clarify that procurement procedures and internal controls shall be implemented through administrative policy consistent with state law and this code.

Section 2. Amend LMC §3.04.020 to add the following subsection:

D. The City Manager shall implement an administrative purchasing policy to establish detailed procurement procedures, documentation requirements, approval processes, and internal controls, provided such policy is consistent with this code, ORS Chapters 279A, 279B, and 279C, and the Attorney General’s Model Public Contract Rules. In the event of a conflict, this code and applicable state law shall prevail.

Section 3. Amend LMC §3.04.040 by removing 3.04.040(D)(6) dealing with delegation of purchasing authority under the City Manager.

Section 4. Remove LMC §3.04.070 Source selection methods for goods or services, other than personal or professional services and LMC §3.04.080 Personal services contracts.

Section 5. Amend LMC §3.04.090 by removing sections A (Alternative Procurement Methods) and B (Sole Source Procurements) and §3.04.090(F)

Section 6. Nothing in this ordinance shall be construed to limit the authority of the City Council acting as the Local Contract Review Board, including the authority to approve special procurements, exemptions from competitive bidding, or alternative contracting methods as provided by law.

Section 7. If any provision of this ordinance or its application to any person or circumstance is held invalid, such invalidity shall not affect the remaining provisions or applications of the ordinance.

This ordinance takes effect on the thirtieth day after enactment.

Passed by the Lebanon City Council and executed by the Mayor on this 14th day of January, 2026 by a vote of _____ yeas and _____ nays.

CITY OF LEBANON, OREGON

Kenneth E. Jackola, Mayor
Michelle Steinhebel, Council President

ATTESTED:

Julie Fisher, MMC, City Recorder