



**CITY OF MOLALLA
CITY COUNCIL CITY COUNCIL - REGULAR
AGENDA**

Civic Center | 315 Kennel Avenue
Wednesday, February 11, 2026 | 6:00 PM

NOTICE: City Council will hold this meeting in-person and through Live-Streaming on the City's YouTube channel, City of Molalla | Oregon. Written comments may be delivered to City Hall or emailed to recorder@cityofmolalla.com. Submissions must be received by 12:00 p.m. the day of the meeting.

[This institution is an equal opportunity employer.](#)

1. CALL TO ORDER AND FLAG SALUTE

2. ROLL CALL

3. CONSENT AGENDA

- A. [City Council Meeting Minutes - January 28, 2026](#)
- B. [OLCC Liquor License Request - Lil Pantry](#)
- C. [Resolution No. 2026-06: Authorizing City Staff to Conduct a Sole Source Procurement and Adopting the Findings of the Staff Report](#)

4. PRESENTATIONS, PROCLAMATIONS, CEREMONIES

- A. [SingerLewak - Auditor Presentation](#)

5. PUBLIC COMMENT

(Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The City Council does not generally engage in dialogue with those making comments but may refer the issue to the City Manager. Complaints shall first be addressed at the department level prior to addressing the City Council.)

6. PUBLIC HEARINGS

- A. [Ordinance No. 2026-01: Updating Molalla Municipal Code, Chapter 17, Related to Mobile Food Units](#)

7. ORDINANCES AND RESOLUTIONS

- A. [Ordinance No. 2026-01: Updating Molalla Municipal Code, Chapter 17, Related to Mobile Food Units](#)

8. GENERAL BUSINESS

- A. [PVC Pipe Antitrust Litigation](#)
- B. [2026 City Council Goals](#)

9. STAFF COMMUNICATION

10. COUNCIL COMMUNICATION

11. ADJOURN

Agenda posted at City Hall, Library, and the City Website at <http://www.cityofmolalla.com/meetings>. This meeting location is wheelchair accessible. Disabled individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-829-6855.



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, February 11, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: City Council Meeting Minutes - January 28, 2026

ATTACHMENTS:

[01.28.2026 CC Meeting Minutes.pdf](#)

[01.28.26 CC Meeting Minute Attachments.pdf](#)



City of Molalla
City Council - Regular Meeting
Minutes – January 28, 2026
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Regular Meeting for January 28, 2026 was called to order by Mayor Scott Keyser at 6:00 pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, and Councilor Martin Bartholomew.

Absent: Councilor K.C. Bisenius.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Dan Zinder, Planning Manager; Christie Teets, City Recorder; Claressa Davis, Associate Planner.

APPROVAL OF AGENDA

As presented.

CONSENT AGENDA

- A. Work Session Meeting Minutes - January 14, 2026
- B. City Council Meeting Minutes – January 14, 2026

ACTION:

Council President Vermillion made a motion to approve the Consent Agenda as presented; Councilor Shankle seconded. Motion passed 6-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Keyser

NAYS: None.

ABSTENTIONS: None.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

None.

PUBLIC COMMENT

None.

PUBLIC HEARING

None.

ORDINANCES AND RESOLUTIONS

- A. **Resolution No. 2026-03: Authorizing an Intergovernmental Agreement with Clackamas County Relating to Tax Revenue Replacement**

Mr. Huff shared in 2020, Clackamas County adopted a Pilot Program without notifying the City of Molalla, resulting in tax revenue being dispersed county-wide rather, however will now go to the Molalla Taxing District. The County has agreed to correct the funding distribution and reimburse the City \$6,302.36 in lost revenue through an Intergovernmental Agreement (IGA). This reimbursement includes the Fire District's portion, which the City will subsequently transfer to the Fire District. While the County cannot exit their existing contract with the developer and have publicly committed not to repeat this practice. Gratitude was shared for City Manager Mr. Huff, Mayor Keyser, Assistant City Manager Corthell, Senior Accountant Susan Duffy, and Fire Lt. Mike Penunuri for each of their roles in this long endeavor.

ACTION:

Council President Vermillion moved to adopt Resolution No. 2026-03: Authorizing an Intergovernmental Agreement with Clackamas County Relating to Tax Revenue Replacement and authorizing the City Manager to execute IGA; Councilor Gilmer seconded. Motion passed 6-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Keyser.

NAYS: None.

ABSTENTIONS: None.

B. Resolution No. 2026-04: Adopting Updated Daycare System Development Charges

Mr. Corthell shared he and staff followed Council direction from the January 14th Council meeting, to draft a resolution that would update Daycare System Development Charges (SDCs) to the 10th edition of the Institute of Traffic Engineers manual, replacing the 9th Edition currently in use. The update would reduce trip calculations by 7.68 trips, resulting in approximately 60% cost savings for individuals establishing daycare businesses in the City. The change aligns with the City's Comprehensive Plan, which prioritizes child care as a workforce readiness issue, and reflects more current, accurate data.

ACTION:

Council President Vermillion moved to adopt Resolution No. 2026-04: A Resolution of the City of Molalla Oregon Adopting Updated Daycare System Development Charges; Councilor Shankle seconded. Motion passed 6-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Keyser.

NAYS: None.

ABSTENTIONS: None.

GENERAL BUSINESS:

A. Urban Growth Boundary – Continued Discussion

Planning Manager Dan Zinder presented update on the Urban Growth Boundary (UGB) expansion project, following up on the January 14th City Council discussion of whether to use revised population forecasts from Portland State University (PSU). Staff recommended continuing with the adopted 2022 numbers, citing substantial timeline delays (pushing completion from late 2026 to late 2028/early 2029), potential loss of the existing \$115,000 DLCD grant, regulatory uncertainties with new state housing rules, and state budget concerns may affect future grant funding availability. Staff emphasized that the City's master plans, infrastructure capacity (including the new Wastewater Treatment Plant designed for 16,000 population and water rights exceeding current needs), and comprehensive planning framework are positioned to accommodate growth sustainably. Delaying the UGB expansion would divert critical staff resources from other priority projects including Transportation System Plan updates, code amendments, and Economic Opportunities Analysis implementation. No motion was made to use updated PSU Model; staff will move forward with plan in progress.

B. Clackamas County Transportation System Plan Update

City Manager Huff presented informational materials from Clackamas County regarding their upcoming Transportation System Plan (TSP) update. The county hired a contractor to conduct public outreach for the planning process, and the City will notify Council members and staff when opportunities arise to participate in advisory groups or steering committees. Encouraged community members, both in town and outside City limits, to participate in the County-wide TSP process, noting that community input is essential for identifying problem areas and traffic concerns that might otherwise go unaddressed in the plan. Additional information is available in the Council packet or by contacting the Community Development Department.

PUBLIC COMMENT

Jim Gilbert, Molalla CPO: Request that the City use updated conservative population forecast numbers in planning work.

Corwin DiMeo, Rural Molalla: Acknowledges difficult decision and disagrees with using outdated population numbers.

Brian Rearich, Rural Molalla: Encourages growth and sensible expansion when community, elected, and staff work together.

Connie Deary, S Molalla Forest Rd: Sixth generation Oregonian supports using the updated 2024 growth rate model for City.

STAFF COMMUNICATION

- **City Recorder Christie Teets:** Announced two vacancies available to community members. The Budget Committee has an opening for a three-year term, and the Planning Commission has an opening for a four-year term, both requiring applicants to reside within Molalla City limits. Application information and additional details are available on the City Website.
- **Planning Manager Dan Zinder:** Did not have anything further to add, no report.
- **Assistant City Manager Mac Corthell:** Shared schedule for System Development Charge (SDC) reviews, including a February 25th Work Session on SDCs, followed by a March meeting with consultant Steve Donovan to discuss Parks SDCs and an anticipated early April meeting (pending 90-day notice requirements) to finalize Parks SDC updates. Mr. Corthell also highlighted a significant development in the fourth quarter Community Development Report regarding the City's Wastewater Treatment Plant project. For full details see video minutes (54:50 - 01:01:17)
- **City Manager Dan Huff:** Commended the evening's PD Grand Opening event, noting strong attendance from the structure's designers and builders who shared the City's pride in the project, and thanked Mayor Keyser for his speech. Mr.

Huff also discussed observing Clackamas County's practice of noting "no impact on county general funds" on each agenda item, emphasizing that UGB-related projects do have significant impacts on the City's General Fund, which must be considered when prioritizing City initiatives and moving forward with various projects. City Manager also corrected a public comment claim that the City regularly restricts water in the Fall, clarifying this occurred only once in 2020 and was later determined to have been unnecessary. Finally, City Manager Huff shared the City would be happy to attend a Molalla Citizens Planning Organization CPO meeting if/when City staff was to be invited.

COUNCIL COMMUNICATION

- **Councilor Bartholomew:** Had no report.
- **Councilor Gilmer:** Had no report.
- **Councilor Shankle:** Reminded everyone of Chamber Auction and directed questions to the Chamber Office.
- **Councilor Childress:** Clarified during the 2020 water situation, the City encouraged conservation but never imposed water restrictions. She expressed gratitude for the strong community turnout at the Police Department Grand Opening, noting her deep satisfaction that the City was able to provide law enforcement with a proper facility. Springer reflected that the police station project had been a top priority throughout her nearly 10 years on council, and that both current and former council members had consistently supported and advanced the project, making its completion a significant accomplishment for the city and the police force.
- **Council President Vermillion:** Praised the strong community turnout at the Police Department Grand Opening and emphasized the importance of providing law enforcement with proper tools and facilities for success. He encouraged community members to attend public tours scheduled for March and commended the Mayor for his speech at the event.
- **Mayor Keyser:** Praised the Police Department Grand Opening and highlighted unique features of the new facility, including a decorative badge in the wall made from repurposed bowling lanes and an emergency safety feature in the Front Lobby where individuals can press a button to become secured in a locked area until police arrive. Mayor Keyser reported on Clackamas County Commissioners' discussion of budget shortfalls and noted commissioners proactively contacted City Manager Huff to arrange collaborative discussions with city managers throughout the county to determine appropriate service levels and fees before the county finalizes any program proposal. To conclude Mayor encouraged community members to apply for the vacant Budget Committee position, emphasizing that the role requires minimal time commitment and includes online training provided by the City with valuable insight into City finances and budget allocation.

For the complete video account of the City Council Meeting, please go to YouTube
[City of Molalla | Oregon – January 28, 2026](#)

ADJOUR

Mayor Keyser adjourned the meeting at 7:06 PM.

Scott Keyser, Mayor

PREPARED BY:

ATTEST:

Crystal Robles, Deputy City Recorder

Christie Teets, CMC - City Recorder

Meeting Attachments:

- Planning Manager Dan Zinder's, Urban Growth Presentation
- Submitted Public Comment Email : Kim Sawyer – Urban Growth Boundary Comment
- Submitted Public Comment Email : Mike Simmons – Urban Growth Boundary Comment
- Submitted Public Comment Email : Corwin Di-Meo – Urban Growth Boundary Comment
- Submitted Public Comment Email : Laura Johnson-Graham – Urban Growth Boundary Comment

DRAFT

PROCESS IF THE CITY CONTINUES WITH THE ADOPTED HNA:

- Re-adopt HPS document in February 2026
- Use granted \$115,000 monies from DLCD to update Goal 14 analysis on practicability of a southern expansion vs northern expansion and UGB amendment adoption.
 - Timeline of completion: End of calendar year, 2026
- Apply for TGM grant with ODOT to update the Molalla TSP to account for and update UGB expansion zoning
 - Project kickoff in 2026, likely to be completed in 2027



PROCESS IF THE CITY COMPLETES A NEW HCA WITH UPDATED NUMBERS:

- Re-adopt HPS document in February 2026
- Use granted \$115,000 monies from DLCD to produce a new HCA and residential land BLI and then update HPS
 - New documents to be completed in compliance with new OHNA rules. The new rules require a more robust BLI, more granular breakdowns of needed housing, and outreach with local tribes. Additional outreach may be required.
 - Approximate timeline for completion of HCA/BLI/New HPS in late 2026/early 2027



CONT'D - PROCESS IF THE CITY COMPLETES A NEW HCA WITH UPDATED NUMBERS:

- Apply for a new, competitive DLCD grant in the 2027 biennium for additional Goal 14 work
 - Goal 14 work would also be completed under new OHNA rules.
 - The delay would likely not jeopardize City attempts to go north as new OHNA rules define “impracticability” in a concrete way
 - If received, UGB expansion would likely occur in late 2028/early 2029
- Apply for TGM grant with ODOT to update the Molalla TSP to account for and update UGB expansion zoning
 - Project kickoff in late 2028/early 2029, likely to be completed in late 2029

To Mayor Keyser and the Molalla City Council,

Thank you for this opportunity to share my thoughts with you regarding the Urban Growth Boundary planning. My name is Kim Sawyer. I'm not a native of Oregon. I've lived most of my life in big cities. I moved to Molalla twelve years ago, and this is truly the first small town I've lived in. Over the years, as I've learned about this community and made friends, there's one thing that I've noticed above all else.

The people love their small town. They grumble about change and about congestion. It's to be expected. They want the quiet life, and it was one reason I chose Molalla for my farm. I've watched the community come together during the fires and again during the ice storm, and I've admired how they support their neighbors.

One thing Oregon has that many other states don't is a strong commitment to farmland. Many families look to rural communities to purchase small farms to grow gardens, keep chickens, and raise other livestock, becoming more self-sustaining while instilling community values. Molalla is one of those places that people from the busy urban areas look to escape the hectic lifestyle.

Change is inevitable. Growth is inevitable. Both come at costs, including widening rural roads to support increased traffic, more control over the Molalla River to ensure there's water not just for those who live within city boundaries, but for the farms and public recreation that rely on it. And I've only touched on a portion of concerns regarding other infrastructure costs. There is also an increase in housing and business vacancies, which could be exacerbated at the cost of farmland.

We can't fight change or the need for growth, but how we grow and how we change as a city and a community is something we can control. Molalla means living among forests and farmland, preserving as much as possible for future generations.

Please consider using the updated population forecast figures for Urban Growth Boundary planning to help preserve our small-town charm and scenic beauty.

Thank you again for your time.

Respectfully,

Kim Sawyer

Molalla's UGB efforts

Mike Simmons <Mike.Simmons@formfactor.com>

Tue 1/27/2026 10:15 PM

To: City Recorder <recorder@cityofmolalla.com>;

Cc: Mike Simmons Hotmail <msimmons616@hotmail.com>;

Dear City of Molalla, Council and Mayor,

I would like to present comments for the 28 January meeting.

During the 14 January 2026 council it was presented that it is proposed that Molalla change course in its efforts on the UGB studies.

While the new calculations follow the current change in formulas showing a lower need of housing units, it also apparently follows different calculations resulting in possibly no net difference in the overall amount of area to be included.

The difference is a potential 2-year delay to start, reworking of the current studies, abandonment of the sequential process, abandonment of the goal 14 usability and cost studies of the southern exception lands. This time delay will in the end cost Molalla time and effort for no tangible benefit.

My family has been working to have my Grandparents property on the north edge of town be included into the UGB and the City for approximately 45 years. I have been personally actively involved in that effort for approximately 25 years, and have sponsored and redone studies and have had extremely accurate predictions from consultant's based on the path supported by DLCD at the time and am still engaged in that effort.

The only thing that has been a constant over that time is change. Change in the requirements, in the direction that Molalla is encouraged by DLCD and the state to pursue. I have seen multiple city administrations, multiple DCLD & State administration formulations, and directives. There has been support from DLCD in one direction, only for the administrations to change and the required direction change. This has happened more than once.

It would be a mistake for the City to change from its current agreed on path of sequential studies and the Goal 14 review of the Southern exception lands. It is clear that there is a very significant infrastructure cost if development is forced in that direction and significant public resistance.

Delaying the project timeline will only serve to delay, move the project into uncertain directions and cost the city more than just cost of staff time and money. There will also be cost in uncertain future and that effect on the business in Molalla

Best Regards
Mike Simmons

RE: Public Comment

Christie Teets

Wed 1/28/2026 12:21 PM

To: Corwin DiMeo-Ediger <corwinjde@gmail.com>; City Recorder <recorder@cityofmolalla.com>;

Hi Corwin,

Thank you for your submission. This will become public record and included with the City Council Meeting Minutes for tonight's meeting.

See you at 6:00 o'clock!

Best,

Christie Teets, CMC

City Recorder

Phone: 503.759.0285

www.cityofmolalla.com

Office Hours: M-Th | 8:00a-4:30p; F | 8:00a-12:00p



DISCLOSURE NOTICE: This email is a public record of the City of Molalla. The contents may be subject to public disclosure under Oregon Public Records Law and subject to the State of Oregon Records Retention Schedules.

From: Corwin DiMeo-Ediger <corwinjde@gmail.com>

Sent: Wednesday, January 28, 2026 12:17 PM

To: City Recorder <recorder@cityofmolalla.com>

Subject: Public Comment

Hi there, I would like to submit this statement as public comment for the meeting tonight. I would also like to read the comment during the relevant portion of the meeting.

Public Comment on UGB Planning / Corwin DiMeo-Ediger

I understand that a decision to proceed with the current population forecast has been made. While I disagree with that decision for a litany of reasons covered in previous meetings, I acknowledge and appreciate the difficult position the City finds itself in with respect to this phase of the sequential planning process. I also wish to thank the City staff and Council for bringing the population forecast subject back to the public forum. That signals a genuine willingness to engage with the community on difficult decisions that many might have otherwise been considered "settled."

While I realize it is not possible to persuade you to change course with further practical arguments or statistical evidence, I would like to offer a few final perspectives for the Council and staff to keep in mind as this process continues.

There were comments made in the last City Council meeting that the Council's decisions must remain rooted in the fiduciary responsibility the city has to the taxpaying residents within city limits. While technically true from an administrative standpoint, I contend that the City also has both legal and moral obligations to the greater Molalla community who are also tax payers and some of whom will be more immediately and directly impacted by this decision than anyone in the city limits.

I do not live within city limits; I live directly in the center of sub-area 5 which is being targeted for expansion and remains at risk even if the city moves north instead. Because I reside 200 feet outside the current growth boundary, I have no direct democratic recourse or remedy with this Council. I cannot vote for or against any of you. Yet, you are making decisions that will directly dictate my quality of life, the value of my land and heritage, and my future health and safety. It is true that people in the expanded boundary will generally have a choice to annex into the city or not but that choice is illusory and based on a false premise if every single one of your neighbors decides to annex.

My property tax statements show that 82% of the line items on my rural tax bill match a city tax bill. We pay taxes for the same fire district, for the same schools, for common debts/bonds, and for shared county services which there are more of than city specific services. We are, for all intents and purposes, part of the same financial, environmental, and social ecosystem.

Regardless of the final UGB plan the City pursues, I ask that you remain open to continued engagement from the community both inside and outside the city boundary. Whether the planning process continues into the exception lands or follows a northward push, I ask the City to use what flexibility and discretion it has to limit the obvious harms of aggressive overexpansion. I ask that you consider not just the economic targets and temporary financial costs, but also the permanent social, cultural, environmental, and agricultural impacts on the people who have called this land home for generations.

Thank you for your time and your consideration.

From: [Laura Johnson-Graham](#)
To: [City Recorder](#)
Subject: Testimony for City Council Meeting Jan 28th
Date: Friday, January 23, 2026 12:56:09 PM

PLEASE USE THE CORRECTED 2024 POPULATION DATA FOR THE UGB
PROCESS TO THE BENEFIT OF ALL INVOLVED

Dear Mayor Keyser and City Council members,

We support your efforts to effect responsible and orderly expansion of the Urban Growth Boundary. I am writing to offer encouragement and to express my significant concerns regarding the ongoing UGB process, which is utilizing the flawed population data from 2020. I urge you to take whatever steps are necessary to base the UGB process on the corrected data from 2024. I ask this for the following reasons:

The flawed 2020 data significantly overstates the housing requirement, which would lead to:

- Overinvestment in public infrastructure, wasting tax payer dollars on unneeded projects for a population growth that will not come;
- Potential overbuilding to meet an incorrect population growth forecast, with resulting drop in property prices for new and existing homes, which could take years to recover;
- Taking out of production agricultural acres that are increasingly scarce and valuable
- Placing greater strain on an already overstretched water supply, and putting at risk the long-held water rights and access of many agricultural land owners

The switch to the corrected population data and forecasts from 2024 is entirely achievable now that the DLCD has agreed to support the redirection of the \$75k grant from a Northward study to a reanalysis using the corrected population data. This support from the state makes this an opportunity that will benefit all concerned, providing a more appropriate level of investment for the realistic expectation for population growth, while maintaining more of Molalla's beautiful, valuable and productive agricultural surroundings.

Thank you for taking note of our concerns, and for taking these steps to ensure that our growth is done in a way that is best for our city and all who enjoy this beautiful rural way of life

Laura Johnson-Graham, Rowan John, Tommy John
Owners, Oakwood Sport Horses, LLC, 30425 S. McCown Road, Molalla, OR 97038



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, February 11, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: OLCC Liquor License Request - Lil Pantry

RECOMMENDATION/RECOMMENDED MOTION:

This item is for Council information. Staff requests approval with the Consent Agenda.

BACKGROUND:

This license is for change in ownership. The previous owner was the Astro Market and Gas Station.

This item has been reviewed by the administrative team and Fire Marshall. There are no concerns and has been sent to OLCC for approval.

ATTACHMENTS:

[3b OLCC Permit.LilPantry_Redacted.pdf](#)



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Annual Liquor License Types	
Off-Premises Sales Limited On-Premises Sales Full On-Premises, Caterer Full On-Premises, Commercial Full On-Premises, For Profit Private Club Full On-Premises, Non Profit Private Club Full On-Premises, Other Public Location Full On-Premises, Public Passenger Carrier	Brewery-Public House Brewery Distillery Grower Sales Privilege Winery Wholesale Malt Beverage & Wine Warehouse

Section 1 – Submission – To be completed by Applicant:	
License Information	
Legal Entity/Individual Applicant Name(s): GHG 5 LLC/ Karmneet Ahluwalia/Hardeep Brar Proposed Trade Name: Lil Pantry Premises Address: 901 E Main St Unit: _____ City: Molalla County: Clackamas Zip: 97038 Application Type: ☐ New License Application ☒ Change of Ownership ☐ Change of Location License Type: Off-Premise Sales ☐ Additional Location for an Existing License	
Application Contact Information	
Contact Name: Karmneet Singh Ahluwalia Phone: [REDACTED] Mailing Address: [REDACTED] City: [REDACTED] State: OR Zip: [REDACTED] Email Address: [REDACTED]	
Business Details	
Please check all that apply to your proposed business operations at this location: ☐ Manufacturing/Production ☒ Retail Off-Premises Sales ☐ Retail On-Premises Sales & Consumption If there will be On-Premises Consumption at this location: ☐ Indoor Consumption ☐ Outdoor Consumption ☐ Proposing to Allow Minors	
Section 1 continued on next page	



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Per OAR 845-005-0304(3): The Commission requires an applicant for issuance of a new license issued under ORS chapter 471, to provide written notice of the application to the local government in the form of a complete, accurate, and legible Commission form.

The local government is as follows:

- (a) If the address of the premises proposed to be licensed is within a city's limits, the local government is the city.
- (b) If the address of the premises proposed to be licensed is not within a city's limits, the local government is the county.

INSTRUCTIONS:

Step 1: Applicant completes all of Section 1 (including top of Page 2).

Step 2: Applicant submits both pages of the form to the appropriate local government. NOTE: The local government may require additional forms and/or fees.

Step 3: Local government completes at least Section 2 and returns all pages of the form, or a copy thereof, to the applicant. The local government is allowed up to 45 days to complete Section 3.

Step 4: Applicant takes the form with at least Sections 1 and 2 completed and includes it with their CAMP application to meet the Local Government Recommendation document requirement. Submissions that do not have at least Sections 1 and 2 completed will not be accepted.

Step 5: The local government issues its final recommendation in Section 3 and returns the completed form to the applicant. If the applicant has already submitted their initial application via CAMP, they hold on to the final recommendation and provide it to their investigator, when requested. If they have not already submitted their application, they upload the fully completed Local Government Recommendation form with their initial application submission.

Applicants within the city of Portland ONLY: After completing the attached form, please follow these steps to complete the Local Government Recommendation process:

- Apply via the [City of Portland website](#).
- Once you have completed the application with the City of Portland, you will receive an email notifying you that your application has been accepted, usually within two business days. The email will contain an attachment titled "ABC Public Notice."
- Upload the ABC Public Notice document with your CAMP application to meet the Local Government Recommendation document requirement.

NOTE: This document only provides proof of submission. Once you receive your final recommendation from the City of Portland, you will need to provide that to your assigned OLCC investigator.



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Section 1 Continued – Submission - To be completed by Applicant:

Legal Entity/Individual Applicant Name(s): GHG 5 LLC/ Karmneet Ahluwalia/Hardeep Brar

Proposed Trade Name: Lil Pantry

IMPORTANT: You MUST submit this form to the local government PRIOR to submitting to OLCC.
Section 2 must be completed *by the local government* for this form to be accepted with your CAMP application.

Section 2 – Acceptance - To be completed by Local Government:

Local Government Recommendation Proof of Acceptance

After accepting this form, please return a copy to the applicant with received and accepted information

City or County Name: Medalla

Optional Date Received Stamp

Date Application Received: January 6, 2026

Received by:

SEALHUTMAN

Section 3 – Recommendation - To be completed by Local Government:

- ☒ Recommend this license be granted
- ☐ Recommend this license be denied (Please include documentation that meets [OAR 845-005-0308](#))
- ☐ No Recommendation/Neutral

Name of Reviewing Official: DAN HUFF

Title: CITY MANAGER

Date: January 6, 2026

Signature: 

After providing your recommendation and signature, please return this form to the applicant.



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, February 11, 2026

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2026-06: Authorizing City Staff to Conduct a Sole Source Procurement and Adopting the Findings of the Staff Report

ATTACHMENTS:

[Staff Report_Res. No. 2026-06 Sole Source Procurement.pdf](#)

[Res. No. 2026-06 Sole Source Procurement.pdf](#)



CITY OF MOLALLA

117 N. Molalla Avenue
PO Box 248
Molalla, OR 97038

Staff Report

Agenda Category: Consent Agenda

Agenda Date: February 11, 2026

From: Mac Corthell, Assistant City Manager
Approved by: Dan Huff, City Manager

SUBJECT: Resolution 2026-06, Authorization for Sole Source Procurement for Orion Water Meter End Points.

FISCAL IMPACT: \$21,200

RECOMMENDATION/RECOMMEND MOTION: Staff Recommends Adoption of the Resolution as included with the Consent Agenda.

BACKGROUND:

City Staff is requesting local contracting board (City Council) authorization to utilize sole source procurement in the purchase of Orion Meter Ends.

The below laws and associated findings are required prior to initiating a sole source procurement. City staff has proposed findings for adoption/modification/rejection.

OAR 137-047-0275

Sole-source Procurements

(1) Generally. A Contracting Agency may Award a Contract without competition as a sole-Source Procurement pursuant to the requirements of ORS 279B.075.

(2) Public Notice. If, but for the Contracting Agency's determination that it may enter into a Contract as a sole-source, a Contracting Agency would be required to select a Contractor using source selection methods set forth in either ORS 279B.055 or 279B.060, a Contracting Agency shall give public notice of the Contract Review Authority's determination that the Goods or Services or class of Goods or Services are available from only one source. The Contracting Agency shall publish such notice in a manner similar to public notice of competitive sealed Bids under 279B.055(4) and OAR 137-047-0300. The public notice shall describe the Goods or Services to be acquired by a sole-source Procurement, identify the prospective Contractor and include the date, time and place that protests are due. The Contracting Agency shall give Affected Persons at least seven (7) days from the date of the notice of the

determination that the Goods or Services are available from only one source to protest the sole source determination.

Staff Finding: This purchase would fall under ORS 279B.070, as such the City would not be required to solicit bids or proposals under ORS 279B.055 nor ORS 279B.060. This criterion is not applicable.

(3) Protest. An Affected Person may protest the Contract Review Authority's determination that the Goods or Services or class of Goods or Services are available from only one source in accordance with OAR 137-047-0710.

Staff Finding: This criterion is not applicable.

ORS 279B.075

The determination of a sole source must be based on written findings that may include:

(a) That the efficient utilization of existing goods requires acquiring compatible goods or services;

Staff Finding: The City utilizes Badger Meters and they have proven to be compatible only with Orion End Points. As such, the city needs to utilize the compatible Orion End Points to avoid having to fully replace all water meters in question at a cost more than 10 times that of the components being replaced. This criterion is met.

(b) That the goods or services required to exchange software or data with other public or private agencies are available from only one source;

Staff Finding: This criterion is not applicable.

(c) That the goods or services are for use in a pilot or an experimental project; or

Staff Finding: This criterion is not applicable.

(d) Other findings that support the conclusion that the goods or services are available from only one source.

Staff Finding: General Pacific Inc., is the regional distributor of Orion endpoints for Badger Meters. The City is not aware of additional distributors for this region.



RESOLUTION NO. 2026-06

A RESOLUTION OF THE CITY OF MOLALLA, OREGON AUTHORIZING CITY STAFF TO CONDUCT A SOLE SOURCE PROCUREMENT, AND ADOPTING THE FINDINGS IN THE STAFF REPORT.

WHEREAS, Sole Source Procurement is allowed in accordance with the provisions of ORS 279B.075, and OAR 137-047-0275; and

WHEREAS, The City has made appropriate findings under the applicable laws and rules to conduct a sole source procurement.

Now, Therefore, the City of Molalla Resolves as follows:

Section 1. The Molalla City Council hereby adopts the findings in the staff report and authorizes City Staff to conduct the Sole Source procurement method for Orion Meter Ends purchased from the effective date of this resolution through June 31, 2026, subject to budgetary authorizations and all applicable laws & rules.

Section 2. This resolution is effective upon adoption by the City Council and signature by the Mayor.

Signed this 11th day of February 2026.

Scott Keyser, Mayor

ATTEST:

Christie Teets, City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: PRESENTATIONS, PROCLAMATIONS, CEREMONIES

Agenda Date: Wednesday, February 11, 2026
Submitted by: Cindy Chauran, Finance Director
Approved by: Dan Huff, City Manager

SUBJECT: SingerLewak - Auditor Presentation

RECOMMENDATION/RECOMMENDED MOTION:

No action necessary. Presentation and discussion is for Council information only.

BACKGROUND:

SingerLewak has completed the City of Molalla's 2025 audit. Representative Kathy Wilson will present findings and details about the Comprehensive Audit performed and address any questions that Council may have.



CITY OF MOLALLA

Staff Report

Agenda Category: PUBLIC HEARINGS

Agenda Date: Wednesday, February 11, 2026

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Ordinance No. 2026-01: Updating Molalla Municipal Code, Chapter 17, Related to Mobile Food Units

RECOMMENDATION/RECOMMENDED MOTION:

Hold the Public Hearing and receive the staff report. Public comment for this item should also be received during the Public Hearing.

ATTACHMENTS:

[Ordinance No. 2026-01 and Staff Report - Mobile Food Unit Code Update.pdf](#)

[Exhibit A - Proposed Ordinance Language.pdf](#)

[Exhibit B - Findings of Fact.pdf](#)



CITY OF MOLALLA

117 N. Molalla Avenue
PO Box 248
Molalla, OR 97038

Staff Report

Agenda Category: Public Hearing & Ordinances

Agenda Date: February 11, 2026,

From: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Mobile Food Unit Ordinance

FISCAL IMPACT: Accessory mobile food units will pay an annual fee set by Council.

RECOMMENDATION: Conduct Public Hearing, then hold First Reading of Ordinance No. 2026-01. If Council is not ready to hold First Reading, staff requests feedback and discussion regarding proposed Code language.

RECOMMEND MOTION:

I move to hold the First Reading of Ordinance No. 2026-01: Updating Molalla Municipal Code, Chapter 17, Related to Mobile Food Units, by title only.

I move to hold the Second Reading and Adoption of Ordinance No. 2026-01: Updating Molalla Municipal Code, Chapter 17, Related to Mobile Food Units, by title only.

BACKGROUND: Staff proposes updating the Mobile Food Unit (MFU) code to simplify the permitting process and clarify requirements for both property and unit owners. The proposed amendments were developed in accordance with the Molalla Comprehensive Plan and carry out goals set forth in said plan. Staff further explore this in Exhibit B – Findings of Fact. These changes replace the current code with two distinct categories:

1. Accessory Mobile Food Units (Formerly "Temporary")

- Definition: Units operating as an accessory to an existing primary use on a property.
- Permitting & Fees: These units will undergo an Other Type I Review and be subject to an annual fee set by the City Council.
- SDC Exemption: To encourage small business growth, these units will not be charged System Development Charges (SDCs).

2. Primary Mobile Food Units (Formerly "Permanent")

- Definition: Units acting as the primary use of a property, or properties hosting more than two units (e.g., food cart pods).
- Permitting: These units will be permitted through a standard Site Design Review.

Responsibility Breakdown

To clarify the process, the code now clearly identifies responsibilities:

- Property Owner: Responsible for all land use applications and site compliance.
- MFU Owner: Responsible for obtaining and maintaining the MFU Business License.

These amendments create a more predictable regulatory environment for business owners while ensuring the City continues to protect public health and safety.

Staff is seeking:

1. Council's feedback, if any, on the proposed language attached hereto in Exhibit A – Proposed Ordinance Language.

EXHIBITS SUMMARY:

Exhibit A – Proposed Ordinance Language

Exhibit B – Findings of Fact



ORDINANCE NO. 2026-01

**AN ORDINANCE OF THE CITY OF MOLALLA, OREGON
UPDATING MOLALLA MUNICIPAL CODE,
CHAPTER 17, RELATED TO MOBILE FOOD UNITS**

WHEREAS, the City of Molalla proposes updating the Mobile Food Unit (MFU) code to simplify the permitting process and clarify requirements in accordance with the goals and policies of the Molalla Comprehensive Plan; and

WHEREAS, these amendments establish two distinct categories for units—Accessory Mobile Food Units and Primary Mobile Food Units; and

WHEREAS, the updated code provides a clear breakdown of responsibility, assigning land use and site compliance to the property owner and business licensing requirements to the MFU owner; and

WHEREAS, the City Council finds that these changes create a more predictable regulatory environment for business owners while ensuring the City continues to protect public health, safety, and welfare.

Now, Therefore, the City of Molalla ordains:

Section 1. Molalla Municipal Code Table 17-2.2.030, Special Use Standards 17-2.3.220, and Definitions 17-5.1 are hereby amended consistent with Exhibit A, which is incorporated herein and adopted by reference.

Section 2: The findings related to this amendment, attached as Exhibit B, are incorporated herein and adopted by reference.

Section 3. Effective Date. This Ordinance shall take effect 30 days after enactment.

The First Reading was held on _____, and moved to a Second Reading by _____ vote of the City Council.

The Second Reading was held on _____ and adopted by the City Council on _____.

Signed this ____ day of _____ 2026.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder

Exhibit A – Proposed Ordinance Language

Key

Normal Text	Current language that is unchanged
Strike-through	Language deleted from the code
<i>Italics</i>	Language added to the code

17-2.2.030. Allowed Uses.

Uses	R-1	R-2	R-3	R-5	C-1	C-2	M-1	M-2	PSP	Special Use Standard
Mobile Food Units, Permanent	N	N	N	N	S	S	S	N	N	Ch. 17-2.3
Mobile Food Units, Temporary	N	N	N	N	N	S	S	S	N	Ch. 17-2.3

Uses	R-1	R-2	R-3	R-5	C-1	C-2	M-1	M-2	PSP	Special Use Standard
<i>Mobile Food Units, Primary</i>	<i>N</i>	<i>N</i>	<i>N</i>	<i>N</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>N</i>	<i>Ch. 17-2.3</i>
<i>Mobile Food Units, Accessory</i>	<i>N</i>	<i>N</i>	<i>N</i>	<i>N</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>Ch. 17-2.3</i>

17-2.3.220. Mobile Food Units.

~~A. Applicability. No mobile food unit may operate within the city limits of Molalla except as permitted in this chapter, or as authorized by an event permit issued by the City of Molalla.~~

~~B. General Requirements. The following standards apply to all mobile food units operating within the City of Molalla, except as authorized by an event permit issued by the City of Molalla.~~

- ~~1. Mobile food units shall be permitted as an accessory use in all zones in which they are "Permitted Subject to Special Use Standards (S)."~~
- ~~2. Mobile food units shall primarily sell food items.~~
- ~~3. Mobile food units may not sell, offer, provide or in any way transfer cannabis in any form.~~
- ~~4. Mobile food units shall maintain continuous compliance with applicable federal, state, county, and city standards.~~

- ~~5. Discharge or leakage draining into the stormwater or wastewater system is prohibited. Wastewater shall not be dumped or spilled onto or into the ground, streets, stormwater, or wastewater systems. All liquid waste from the waste tank or from cleaning activities shall be captured and properly disposed of.~~
- ~~6. All permanent utility lines shall be placed underground. Temporary utilities, lines and tanks shall be placed underground or otherwise screened, covered, or hidden from view from the right-of-way as to minimize visual impacts and prevent unsafe conditions.~~
- ~~7. Power connections may not be connected by overhead wires to the individual mobile food units.~~
- ~~8. Additional impervious surfaces must comply with stormwater and grading design standards.~~
- ~~9. Mobile food units, equipment, customer service areas, or any other associated object may not be located within the public right-of-way.~~
- ~~10. Mobile food unit owners are responsible for maintaining the mobile food unit in a neat and clean condition, including, but not limited to: an exterior that is clean and free from rust, peeling paint, and visibly worn or broken exterior equipment (including accessory equipment) and any other defect that reasonably detracts from the public's aesthetic appreciation of the unit or accessories thereto.~~
- ~~11. Mobile food unit owners and property owners are responsible for maintaining the property upon which a mobile food unit operates in a neat and clean condition, including, but not limited to: free from trash, waste, broken or visibly worn equipment and furnishings, or any other defect that reasonably detracts from the public's aesthetic appreciation of the site.~~
- ~~12. Mobile food units must be self-contained and connect to individual wastewater and potable water holding tanks at all times, except as authorized in this chapter for a mobile food unit pod.~~

~~C. Design and Operation Standards:~~

- ~~1. Temporary Mobile Food Units. Mobile food units that operate on a property for eight hours or less in a 24-hour period shall comply with the following:~~
 - ~~a. Hours of Operation.~~
 - ~~(1) Operations are permitted between the hours of 6:00 a.m.—10:00 p.m.~~
 - ~~(2) Hours of operation may be modified by conditional use permit.~~
 - ~~b. Site Standards.~~
 - ~~(1) Limited to three food units on a property at any one time; and~~
 - ~~(2) Must be accessory to a primary use; and~~
 - ~~(3) Temporary tables, chairs, lighting, and shelter may be provided during temporary mobile food unit operations but must be removed or appropriately stored out of site upon cessation of mobile food unit operations each day; and~~

~~(4) Maintain minimum number of parking stalls and minimum drive aisle widths and parking lot requirements, and~~

~~i. Nonconforming parking lots may be utilized, but the TMFU may not cause an increase in nonconformity; and~~

~~(5) Vehicle and pedestrian circulation and parking areas must be compact gravel, asphalt, concrete, or other hard material as approved by the Public Works Director; and~~

~~(6) Placement may not result in a reduction of landscaping to less than the minimum site requirement.~~

~~c. Unit and Accessory Standards.~~

~~(1) Shall comply with the Molalla Municipal Code; and~~

~~(2) Shall comply with all applicable standards of the zone in which the property lies; and~~

~~(3) Must not inhibit emergency vehicle ingress and egress to the site.~~

~~2. Single or Double Permanent Mobile Food Units. Mobile food units that operate on a property that is approved for two or less permanent mobile food units, for more than eight hours in a 24-hour period shall comply with the following:~~

~~a. Hours of Operation.~~

~~(1) Operations are permitted between the hours of 6:00 a.m.—10:00 p.m.~~

~~(2) Hours of operation may be modified by conditional use permit.~~

~~b. Site Standards.~~

~~(1) Limited to two permanent and one temporary food unit on the property at any one time; and~~

~~(2) Maintain the minimum number of parking stalls, and minimum drive aisle widths and parking lot requirements, and~~

~~i. Nonconforming parking lots may be utilized, but the MFU may not cause an increase in nonconformity; and~~

~~(3) Vehicle and pedestrian circulation and parking areas must be compact gravel, asphalt, concrete, or other hard material as approved by the Public Works Director; and~~

~~(4) Placement may not result in a reduction of landscaping to less than the minimum site requirement; and~~

- ~~(5) Must supply at least one public on-site restroom facility, this may be portable, part of an existing building on-site, or constructed in accordance with the State of Oregon Building Code; and~~
- ~~(6) Where frontage improvements would be triggered by development, the applicant may record a city approved non-remonstrance agreement in lieu of improvements; and~~
- ~~(7) Where insufficient right-of-way exists on a street abutting the property, dedication in accordance with the City of Molalla Transportation System Plan will be required.~~

~~c. Unit and Accessory Standards:~~

- ~~(1) Fully screen from view any portable toilet, mechanical or power generating equipment that is separated from the mobile food unit, with vegetation or screening at a height equal to or greater than the height of the unit, subject to Planning Official approval; and~~
- ~~(2) Comply with the applicable standards of the zone in which the property lies; and~~
- ~~(3) Must not inhibit emergency vehicle ingress and egress to the site.~~

~~3. Mobile Food Unit Pods. A site that is approved for three or more food units to operates on the property for more than eight hours in a 24-hour period shall comply with the following:~~

~~a. Site, Unit, and Accessory Standards:~~

- ~~(1) Except as outlined in this ordinance, all mobile food unit pods shall comply with the applicable provisions of MMC Title 17 for commercial activities classified as retail sales and commercial services.~~
- ~~(2) Shall be fully enclosed by a fence, wall, exterior building wall, or combination thereof.~~
 - ~~i. Notwithstanding MMC Section 17-3.4.040, the design and dimensions of fences or walls used to satisfy the requirement of this section are subject to approval by the Planning Official.~~
 - ~~ii. The Planning Official shall base their approval of a proposed wall or fence on a balance of the Community Design Standards in MMC Section 17-3.4.040, the location of the parcel and surrounding uses, and the aesthetics of the proposal.~~
- ~~(3) Must supply at least one public on-site restroom facility for every two mobile food units, these may be portable, part of an existing building on-site, or constructed in accordance with the State of Oregon Building Code.~~
- ~~(4) A pod may choose to connect to city water, city sewer, or a combination thereof, but the entire pod must be uniform in this election.~~

- ~~(5) A pod must connect to a permanent power supply, generators are prohibited unless for emergency use.~~

~~D. Process.~~

- ~~1. Temporary mobile food units are subject to Type I Site Plan and Design Review for each property upon which they operate.~~
 - ~~a. Title 17 Division III Design Standards are not applicable unless:~~
 - ~~(1) Otherwise indicated in this section; or~~
 - ~~(2) Required by a condition of land use approval; or~~
 - ~~(3) A pre-existing design element (or lack thereof) is deemed unsafe or unreasonable by the Planning Official or Public Works Director.~~
 - ~~b. A copy of Clackamas County Health Department mobile food unit application and permit must be attached to your application.~~
 - ~~c. System development charges are not applicable to simple placement of a temporary mobile food unit.~~
- ~~2. Single or double mobile food units that are accessory to a primary use are subject to Type I Site Plan and Design Review.~~
 - ~~a. Title 17 Division III Design Standards are not applicable unless:~~
 - ~~(1) Otherwise indicated in this section; or~~
 - ~~(2) Required by a condition of land use approval; or~~
 - ~~(3) A pre-existing design element (or lack thereof) is deemed unsafe or unreasonable by the Planning Official or Public Works Director.~~
 - ~~b. A copy of Clackamas County Health Department mobile food unit application and permit must be attached to your application.~~
 - ~~c. System development charges are applicable to placement of an individual permanent mobile food unit.~~
- ~~3. Mobile food unit pods and single or double mobile food units that are the primary use on a property are subject to Type II or Type III Site Design Review in accordance with MMC Chapter 17-4.2.~~
 - ~~a. A copy of Clackamas County Health Department mobile food unit application and permit must be attached to your application.~~
 - ~~b. System development charges are applicable to mobile food unit pods and single or double mobile food units that are the primary use on a property.~~

~~E. Fees. Fees will be set by resolution of the City Council from time to time.~~

~~F. Enforcement and Penalties. Violations of this section are subject to the enforcement and penalty provisions of MMC Title 17.~~

~~G. Severability. In the event any provisions of this section shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision.~~

~~(Ord. 2020-09 §1; Ord. 2020-10 §1; Ord. 2021-05 §1)~~

A. Purpose. *The purpose of this section is to establish reasonable regulations for the placement and operation of mobile food units within the City of Molalla to:*

- 1. Protect the public's health, safety, and welfare; and*
- 2. Ensure compliance with applicable laws and rules; and*
- 3. Minimize adverse impacts on surrounding properties, public rights-of-way, and public infrastructure; and*
- 4. Provide clear, predictable standards and procedures for permitting and enforcement.*

B. Applicability. *The standards of MMC 17-2.2.030 apply to all mobile food unit operations and sites in the City of Molalla, except as permitted by a special event permit.*

C. Definitions.

- 1. **Mobile food unit.** Any vehicle, trailer, cart, wagon, pushcart, or similar structure that is self-propelled or can be towed, pushed, or otherwise moved, that is used to store, prepare, display, or serve food or beverages for sale or distribution to the public.*
- 2. **Accessory mobile food unit.** One or two mobile food units located on a lot or parcel that has an existing, lawfully established primary use, where the mobile food unit is incidental and subordinate to that primary use.*
 - a. Accessory mobile food unit spaces are not subject to transportation system development charges and/or right-of-way dedications.*
- 3. **Primary mobile food unit.** One or more mobile food units located on an undeveloped lot or parcel; or three or more mobile food units located on a lot or parcel with another primary use.*

D. Process in General. *Operating a mobile food unit in the City of Molalla requires land use approval first and business licensing second:*

- a. Land Use is reviewed in accordance with MMC 17-2.2.030(D) Land Use for Accessory Mobile Food Units, or MMC 17-2.2.030(E) Land Use for Primary Mobile Food Units, as applicable.*
- b. Business Licensure is reviewed in accordance with MMC 17-2.2.030(F) Licensing a Mobile Food Unit.*

E. Land Use for Accessory Mobile Food Unit Spaces.

- 1. **Approval Process.** Land Use for accessory mobile food unit spaces shall be reviewed using a Type 1 review process in accordance with MMC 17-4.1.020.*

2. **Application Submission Requirements.** In addition to the submission requirements for a Type 1 review under MMC 17-4.1.020, applications for accessory mobile food unit spaces shall include a site plan or site plans showing existing and proposed conditions of the site. An application for an accessory mobile food unit shall also contain a narrative report or letter responding to the approval criteria in MMC 17-2.2.030(E)(3).
3. **Approval Criteria.** The Planning Official, or their designee, shall approve, approve with conditions, or deny an application for an accessory mobile food unit based on findings of fact with respect to all of the criteria and standards in subsections a and b.
 - a. Standards related to the site.
 - i. Shall be accessory to an existing primary use;
 - ii. May only be located in commercial, industrial, and public/semi-public zones.
 - iii. Shall be limited to 2 mobile food unit spaces per lot or parcel;
 - iv. Shall maintain the minimum number of parking stalls for the primary use and minimum drive aisle widths in accordance with Title 17 of the Molalla Municipal Code and any existing conditions of land use approval ;
 - v. Shall provide trash and recycling receptacles for customers.
 - vi. May not result in the reduction of landscaping less than the minimum required for the site in accordance with Title 17 of the Molalla Municipal Code and any existing conditions of land use approval;
 - vii. Power connections may not be connected by overhead wires to the individual mobile food units.
 - viii. Mobile food units shall comply with the stormwater and grading design standards for additional impervious surfaces.
 - b. Standards related to the unit.
 - i. Shall connect to individual wastewater holding tanks at all times;
 - ii. Shall connect to a potable water tank at all times.
 - c. Owner of the property shall pay the annual accessory mobile food unit fee which is set by City Council. This fee is charged to the property and cannot be transferred to another site.

F. Land Use for Primary Mobile Food Unit Spaces.

1. **Approval Process.** Land Use for Primary Mobile Food Unit Spaces shall be reviewed using a Type II or Type III Site Design review process in accordance with MMC 17-4.1.030 Type II Procedure or MMC 17-4.1.040 Type III Procedure as determined by MMC 17-4.2.030 Review Procedure.
2. **Application Submission Requirements.** The application submission requirements shall be those contained in MMC 17-4.2.040.
3. **Approval Criteria.** The Planning Official or their designee (Type II), or the Planning Commission (Type III), shall approve, approve with conditions, or deny an application for Primary Mobile Food Unit Spaces based on findings of fact with respect to all of the approval criteria in MMC 17-4.2.050 and subsections a and b. Where the provisions of subsections a and b contradict other applicable provisions of the Molalla Municipal Code, subsections a and b shall control.
 - a. Standards related to the site.
 - i. May be located in the commercial zones. May be located in the industrial zones on parcels of 0.5 acres or less.
 - ii. Notwithstanding MMC 17-3.5, Properties shall provide at least two parking spaces per mobile food unit and not more than three parking spaces per mobile food unit, with one

space designated for ADA parking. Exception: There is no minimum parking requirement for properties located in the C-1 zone.

- iii. There shall be at least one connection to City Water and one Connection to City Sewer on-site.*
- b. Standards related to the unit.*
 - i. Each mobile food unit shall connect to city water and city sewer via dedicated connections, or remain fully self-contained with water and wastewater served through tanks integral to the unit;*
 - ii. Shall Connect to a permanent power source served by underground service or an adjacent building within 20 feet;*
 - iii. The Unit shall be in continuous compliance with MMC 17-2.2.030(F).*

G. Licensing a Mobile Food Unit. *Prior to and at all times during operations in the City of Molalla, a mobile food unit shall have a current and valid City of Molalla Business License.*

- 1. Notwithstanding Title 5 of the Molalla Municipal Code, the applicant shall obtain and provide the following approvals with their business license application:*
 - a. The City of Molalla Planning File number approving the land use for the mobile food unit on the property where mobile food unit operations are proposed.*
 - b. A valid mobile food unit license from the Public Health Division at Clackamas County.*
 - c. Written approval from the Molalla Fire District.*
- 2. The mobile food unit operation shall maintain continuous compliance with the following at all times during operations in the City of Molalla:*
 - a. The City of Molalla land use approval and conditions of approval.*
 - b. The Clackamas County Mobile Food Unit License and conditions of approval.*
 - c. The Molalla Fire District approval and conditions of approval.*
 - d. Applicable federal, state, and city standards.*
 - e. Primarily sell food items and not sell cannabis in any form.*
 - f. Properly dispose of all liquid and solid waste related to the mobile food unit operations at an approved solid waste dump site or receptacle that is emptied at least weekly, a grey or black water dump station, or a licensed liquid waste disposal company as applicable.*
 - g. Fully screen from view any mechanical equipment that is separated from and external to the mobile food unit with vegetation or screening at a height equal to or greater than the height of the generating unit;*
 - h. Not conduct any part of their operations within the public right-of-way, except as approved by a City of Molalla Right of Way Permit.*
 - i. Not discharge, leak, or allow to be discharged or leaked any liquid or solid waste into the stormwater system, the sanitary sewer system, onto the ground, or onto the streets, except as approved by the City of Molalla.*
 - j. Maintain the mobile unit and the adjacent site area in a neat and clean condition. This includes but is not limited to regular maintenance and cleaning of the exterior of the mobile food unit to avoid rust and peeling paint, repair of broken or sagging awnings, canopies, platforms, counters, benches, tables, umbrellas, and other structures used by, or intended to be used by customers of the mobile food unit.*

H. Enforcement, Penalties, and Remedies.

1. **Violations.** *It is a violation of this chapter for any person to:*
 - a. *Establish, operate, or maintain a mobile food unit within the City of Molalla in violation of any provision of this chapter or any condition of approval; or*
 - b. *Fail to obtain or maintain any required license, permit, or approval required by this chapter or other applicable law.*
 2. **Enforcement authority.** *The City Manager or their designee is authorized to enforce this chapter, including through inspections, notices of violation, civil citations, and any other remedy provided by law.*
 3. **Penalties.** *Violations of this chapter are subject to the penalties set forth in MMC Chapter 1.04(A). Each day that a violation continues constitutes a separate offense.*
 4. **Suspension or revocation.** *In addition to other remedies, the city may suspend or revoke the business license for a mobile food unit where repeated or substantial violations of this chapter, of other applicable laws, or of conditions of approval.*
 - a. *The business license suspension or revocation shall be completed in accordance with MMC 5.24.060 License – Grounds for revocation or suspension, and MMC 5.24.065 Appeal.*
 5. **Emergency closure.** *Where the city manager, fire marshal, or public health authority determines that operation of a mobile food unit poses an immediate threat to the public health, safety, or welfare, the unit may be ordered to cease operation immediately until the threat is abated.*
- I. Construction.** *This chapter is intended to be construed consistently with Oregon Revised Statutes, Oregon Administrative Rules, and Clackamas County public health regulations governing mobile food units. Where this chapter is more restrictive, it shall control to the extent not preempted by state law.*
- J. Severability.** *If any section, subsection, sentence, clause, or phrase of this chapter is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter, which shall remain in full force and effect.*

Chapter 17-5.1 Definitions

Mobile food unit. ~~Any vehicle that is self-propelled or that can be pulled or pushed down a sidewalk, street, highway, or waterway, on which food is prepared, processed, or converted or which is used in selling and dispensing food to the ultimate consumer.~~

Mobile food unit. *Refer to Chapter 17-2.3.220(C), Mobile Food Units.*

Exhibit B – Findings of Fact

17-4.6.010 Purpose.

The purpose of this chapter is to provide standards and procedures for legislative and Quasi-Judicial amendments to this Code and Zoning Map. Amendments may be necessary from time to time to reflect changing community conditions, to correct mistakes, or to address changes in the law.

STAFF FINDINGS: This standard is informational.

17-4.1.050 Type IV (Legislative Decisions)

C. Procedure. Hearings on Legislative Land Use requests are conducted similar to City Council hearings on other legislative proposals, except the notification procedure for Legislative Land Use requests must conform to state land use laws (ORS 227.175), as follows:

STAFF FINDINGS: The proposed ordinance is an amendment to Development Code Text and as such follows a Legislative Type IV planning process.

1. The Planning Official shall notify in writing the Oregon Department of Land Conservation and Development (DLCD) of legislative amendments (zone change, rezoning with annexation, or comprehensive plan amendment) at least 35 days before the first public hearing at which public testimony or new evidence will be received. The notice shall include a DLCD Certificate of Mailing.

STAFF FINDINGS: DLCD notice was provided on January 5, 2026, exceeding the 35-day requirement.

2. At least 20 days, but not more than 40 days, before the date of the first hearing on an ordinance that proposes to amend the comprehensive plan or any element thereof, or to adopt an ordinance for any zone change, a notice shall be prepared in conformance with ORS 227.175 and mailed to:
 - a. Each owner whose property would be directly affected by the proposal (e.g., rezoning or a change from one Comprehensive Plan land use designation to another), see ORS 227.186 for instructions;
 - b. Any affected governmental agency;
 - c. Any person who requests notice in writing; and
 - d. For a zone change affecting a manufactured dwelling park, all mailing addresses within the park, in accordance with ORS 227.175.

STAFF FINDINGS: The proposed ordinance would not allow primary mobile food units on parcels over 0.5 acres in size in the light industrial zone. ORS 227.186 (Measure 56) notice to landowners of parcels greater than 0.5 acres in the light industrial zone is required, and was completed on January 13, 2026. The proposal does not apply to manufactured dwelling parks. Staff conducted the following notices in accordance with this standard: City Website (1/12/2026), Interested Parties (1/5/2026), City Email Blast (1/12/2026), Posted on Bulletins (1/12/2026), impacted governmental agencies including DLCD, Molalla Fire District, and Clackamas County (1/12/2026), and social media (1/13/2026).

2. At least 10 days before the scheduled City Council public hearing date, public notice shall be published in a newspaper of general circulation in the city and the City's Website.

STAFF FINDINGS: A hearing notice was published in the Molalla Pioneer Newspaper on January 14, 2026.

4. For each mailing and publication of notice, the Planning Official shall keep an affidavit of mailing/publication in the record.

STAFF FINDINGS: This standard is informational.

17-4.6.020 Procedure.

- A. Except for corrections, amendments to Development Code text are Legislative (Type IV).
- B. Amendments to the Zoning Map that affect more than one parcel, or more than one-half of an acre, whichever is greater, are Legislative (Type IV) actions.
- C. Amendments to the Zoning Map that require an amendment to the Comprehensive Plan are Legislative (Type IV) actions.
- D. Amendments that do not meet the criteria under subsection A, B, or C may be processed as Quasi-Judicial amendments, pursuant to the Type III procedure.

STAFF FINDINGS: The proposed amendment qualifies as a Legislative Amendment under (A), and the legislative process has been followed as discussed under Section 17-4.1.050. This standard is met.

17-4.6.030 Criteria.

Planning Commission review and recommendation, and City Council approval, of an ordinance amending the Zoning Map, Development Code, or Comprehensive Plan shall be based on all of the following criteria:

- A. If the proposal involves an amendment to the Comprehensive Plan, the amendment must be consistent with the Statewide Planning Goals and relevant Oregon Administrative Rules;

STAFF FINDINGS: The proposed amendment modifies the Development Code rather than the Comprehensive Plan. This standard does not apply.

- B. The proposal must be consistent with the Comprehensive Plan (the Comprehensive Plan may be amended concurrently with proposed changes in zoning);

STAFF FINDINGS: Provision of a public hearing and noticing requirements as directed by the development code apply and have been met through this process. Additionally, this update directly implements several policies from the Comprehensive Plan:

- The City shall encourage infill, redevelopment and/or adaptive reuse of obsolete or underused properties in current employment zones.
- The City shall actively support redevelopment efforts for under-utilized commercial and industrial sites within Molalla UGB.
- The City shall monitor and update land use process to reduce or eliminate unnecessary obstacles to economic development for developers, employers, and businesses.

By streamlining the permitting process and clarifying standards for Mobile Food Units (MFUs), the amendment reduces the regulatory burden on business owners. Furthermore, it explicitly defines the roles of applicants and property owners, facilitating the activation of underutilized commercial and industrial land.

- C. The City Council must find the proposal to be in the public interest with regard to community conditions; the proposal either responds to changes in the community, or it corrects a mistake or inconsistency in the subject plan or code; and

STAFF FINDINGS: By translating the Comprehensive Plan's high-level policy into actionable code, this proposal aligns with the community's long-term economic goals. Staff identified and resolved areas of confusion and redundancy in the code and clarified uses so that they were more likely to be implemented. By streamlining these requirements, the City reduces unnecessary obstacles to economic development. The changes will encourage more efficient use of sites and make it easier to add accessory mobile food units to underutilized properties. This standard is met.

- D. The amendment must conform to Section 17-4.6.050 Transportation Planning Rule Compliance.

STAFF FINDINGS: This standard is addressed below.

17-4.6.040 Record of Amendments.

The Planning Official shall maintain a record of amendments to the text of this Code and the Zoning Map in a format convenient for public use. In the case of a map amendment, the map shall be made part of the ordinance.

STAFF FINDINGS: This section is informational.

17-4.6.050 Transportation Planning Rule Compliance.

Proposals to amend the Comprehensive Plan or Zoning Map shall be reviewed to determine whether they significantly affect a transportation facility pursuant to Oregon Administrative Rule (OAR) 660-012-0060 (Transportation Planning Rule - TPR). Where the City, in consultation with the applicable roadway authority, finds that a proposed amendment would have a significant affect on a transportation facility, the City shall work with the roadway authority and applicant to modify the request or mitigate the impacts in accordance with the TPR and applicable law.

STAFF FINDINGS: The proposed amendment does not amend the Comprehensive Plan or Zone Map, thus, TPR compliance is not required to be evaluated. This standard does not apply.



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, February 11, 2026

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: PVC Pipe Antitrust Litigation

ATTACHMENTS:

[SR_PVC Class Action.pdf](#)



CITY OF MOLALLA

117 N. Molalla Avenue
PO Box 248
Molalla, OR 97038

Staff Report

Agenda Category: General Business

February 11, 2026

From: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: PVC Settlement

FISCAL IMPACT: Unknown, but will be revenue, not expense.

RECOMMENDATION/RECOMMEND MOTION: Join the Class/ I move the City of Molalla to join the class in the PVC Pipe Antitrust Litigation.

BACKGROUND: On 1/15/26, the City of Molalla received the class action lawsuit notice attached to this staff report. Staff reached out to the City Attorney's Office for advice on the litigation and received a memorandum which, in pertinent part, states: "It is likely best for the City to remain in the class and to not opt out."

This is based on the high anticipated costs of the City pursuing relief independently, and the relatively minimal amount of PVC pipe the City has purchased over the timeframe for which the class action is relevant, 1/1/21 – 5/16/25. In other words, the additional cost of an independent suit would likely exceed the benefits of an individual suit.

Court Approved Legal Notice. This Notice may affect your legal rights. Please read it carefully.

In re PVC Pipe Antitrust Litigation,
Case No. 1:24-cv-07639

Name: MOLALLA, CITY OF
Class Member ID: 83289FX10B75Y

Important Legal Notice Authorized by the United States District Court, Northern District of Illinois about a class Action.

Please be advised that your rights may be affected by a class action lawsuit pending in the United States District Court for the Northern District of Illinois if you purchased PVC pipe during the period from January 1, 2021 through May 16, 2025.

THIS NOTICE ONLY PROVIDES LIMITED INFORMATION ABOUT THE CLASS ACTION.

For more information or to update your address, visit: www.EndUserPVCLitigation.com, email: info@EndUserPVCLitigation.com, or call: (833) 621-8556

Pursuant to a motion filed with the Court on June 6, 2025, a settlement ("Settlement") has been reached in the above-referenced class action ("Action") that is pending against Oil Price Information Service, LLC ("OPIS"). IF YOU ARE IN THE SETTLEMENT CLASS, YOUR RIGHTS WILL BE AFFECTED BY THIS CASE. This notice advises you of basic information about your options. A Long-Form Notice is available at www.EndUserPVCLitigation.com.

How do I know if I am a Settlement Class Member? This notice concerns a court-approved settlement class of end-users of PVC Pipe (the "End-User Settlement Class"). The End-User Settlement Class includes all purchasers of PVC pipe in the United States between January 1, 2021 through May 16, 2025 who fall into any of the following categories: (1) All public water systems that purchased PVC Pipe for end use, including in connection with the treatment or supply of water; (2) All public wastewater systems that purchased PVC pipe for end use, including for the collection, disposal, or treatment of wastewater; (3) All suppliers of public energy or electricity that purchased PVC pipe for end use, including in connection with the supply of electricity for public consumption; or (4) All purchasers of PVC Pipe that purchased from a seller who purchased the product indirectly from Defendants. As is explained in the Long-Form Notice, certain individuals and entities (including Defendants and their family members) are excluded from the End-User Settlement Class by definition.

What Are My Options? The Settlement requires OPIS to pay \$3,000,000 collectively to two classes, the End-User Settlement Class and a Non-Converter Seller Purchaser ("NCSP") Settlement Class. OPIS will also provide cooperation in the ongoing Action against the remaining Defendants. **If you do nothing**, you will remain in the End-User Settlement Class and you may be eligible for a future payment if you submit a valid Claim Form. **If you remain in the End-User Settlement Class**, you will be bound by the Settlement, and you may not pursue a lawsuit on your own against OPIS as an End-User with regard to any issues in the Action. **If you DO NOT want to be an End-User Settlement Class Member** and be legally bound by the Settlement, **you must exclude yourself from the End-User Settlement Class**. Full instructions on the process to exclude yourself or your business are contained in the Long-Form Notice at www.EndUserPVCLitigation.com. To exclude yourself from the End-User Settlement Class, you must send the information described in the Long-Form Notice to the Settlement Administrator. Your request for exclusion must be received **no later than April 9, 2026**. You cannot exclude yourself by phone or by email. If you

make a proper request for exclusion, you will not be legally bound the Settlement. You may also **object to the Settlement** by writing to the Court and counsel for the Parties about why you do not like the Settlement **no later than April 9, 2026**.

What Has Happened So Far? Plaintiffs allege that OPIS, Converter Defendants, and their co-conspirators conspired and combined to fix, raise, maintain, and stabilize the price of PVC Pipe sold in the United States from January 1, 2021, to May 16, 2025. End-User Settlement Class Counsel (defined below), court-appointed counsel for the NCSP Settlement Class, and counsel for OPIS have had extensive settlement negotiations, have agreed to enter into a Settlement. On July 17, 2025, the Court granted preliminary approval of the Settlement and appointed the law firms of Pearson Warshaw LLP and Fegan Scott LLC as “End-User Settlement Class Counsel” for the End-User Settlement Class.

A more detailed description of the Action and the claims asserted is contained in the Long-Form Notice available at www.EndUserPVCLitigation.com.

Your Other Rights. The Court will hold a Fairness Hearing on June 3, 2026, at 10:00 a.m. CT. End-User Settlement Class Members are represented by the court-appointed End-User Settlement Class Counsel. You will not be personally responsible for their fees and expenses; instead End-User Settlement Class Counsel intend to ask the Court at a later date for attorneys’ fees and service awards for the End-User Class. You may hire your own attorney, at your own expense. If you hire a lawyer to speak for you or to appear in Court, your lawyer must file a Notice of Appearance.

PLEASE KEEP YOUR PURCHASE RECORDS AND NOTIFY THE SETTLEMENT ADMINISTRATOR OF ANY CHANGE IN ADDRESS. Do not contact the Court, Defendants, or their counsel. All questions should be directed to the Settlement Administrator or End-User Settlement Class Counsel.

Please monitor www.EndUserPVCLitigation.com for updates or call toll-free (833) 621-8556.

This email notice was sent to you because you are a Settlement Class Member. | [Unsubscribe](#)

Please do not reply to this email notice, it is sent from an unmonitored mailbox.



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, February 11, 2026

Submitted by: Dan Huff, City Manager

Approved by: Dan Huff, City Manager

SUBJECT: 2026 City Council Goals

RECOMMENDATION/RECOMMENDED MOTION:

I move to adopt the 2026 City Council Goals as presented.

BACKGROUND:

Council conducted an annual Goal Setting session on January 21st in the new Police Station Community Room. Staff presented a different process for considering the annual goal setting process. Even though the discussion was a bit convoluted, we were able to glean items from the discussion that we organized in the attached document.

One item to point out that we discussed was the Comprehensive Plan. Staff stated that all our goals and policies are embedded within this Plan, and we suggested that we conduct periodic training on these goals and policies throughout the year. We have added this item as a Council Goal.

All other discussion items are listed as Council Goals or Staff priorities. We will be available for discussion during the February 11th Council meeting.

ATTACHMENTS:

[2026 Council Goals.pdf](#)

City of Molalla

2026 Council Goals/Priorities

Mission Statement – The mission of the Molalla City Council is to make Molalla a safe, livable, and resilient community dedicated to our people, businesses, and visitors.

Motto – Real Adventure, Real People, Real Fun.

2026 City Council Goals:

1. *Review Dark Skies Policy
2. *Finalize Mural Code
3. Charter Update
4. *System Development Charge Update
5. Comprehensive Plan Goal/Policy Training

2026 Staff Priorities:

Economic Development

1. Attract Industrial Development
 - Accelerate Industrial land readiness through public projects that serve unserved/underserved industrial sites
 - Promote shovel ready sites on Oregon Prospector
 - Develop a listing of industrial sites and service levels on City website
 - Explore feasibility of URA contribution to power infrastructure
2. Retain Commercial Businesses and Reduce Commercial Vacancy Rates
 - Legacy System Development Charge (SDC) policy implementation
 - Explore a façade improvement matching grant program
 - Local business spotlight Support Micro-Enterprise Entrepreneurship
 - Simplify & Streamline Mobile Food Unit (MFU), Cottage Kitchen, and Farmstand Regulations
 - Minimize Financial impacts on micro-entreprises

Focus Areas 1, 2, 3

Community Safety

1. Molalla Police – Support, training
2. Sidewalks/Intersections
3. *Review Dark Skies Policy

Focus Areas 1, 2, 3

Infrastructure

1. Review & Update 5-year Capital Improvement Plan
 - Prioritize ongoing projects and projects to serve underserved employment lands and known trouble areas
 - Continue executing street surfacing program
2. *Re-evaluate System Development Charges (SDC)
 - Complete Parks and Stormwater SDC updates and rate studies
3. Continue to seek out public-private partnership opportunities within the Urban Renewal Agency
4. City Responsibility Graphic
 - Water
 - Sanitary Sewer
 - Streets
 - Storm Drainage
 - Parks

Focus Areas 1, 2, 3

Facilities

1. Wastewater Treatment Plant
2. New Library design process
3. Water Intake
4. Clark Park Sports Field(s)

Focus Areas 1, 3, 4

Culture, Art, and Education

1. Civic Education using the Molalla Current, Website and Social Media
2. *Finalize Mural Code
3. Park Naming Policy

Focus Areas 1, 2, 5

*Refers to Goals with significant Staff work planning