

**A BILL FOR AN ORDINANCE AMENDING  
LEBANON MUNICIPAL CODE TITLE 13 –  
PUBLIC SERVICES**

) **ORDINANCE BILL NO. 2024-07**  
)  
) **ORDINANCE NO. 3023**

**WHEREAS**, Lebanon Municipal Code (LMC) Chapter 13.04 contains provisions governing the water and wastewater systems in Lebanon; and,

**WHEREAS**, LMC section 13.04.085 states, “effective July 1, 2002, as compensation for the use of city-owned rights-of-way, the water and wastewater funds shall each pay the general fund an in-lieu-of franchise fee in the amount of up to five percent of city of Lebanon water and wastewater user receipts.”; and,

**WHEREAS**, LMC Chapter 13.25 does not include an in-lieu-of franchise fee similar to the water and wastewater utility; and,

**WHEREAS**, LMC section 13.04.315 states, “the city shall establish a utility rate review committee consisting of two members of the city council, and members of the public who are rate payers of the system or other interested parties. The committee shall be appointed by and serve at the pleasure of the mayor. The committee shall meet annually to review the financial and physical condition of the water and wastewater systems and, if necessary, make recommendations to the city council regarding the systems.”; and,

**WHEREAS**, the 2024 Lebanon Budget Committee reviewed the fiscal year 2025 annual budget and recommended the City Council adopt the annual budget with an in-lieu-of franchise fee for the water and wastewater systems of seven percent; and,

**WHEREAS**, the City Council adopted the 2025 fiscal year budget on June 10, 2024; and,

**WHEREAS**, the City of Lebanon affords the public and City Council numerous opportunities through work sessions, Budget Committee meetings, and public City Council meetings to review and provide feedback on proposed utility rates annual.

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

**Section 1.** Amend LMC section 13.04.085 to read “effective July 1, 2024, as compensation for the use of city-owned rights-of-way, the water and wastewater funds shall each pay the general fund an in-lieu-of franchise fee in the amount of up to **seven percent** of city of Lebanon water and wastewater user receipts.”

**Section 2.** This ordinance amends LMC section 13.04.315 to read “the ***Lebanon City Council shall review utility rates and provide a public forum for such review. The City Council shall meet annually to review the financial and physical condition of the water and wastewater systems and, if necessary, update rates accordingly.***”

**Section 3.** This ordinance adds LMC section 13.25.140 which shall state “*effective July 1, 2024, as compensation for the use of city-owned rights-of-way, the storm drainage funds shall pay the general fund an in-lieu-of franchise fee in the amount of up to seven percent of city of Lebanon storm drainage user receipts.*”

This ordinance takes effect retroactively to July 1, 2024 upon passage.

Passed by the Lebanon City Council and executed by the Mayor on this 14<sup>th</sup> day of August, 2024 by a vote of \_\_\_\_\_ yeas and \_\_\_\_ nays.

CITY OF LEBANON, OREGON

\_\_\_\_\_  
Kenneth E. Jackola, Mayor   
Michelle Steinhebel, Council President

ATTESTED:

\_\_\_\_\_  
Julie Fisher, CMC, City Recorder