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MEMORANDUM

Finance Department

To: Mayor Jackola and City Council

January 14, 2026

From: Brandon Neish, Finance Director

Subject: Proposed Amendment to Lebanon Municipal Code Chapter 3.04

I. INTRODUCTION

Lebanon Municipal Code Chapter 3.04 establishes the City's public contracting framework and designates the City Council as the Local Contract Review Board. The Code also incorporates Oregon Revised Statutes (ORS) Chapters 279A, 279B, and 279C, which govern public contracting statewide.

II. CURRENT REPORT

Over time, Chapter 3.04 has accumulated detailed procedural requirements, including procurement thresholds and operational processes that must be regularly reviewed and amended to remain consistent with state law and evolving procurement practices. Maintaining this level of operational detail in municipal code creates administrative inefficiencies and requires frequent ordinance amendments for changes that are largely procedural in nature.

The proposed ordinance intentionally removes aforementioned inefficiencies from the municipal code and instead relies on direct references to state law and administrative policy. This structure preserves the City Council's oversight role while allowing purchasing procedures, documentation requirements, and internal controls to be updated administratively as laws, systems, and best practices change.

A draft Purchasing Policy has been prepared to implement these operational procedures and is included with this agenda item for informational purposes only.

Importantly, the ordinance does not reduce transparency, competition, or Council authority. All procurement activities will continue to be governed by state law, protest procedures, and City Council authority as the Local Contract Review Board.

III. RECOMMENDATION

Adopt Ordinance 2026-03, A Bill for an Ordinance Amending Lebanon Municipal Code Chapter 3.04 – Public Contracts.