



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

Civic Center | 315 Kennel Avenue
Wednesday, March 25, 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. [Work Session Meeting Minutes - March 11, 2026](#)
- B. [City Council Meeting Minutes - March 11, 2026](#)
- C. [OLCC License Request - Fire & Knives](#)
- D. [OLCC License Request - Grocery Outlet](#)
- E. [OLCC License Request - Molalla Market](#)
- F. [OLCC License Request - Molalla River Brewing](#)

4. PRESENTATIONS, PROCLAMATIONS, CEREMONIES

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. 2026-02: Vacating a Portion of Hezzie Lane](#)

7. ORDINANCES AND RESOLUTIONS

- A. [Ordinance No. 2026-02: Vacating a Portion of Hezzie Lane](#)
- B. [Resolution No. 2026-12: Authorizing the City Manager to Execute an Intergovernmental Agreement with Clackamas County to Provide Services for Plastic Pollution and Recycling Modernizations, and to Receive the Producer Responsibility Organization Funding Reimbursement](#)

8. GENERAL BUSINESS

- A. [Wastewater Treatment Plant Update](#)
- B. [Mural Code Discussion](#)
- C. [Letter of Support - South Clackamas First Responders](#)
- D. [Dibble House Sewer Lateral Repair](#)

9. STAFF COMMUNICATION

10. COUNCIL COMMUNICATION

11. RECESS INTO EXECUTIVE SESSION

Held pursuant to Oregon Public Record Law, ORS 192.660(2): (h) To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed; and (i) To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

12. RECONVENE REGULAR SESSION

13. 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, March 25, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Work Session Meeting Minutes - March 11, 2026

ATTACHMENTS:

[03.11.2026 WS Meeting Minutes.pdf](#)



City of Molalla
City Council - Work Session
Minutes – March 11, 2026
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Work Session of March 11, 2026 was called to order by Mayor Scott Keyser at 5:00pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, Councilor Martin Bartholomew, and Councilor K.C. Bisenius.

Absent: Council President Eric Vermillion

STAFF ATTENDANCE

Present: City Manager, Dan Huff, Assistant City Manager, Mac Corthell, and City Recorder, Christie Teets.

GUEST

Steve Donovan, Consultant

GENERAL BUSINESS

Consultant Steve Donovan presented an overview of the City's Parks System Development Charge (SDC) methodology and the proposed update based on the recently adopted Parks Master Plan. He explained that the current methodology was adopted in 2014, when the City's population was approximately 8,900 and the Capital Improvement Plan totaled \$17.8 million. Since that time, the population has grown to nearly 10,500 and the 2025 Parks Master Plan identifies \$13.9 million in Capital Improvements, reflecting a more focused and achievable project list. Mr. Donovan explained that SDCs consist of reimbursement, improvement, and compliance fee components. The reimbursement fee allows new development to buy into existing system capacity, while the improvement fee funds future capacity-expanding projects identified in the master plan. He noted that SDC revenues are restricted under Oregon law and may only be used for capital improvements that expand system capacity.

Assistant City Manager Corthell discussed policy decisions incorporated into the updated Parks Master Plan, including reducing the level of service standard from 10 acres to 7 acres per 1,000/residents to reflect existing conditions and maintain a realistic and achievable capital plan. He also shared Council's adoption of a parkland dedication ordinance, which helps offset park costs through development.

Consultant Donovan recommended an increase from \$2,643 to \$6,861 per single-family home. He noted that even with the increase, Molalla's fee remains lower than many comparable communities and below the City's previous rate of approximately \$7,800 established under the earlier methodology.

Council discussion emphasized the City's recent park improvements, including the addition of two parks and replacement of playground equipment throughout the system. Council members expressed support for the proposed methodology and its realistic approach to capital planning.

For the complete video account of the City Council Meeting, please go to YouTube
[City of Molalla | Oregon – March 11, 2026](#)

ADJOURN

Mayor Keyser adjourned the Work Session at 5:34 PM.

Scott Keyser, Mayor

PREPARED BY:

ATTEST:

Crystal Robles, Deputy City Recorder

Christie Teets, CMC - City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, March 25, 2026

Approved by: Dan Huff, City Manager

SUBJECT: City Council Meeting Minutes - March 11, 2026

ATTACHMENTS:

[03.11.2026 CC Meeting Minutes](#)



City of Molalla
City Council - Regular Meeting
Minutes – March 11, 2026
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Regular Meeting for March 11, 2026 was called to order by Mayor Scott Keyser at 6:00 pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, and Councilor Martin Bartholomew, and Councilor K.C. Bisenius.

Absent: Council President Eric Vermillion

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Dan Zinder, Planning Manager; Christie Teets, City Recorder.

APPROVAL OF AGENDA

As presented.

CONSENT AGENDA

A. Work Session Meeting Minutes - February 25, 2026

B. City Council Meeting Minutes - February 25, 2026

ACTION:

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

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

NAYS: None.

ABSTENTIONS: None.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

None.

PUBLIC COMMENT

None.

PUBLIC HEARING

- A. Resolution No. 2026-08: Adopting Findings to Support an Exemption from the Formal Invitation to Bid Process for a Sludge Removal Public Improvement Project, Declaring Such Exemption, and Authorizing Direct Award of Such Contract to Rotschy, Inc.**

Public Hearing for Resolution 2026-08 was opened at 6:04pm and Mayor Keyser confirmed no conflict of interest by Council.

Assistant City Manager Corthell explained the sludge removal from Lagoon 1 had originally been planned as a Phase Two component as funding availability was uncertain. The project rebid ultimately produced a favorable contract with the project more than 50 percent complete. Incorporating the work into the current contract would reduce overall project costs, avoid additional costs, and allow work to be completed in 2028, ahead of the 2030 schedule. The proposed contract amendment would bring the total project value to just under \$7 million. Mr. Corthell stated the City consulted with the City Attorney's Office regarding procurement requirements and the recommended approach was to approve a procurement exemption to allow the contract modification.

Seeing no Public Comment, Mayor Keyser closed the Public Hearing on Resolution 2026-08 at 06:11PM. (For full presentation and discussion please see YouTube Meeting recording minutes 03:27-11:12).

ORDINANCES AND RESOLUTIONS

- A. Resolution No. 2026-08: Adopting Findings to Support an Exemption from the Formal Invitation to Bid Process for a Sludge Removal Public Improvement Project, Declaring Such Exemption, and Authorizing Direct Award of Such Contract to Rotschy, Inc.**

Assistant City Manager Corthell had no further comments to add.

ACTION:

Councilor Bisenius moved to adopt Resolution No. 2026-08: Adopting Findings to Support an Exemption from the Formal Invitation to Bid Process for a Sludge Removal Public Improvement Project, Declaring Such Exemption, and Authorizing Direct Award of Such Contract to Rotschy, Inc.; Councilor Gilmer seconded. Motion passed 6-0.

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

NAYS: None.

ABSTENTIONS: None.

B. Resolution No. 2026-09: Amending the Fee for "Mobile Food Unit as an Accessory to Primary Use"

Assistant City Manager Corthell presented a proposal to establish a \$500 one-time land use application fee for mobile food units. He explained mobile food units would still be required to obtain a standard business license under the City's existing licensing fee structure and noted permit fees in comparable communities range from approximately \$275 to \$1,186, with an average of about \$723. The proposed \$500 fee would be below the average and remain cost-neutral for the City. Council asked whether the fee would be a one-time charge, and Mr. Corthell confirmed fee would be assessed once at the time of application.

ACTION:

Councilor Gilmer Resolution No. 2026-09: Amending the Fee for "Mobile Food Unit as an Accessory to Primary Use";

Councilor Shankle seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

C. Resolution No. 2026-10: Authorizing Appropriations for Expenditure of Special Purpose Gift

City Manager Huff presented an overview of the City's K9 program and budget adjustment, noting the program is funded almost entirely through donations. Due to higher-than-anticipated donations (approximately \$21,000 compared to the projected \$7,000), a formal budget adjustment was required to authorize receipt and expenditure of the funds. Police Chief Long reported Edo was progressing well in training, including sessions with Clackamas County, and scheduled six-week handler course. Chief Long confirmed Edo is trained in protection and tracking; no current cross-training plans due to complexity and cost.

ACTION:

Councilor Childress moved to adopt Resolution No. 2026-10: Authorizing Appropriations for Expenditure of Special Purpose Gift by title only; Councilor Shankle seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

GENERAL BUSINESS:**A. Molalla Police Department – Community Room Use Policy**

City Manager Huff presented the final version of the Community Room Use Policy. Staff highlighted key provisions, including restrictions on materials such as glitter, rice, and confetti, and clarified after-hours use is not currently permitted unless City staff are involved. It was noted that the policy is intentionally limited at this stage to allow staff to gain experience managing the space following initial use, with the possibility of expanding access in the future. Council discussion focused primarily on minor edits and clarifications to the policy language. Suggested revisions included strengthening wording regarding application timelines, correcting typographical and grammatical errors, and clarifying incomplete or unclear sentences.

ACTION:

Councilor Gilmer moved to approve the Molalla Police Department Community Room Use Policy with Amendments by title only; Councilor Shankle seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

B. 2026 Employee Personnel Handbook

Staff presented updates to the City's Personnel Handbook, noting that revisions were made to reflect changes in state law and insurance requirements. A summary of updates were included in the meeting packet, and staff clarified the Council is not adopting a completely new handbook, but rather approving updates to the existing document. It was also noted that while the handbook primarily applies to City employees, certain policies, such as those related to conduct and harassment, also apply to Council members in their role as public officials during meetings. Council discussion included clarification on the Council's role in approving the handbook, with staff confirming that Council has historically adopted the document. The importance of formal adoption was to ensure historical note of Council adopted the handbook.

ACTION:

Councilor Childress moved to adopt the 2026 Employee Personnel Handbook; Councilor Shankle seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

C. City Council Meeting Discussion - April 22, 2026

City Recorder Teets shared five Councilors are scheduled to attend the spring League of Oregon Cities (LOC) Conference April 23–25th, creates a conflict with the April 22nd City Council meeting. Given active work in progress staff did not recommend cancellation of the meeting. Council reached consensus to reschedule April 22nd meeting to April 20th.

ACTION:

Mayor Keyser made a motion to move April 22nd Work Session and Council Meeting to April 20th; Councilor Shankle seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

STAFF COMMUNICATION

- **Chief of Police Long:** shared the new police facility has been well-received over its first months of operation, with visiting agencies including the Tigard Police Department and Confederated Tribes Tribal Police offering complimentary feedback. On staffing, Officer Kyle Murphy is set to graduate the police academy on April 24th and will begin a 16-week field training program. A Code Compliance candidate remains in background investigation. Chief announced Officer Aaron Christopherson will retire at the end of next month following a 25-year career.
- **Assistant City Manager Corthell:** recognized Associate Planner Clarissa for redesigning the City's online permit application pages. The previous design offered only bare application links with no guidance. The updated portal now includes submission guides, process overviews, code references, and step-by-step instructions for each permit type. The Director and several Councilors expressed strong praise for the quality and efficiency of her work, noting it significantly improves the public-facing experience. A full Community Development report is expected at month's end.
- **City Recorder Teets:** shared attendance at the C4 meeting, SEI Filing, CCA dinners, and confirmed City of Molalla is scheduled to host in May 2027. Recorder recognized Deputy City Recorder Robles successfully conducting her first Planning Commission meeting. She reminded Council a Planning Commission seat remains open to Molalla City residents, and applications for the Budget Committee are due to her office no later than Wednesday, April 15th at 5:00 p.m.
- **City Manager Huff:** addressed two items. On the Planning Commission, he clarified while the City actively works to fill vacant seats, the Municipal Code allows the Commission to operate with a minimum of three members, for purposes of conducting business. He assured Council no Charter or Code violation occurs at or above three members. The goal remains filling all seven seats, and recruitment efforts continue. City Manager noted LOC is accepting sessioned proposals for the Fall Conference and encouraged Councilors to submit ideas for topics they would like to see addressed.

COUNCIL COMMUNICATION

- **Councilor Bisenius:** reported attending the C4 meeting the prior week, describing it as informative though complex. He echoed positive feedback received regarding the new police facility and expressed enthusiasm about the K9 program.
- **Councilor Bartholomew:** no report.
- **Councilor Gilmer:** shared the Molalla Public Library has several upcoming events in March, including colored wax egg decorating, Teeny Teen Tuesdays, the Farmers Market on March 19th, and a Spring Break Extravaganza.
- **Councilor Shankle:** reminded attendees that the Molalla Chamber of Commerce networking meeting is scheduled for the following morning, 8:00–9:00 a.m. at the Molalla Fire Department.
- **Councilor Childress:** no report.
- **Mayor Keyser:** thanked those who attended the C4 meeting, noting the passion demonstrated by community members advocating for the City. The Mayor reported that Ryan Winshiemer, ODOT Region 1 District Manager, reached out to schedule a meeting regarding Molalla Avenue. He will report back to Council. He closed by commending staff on the quality of the Council packet and the earlier SDC presentation.

[For the complete video account of the City Council Meeting, please go to YouTube](#)

[City of Molalla | Oregon – March 11, 2026](#)

ADJOURN

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:

- Submitted Public Comment Email: Molalla Community Planning Organization (CPO) Group – Draft HPS Adoption and the Sequential Planning Process.



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, March 25, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: OLCC License Request - Fire & Knives

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

Fire & Knives BBQ Grill is requesting an OLCC license for retail on-premise sales and consumption, indoor consumption, and outdoor consumption.

This item has been approved by the Chief of Police and City Manager.

ATTACHMENTS:

[2026 Fire and Knives.approved_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): Christopher Shook Proposed Trade Name: Fire and Knives BBQ Grill Premises Address: 109 Engle Ave Unit: City: Molalla County: Clackamas Zip: 97038 Application Type: ☒ New License Application ☐ Change of Ownership ☐ Change of Location License Type: on site liquor license ☐ Additional Location for an Existing License	
Application Contact Information	
Contact Name: Christopher Shook Phone: [REDACTED] Mailing Address: [REDACTED] City: Molalla State: OR Zip: 97038 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

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

Legal Entity/Individual Applicant Name(s): Christopher Shook

Proposed Trade Name: Fire and Knives BBQ Grill

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:

Optional Date Received Stamp

Date Application Received:

Received by:

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:

Title: Dan Huff, City Manager

Date: March 6, 2026

Signature:

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

RECEIVED
 FEB 25 2026

BY: AB



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, March 25, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: OLCC License Request - Grocery Outlet

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

Grocery Outlet is changing owners, therefore a new application with OLCC is required. This application is for retail off-premise sales.

This application has been approved by the Chief of Police and City Manager.

ATTACHMENTS:

[Grocery Outlet.approved_Redacted.pdf](#)



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Annual Liquor License Types

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

Section 1 – Submission – To be completed by Applicant:**License Information**

Legal Entity/Individual Applicant Name(s): Hartung LLC / Dylan Hartung and Tanja Hartung

Proposed Trade Name: Grocery Outlet of Molalla

Premises Address: 120 Leroy Ave

Unit:

City: Molalla

County: Clackamas

Zip: 97038

Application Type: ☐ New License Application ☒ Change of Ownership ☐ Change of LocationLicense Type: Off-Premises Sales ☐ Additional Location for an Existing License**Application Contact Information**

Contact Name: Dylan Hartung

Phone: [REDACTED]

Mailing Address: [REDACTED]

City: Klamath Falls

State: Or

Zip: 97601

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

Legal Entity/Individual Applicant Name(s): Hartung LLC / Dylan Hartung and Tanja Hartung

Proposed Trade Name: Grocery Outlet of Molalla

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:

Optional Date Received Stamp

Date Application Received:

Received by:

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:

Title: Dan Huff, City Manager

Date: March 6, 2023

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, March 25, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: OLCC License Request - Molalla Market

BACKGROUND:

This license is due to a change of ownership. The applicant is seeking retail off-premise sales.

This application has been approved by the Chief of Police and City Manager.

ATTACHMENTS:

[Molalla Market - OLCC Change of Ownership_Redacted.pdf](#)



11/10

OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Annual Liquor License Types

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

Section 1 – Submission – To be completed by Applicant:

License Information

Legal Entity/Individual Applicant Name(s): **Molalla Fuel LLC**

Proposed Trade Name: **Molalla Market 1**

Premises Address: **204 E MAIN ST** Unit:

City: **MOLALLA** County: **CLACKAMAS** Zip: **97038**

Application Type: ☐ New License Application ☒ Change of Ownership ☐ Change of Location

License Type: **Off-Premises Sales** ☐ Additional Location for an Existing License

Application Contact Information

Contact Name: **ARMAAN BIR SINGH AULAKH** Phone: [REDACTED]

Mailing Address: [REDACTED]

City: **PORTLAND** State: **OR** Zip: **97206**

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

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

Legal Entity/Individual Applicant Name(s): **Molalla Fuel LLC**

Proposed Trade Name: **Molalla Market 1**

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: *Molalla*

Optional Date Received Stamp

Date Application Received: *031220*

Received by:

[Signature]

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:

Title *City Manager*

Date: *031220*

Signature: *[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, March 25, 2026

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: OLCC License Request - Molalla River Brewing

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

Applicant is requesting a change of use OLCC permit. They are no longer a manufacturing/production facility, therefore requesting retail on-premises sales & consumption, indoor consumption, and outdoor consumption.

This application has been approved by the Chief of Police and City Manager.

ATTACHMENTS:

[OLCC Change of Use_Redacted.pdf](#)



OREGON LIQUOR & CANNABIS COMMISSION
Local Government Recommendation – Liquor License

Annual Liquor License Types

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

Section 1 – Submission – To be completed by Applicant:

License Information

Legal Entity/Individual Applicant Name(s): Al and Christiana Borromeo
Proposed Trade Name: Molalla River Brewing Company
Premises Address: 180 Industrial Way Unit: _____
City: Molalla, OR County: Clackamas Zip: 97038
Application Type: ☒ New License Application ☐ Change of Ownership ☐ Change of Location
License Type: Limited On-Premises Sales ☐ Additional Location for an Existing License

Application Contact Information

Contact Name: Christiana Borromeo Phone: _____
Mailing Address: _____
City: Molalla, OR State: OR Zip: 97038
Email Address: _____

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

RECEIVED
MAR 13 2026

BY: SA



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License**Section 1 Continued – Submission - To be completed by Applicant:**Legal Entity/Individual Applicant Name(s): *Al and Christiana Borromeo*Proposed Trade Name: *Medalla River Brewing Company*

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:

Optional Date Received Stamp

Date Application Received:

Received by:

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:

Title:

Date:

Signature:

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



CITY OF MOLALLA

Staff Report

Agenda Category: PUBLIC HEARINGS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Claressa Davis, Associate Planner

Approved by: Dan Huff, City Manager

SUBJECT: Ordinance No. 2026-02: Vacating a Portion of Hezzie Lane

RECOMMENDATION/RECOMMENDED MOTION:

Hold Public Hearing.

BACKGROUND:

On February 25, 2026, the Molalla City Council initiated street vacation proceedings via Resolution No. 2026-05 for a portion of Hezzie Lane, as described in Exhibits A and B. The proposed street vacation is intended to fulfill contractual obligations established in the agreement between Molalla River School District and City of Molalla. All procedural requirements set forth in ORS Chapter 271, as outlined herein under Approval Criteria and Findings, have been satisfied.

No public utilities are located within the subject portion of the Hezzie Lane right-of-way; therefore, the City has determined that the reservation of utility easements is not necessary. This proposal will impact the adopted Molalla Transportation System Plan.

ATTACHMENTS:

[Ordinance No. 2026-02 Vacating a Portion of the Hezzie Lane ROW.pdf](#)

[Exhibit A - Legal Description.pdf](#)

[Exhibit B - Survey.pdf](#)

[Exhibit C - Findings.pdf](#)



ORDINANCE NO. 2026-02

**AN ORDINANCE OF THE CITY OF MOLALLA, OREGON.
VACATING A PORTION OF THE HEZZIE LANE RIGHT OF WAY**

WHEREAS, the Molalla City Council, on February 25, 2026, initiated a street vacation by action of Resolution No. 2026-05 pursuant to Oregon Revised Statutes 271.130, to vacate a portion of a public right of way located within the city limits and being a portion Hezzie Lane as described and shown in Exhibit A and B attached to this Ordinance; and

WHEREAS, the City published notice of a public hearing on the proposed street vacation in the Herald Pioneer on March 11, 2026, and March 18, 2026, and posted two copies of the notice at the site on March 11, 2026, in accordance with ORS 271.110; and

WHEREAS, the public interest will not be prejudiced by the street vacation.

Now, Therefore, the City of Molalla ordains:

Section 1. Those portions of Hezzie Lane described on Exhibit A and shown on Exhibit B, both of which are attached hereto and incorporated herein by reference, are hereby vacated by the City Council in accordance with the procedures and requirements of Chapter 271.130 of Oregon Revised Statutes.

Title to the vacated portions of Hezzie Lane shall devolve to the property owner whose lands border the vacated area pursuant to ORS 271.140.

That the findings of fact in Exhibit C are hereby adopted and incorporated herein by reference.

Section 2. This Ordinance shall take effect 30 days after adoption and signature by the Mayor.

The First Reading was held on March 25, 2026, and moved to a Second Reading by _____ vote of the City Council.

The Second Reading was held on March 25, 2026 and adopted by the City Council on March 25, 2026.

Signed this 25th day of March 2026.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder

EXHIBIT A
RIGHT-OF-WAY VACATION

REAL PROPERTY LOCATED IN THE NW 1/4 OF SECTION 8 OF TOWNSHIP 5 SOUTH, RANGE 2 EAST OF THE WILLAMETTE MERIDIAN, CITY OF MOLALLA, CLACKAMAS COUNTY, OREGON, BEING A PORTION OF N HEZZIE LANE AS DEDICATED PER BOOK 449 PAGE 292, CLACKAMAS COUNTY DEED RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A FOUND 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP INSCRIBED "KLS SURVEYING INC", MARKING THE NORTHEAST CORNER OF THE PLAT OF "BEAR CREEK NO. 2", CLACKAMAS COUNTY PLAT RECORDS, SAID POINT ALSO BEING THE INTERSECTING POINT ON THE NORTH RIGHT-OF-WAY LINE OF BEAR CREEK DRIVE AND THE WEST RIGHT-OF-WAY LINE OF HEZZIE LANE; THENCE ALONG THE EASTERLY EXTENSION OF THE NORTHERLY LINE OF SAID PLAT OF "BEAR CREEK NO. 2", SOUTH 80°14'16" EAST 60.00 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF N HEZZIE LANE (BEING 30.00' FROM CENTERLINE THEREOF, WHEN MEASURED PERPENDICULAR THERETO); THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE, NORTH 10°11'11" EAST 538.83 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF LYNN LANE (BEING 30.00' FROM CENTERLINE THEREOF, WHEN MEASURED PERPENDICULAR THERETO); THENCE ALONG THE WESTERLY EXTENSION OF SAID SOUTHERLY RIGHT-OF-WAY LINE, NORTH 80°17'04" WEST 60.00 FEET THE TO THE WESTERLY RIGHT-OF-WAY LINE OF SAID N HEZZIE LANE (BEING 30.00' FROM CENTERLINE THEREOF, WHEN MEASURED PERPENDICULAR THERETO); THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 10°11'11" WEST 538.78 FEET TO THE **POINT OF BEGINNING**.

CONTAINS 32,328 SQUARE FEET OR 0.742 ACRES, MORE OR LESS.

BEARINGS BASED ON OREGON STATE PLANE COORDINATE SYSTEM NORTH ZONE.

SEE ATTACHED EXHIBIT B HEREIN

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
MAY 11, 2023
ARRIN C. OISHI
74733PLS

RENEWES: 12/31/26

EXHIBIT "B"
RIGHT-OF-WAY VACATION

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Arrin C. Oishi

OREGON
MAY 11, 2023
ARRIN C. OISHI
74733PLS

RENEWS: 12/31/26

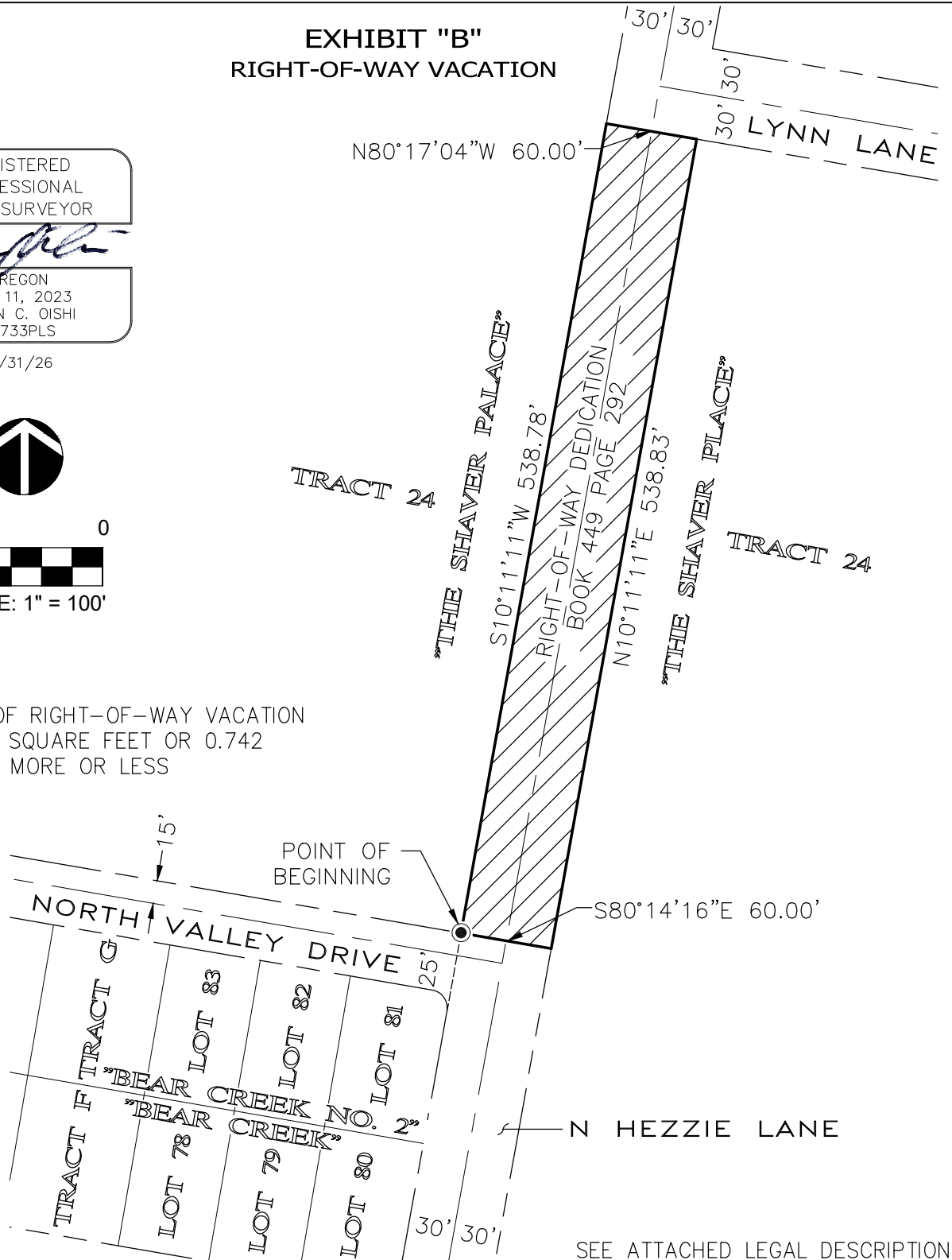


100' 0
SCALE: 1" = 100'

LEGEND:



AREA OF RIGHT-OF-WAY VACATION
32,328 SQUARE FEET OR 0.742
ACRES, MORE OR LESS



SEE ATTACHED LEGAL DESCRIPTION

S&F Land Services

Your Proven Geospatial Partner

4905 SW SCHOLLS FERRY RD.

PORTLAND, OR 97225

(503) 345-0328

DATE: 8/18/2025

PROJ. NO: 2577802

WWW.SFLANDS.COM

EMAIL: INFO@SFLANDS.COM

APPROVAL CRITERIA AND FINDINGS OF FACT**OREGON REVISED STATUTES****ORS 271.110 Notice of Hearing**

(1) The city recorder or other recording officer of the city shall give notice of the petition and hearing by publishing a notice in the city official newspaper once each week for two consecutive weeks prior to the hearing. If no newspaper is published in such city, written notice of the petition and hearing shall be posted in three of the most public places in the city. The notices shall describe the ground covered by the petition, give the date it was filed, the name of at least one of the petitioners and the date when the petition, and any objection or remonstrance, which may be made in writing and filed with the recording officer of the city prior to the time of hearing, will be heard and considered.

(2) Within five days after the first day of publication of the notice, the city recording officer shall cause to be posted at or near each end of the proposed vacation a copy of the notice, which shall be headed, "Notice of Street Vacation," "Notice of Plat Vacation" or "Notice of Plat and Street Vacation," as the case may be. The notice shall be posted in at least two conspicuous places in the proposed vacation area. The posting and first day of publication of such notice shall be at least 14 days before the hearing.

STAFF FINDING: Notice of a public hearing on the proposed street vacation was published in the Molalla Pioneer on March 11, 2026, and March 18, 2026, and 2 copies of the notice were posted at the site on March 11, 2026. This standard is met.

ORS 271.120 Hearing

At the time fixed by the governing body for hearing the petition and any objections filed thereto or at any postponement or continuance of such matter, the governing body shall hear the petition and objections and shall determine whether the consent of the owners of the requisite area has been obtained, whether notice has been duly given and whether the public interest will be prejudiced by the vacation of such plat or street or parts thereof. If such matters are determined in favor of the petition the governing body shall by ordinance make such determination a matter of record and vacate such plat or street; otherwise it shall deny the petition. The governing body may, upon hearing, grant the petition in part and deny it in part, and make such reservations, or either, as appear to be for the public interest.

STAFF FINDING: The hearing was properly noticed and held on March 25, 2026. All public objections brought forward on the petition were heard by the governing body. The Molalla River School District and the City of Molalla are the rightful owners of all property abutting the right of way to be vacated, and both have consented to this vacation. Finally, the public interest is not prejudiced by this vacation as the right of way is not needed for current or future transportation purposes, is not needed for public utilities, will not impair access to property, and will mitigate a conflict with the school football field built in the right of way. This standard is met.

ORS 271.130 Vacation on city governing body's own motion; appeal.

(1) The city governing body may initiate vacation proceedings authorized by ORS 271.080 and make such vacation without a petition or consent of property owners. Notice shall be given as provided by ORS 271.110, but such vacation shall not be made before the date set for hearing, nor if the owners of a

majority of the area affected, computed on the basis provided in ORS 271.080, object in writing thereto, nor shall any street area be vacated without the consent of the owners of the abutting property if the vacation will substantially affect the market value of such property, unless the city governing body provides for paying damages. Provision for paying such damages may be made by a local assessment, or in such other manner as the city charter may provide.

STAFF FINDING: On February 25, 2026, the Molalla City Council approved Resolution 2026-05 initiating street vacation proceedings for a portion of Hezzie Lane as authorized by ORS 271.130. Neither a petition nor consent of affected property owners was required. Additionally, the Molalla River School District owns the parcels abutting the right of way to be vacated and has entered into an agreement with the City of Molalla for the right of way to be vacated. This agreement conveys implicit consent for the vacation proceedings.

(2) Two or more streets, alleys, avenues and boulevards, or parts thereof, may be joined in one proceeding, provided they intersect or are adjacent and parallel to each other.

STAFF FINDING: The proposed right of way to be vacated is a section of Hezzie Lane, and is not two or more streets, alleys, avenues, or boulevards. This standard does not apply.

(3) No ordinance for the vacation of all or part of a plat shall be passed by the governing body until the city recording officer has filed in the office of the city recording officer or indorsed on the petition for such vacation a certificate showing that all city liens and all taxes have been paid on the lands covered by the plat or portion thereof to be vacated.

STAFF FINDING: The City Recorder endorses that all city liens and all taxes have been paid on the abutting properties, parcels 01091918 and 01091794, in accordance with the requirements of ORS 271.080(3). This standard is met.

(4) Any property owner affected by the order of vacation or the order awarding damages or benefits in such vacation proceedings may appeal to the circuit court of the county where such city is situated in the manner provided by the city charter. If the charter does not provide for such appeal, the appeal shall be taken within the time and in substantially the manner provided for taking an appeal from justice court in civil cases.

STAFF FINDING: The Molalla City Charter does not provide for appeal. Any appeal shall be completed in compliance with ORS 271.130. This standard is informational.

271.140 Title to vacated areas.

The title to the street or other public area vacated shall attach to the lands bordering on such area in equal portions; except that where the area has been originally dedicated by different persons and the fee title to such area has not been otherwise disposed of, original boundary lines shall be adhered to and the street area which lies on each side of such boundary line shall attach to the abutting property on such side. If a public square is vacated the title thereto shall vest in the city.

STAFF FINDING: Abutting Parcel 01091918 and Parcel 01091794 are both owned by the Molalla River School District. The title to the vacated street shall attach each of these parcels in equal portions. This standard is met.

Molalla Municipal Code

Section 17-4.3.110 Re-Platting and Vacation of Plats.

Any plat or portion thereof may be re-platted or vacated upon receiving an application signed by all of the owners as appearing on the deed. Except as required for street vacations, the same procedure and standards that apply to the creation of a plat (preliminary plat followed by final plat) shall be used to re-plat or vacate a plat. Street vacations are subject to ORS Chapter 271. A re-plat or vacation application may be denied if it abridges or destroys any public right in any of its public uses, improvements, streets or alleys; or if it fails to meet any applicable City standards.

STAFF FINDING: The proposed right of way vacation has been evaluated and found to be in compliance with ORS 271 and applicable City standards. This standard is met.

Section 12.28.010 Adoption of official maps of thoroughfares.

The City Council may adopt official maps of planned thoroughfares. Before an official map may be adopted or an adopted map may be revised, the Planning Commission shall hold a hearing upon the proposed plan of thoroughfares and then transmit a report and recommendations on the plan and the proposed official map to the Council. Upon receiving the report and recommendations of the Planning Commission and after tentatively approving the plan of thoroughfares, the Council shall provide notice and hold a hearing on the proposal. Notice of the hearing shall be by publication once in the Molalla Pioneer not less than seven nor more than 15 days before the scheduled hearing. Following the hearing, the Council may adopt or revise an official map by ordinance.

STAFF FINDING: The Planning Commission held a hearing on the proposed Hezzie Lane right of way vacation on February 4, 2026, and voted in favor of recommending vacation to the City Council. Planning Commission also transmitted a report and recommendations to Council. On February 25, 2026, City Council voted to initiate street vacation proceedings, which included notice of the public hearing to be held on March 25, 2026. Notice of the hearing was also published in the Molalla Pioneer on March 11, 2026, and March 18, 2026. This standard is met.



CITY OF MOLALLA

Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Claressa Davis, Associate Planner

Approved by: Dan Huff, City Manager

SUBJECT: Ordinance No. 2026-02: Vacating a Portion of Hezzie Lane

RECOMMENDATION/RECOMMENDED MOTION:

Conduct First Reading of Ordinance No. 2026-02.

Recommended Motion: I move to hold the First Reading of Ordinance No. 2026-02: An Ordinance of the City of Molalla, Oregon, Vacating a Portion of the Hezzie Lane Right-of-Way, by title only.

In the event of a unanimous vote, conduct Second Reading and adoption.

Recommended Motion: I move to hold the Second Reading and Adoption of Ordinance No. 2026-02: An Ordinance of the City of Molalla, Oregon, Vacating a Portion of the Hezzie Lane Right-of-Way, by title only.



CITY OF MOLALLA

Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Dan Huff, City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2026-12: Authorizing the City Manager to Execute an Intergovernmental Agreement with Clackamas County to Provide Services for Plastic Pollution and Recycling Modernizations, and to Receive the Producer Responsibility Organization Funding Reimbursement

FISCAL IMPACT: N/A

RECOMMENDATION/RECOMMENDED MOTION:

Authorize the City Manager to execute an intergovernmental agreement with Clackamas County regarding Opportunity to Recycle and Plastic Pollution and Recycling Modernization.

Recommended Motion: I move to approve Resolution No. 2026-12: Authorizing the City Manager to Execute an Intergovernmental Agreement with Clackamas County to Provide Services for Plastic Pollution and Recycling Modernizations, and to Receive the Producer Responsibility Organization Funding Reimbursement.

BACKGROUND:

Clackamas County Recycling Partnership

Molalla is part of the Clackamas County Recycling Partnership, a co-operative effort among Clackamas County and cities in the county to coordinate and share resources to effectively and efficiently meet outreach and education requirements conveyed through the Opportunity to Recycle Act (ORS Ch. 459A) and regional waste plans. Through the Clackamas County Recycling Partnership, Clackamas County provides county-wide recycling and waste reduction programs and activities that meet many of the requirements of Oregon's Opportunity to Recycle Act that apply to cities in the county, and reports to DEQ on these programs and activities on behalf of cities in the partnership.

Plastic Pollution and Recycling Modernization Act

In 2021 (Senate Bill 582), the Oregon Legislature enacted the Plastic Pollution and Recycling Modernization Act (RMA), which will update Oregon's recycling system by expanding access to recycling services and upgrading recycling facilities across the state. The law takes an Extended Producer Responsibility approach that requires producers of packaging, food service ware, and paper products to share responsibility for the disposal of their products through paying in to the recycling system. Companies that sell products in Oregon that are covered by the law must pay fees to a statewide nonprofit Producer Responsibility Organization (PRO) that administers the statewide program. The Producer Responsibility Organization will use the fees to cover expenses for local recycling services that provide all Oregonians the same opportunities to recycle in a way that creates environmental benefits.

Local governments in Oregon are responsible for overseeing recycling collection. The RMA creates new requirements for local governments to expand recycling services as needed to collect materials on a new, uniform statewide list, implement new programs to reduce contamination in recycling streams, use recycled plastic in collection containers, and report on activities to the Oregon Department of Environmental Quality (DEQ). Local

governments and local governments' service providers can request reimbursement from the PRO for eligible costs to meet the requirements of the law, under ORS 459A.890.

Earlier this year, DEQ requested that local governments complete a Funding Authorization Form indicating whether the local government would receive future PRO funding directly, or whether they would like to designating service provider(s) or other entities to receive the funding for eligible activities that are carried out to meet the local government's RMA obligations.

In keeping with the Clackamas County Recycling Partnership, Clackamas County proposed to carry out county-wide recycling programs-including but not limited to contamination reduction programming-that meet the requirements of the Plastic Pollution and Recycling Modernization Act (OAR 340-090-0030) on behalf of cities in the partnership. In addition, the County will lead a planning effort, in collaboration with regional partners and service providers, to identify how funding will need to be distributed among the different entities across the county in order to carry out the programs and activities required by the RMA. To this end, Molalla staff recommended designating Clackamas County as the authorized entity to receive eligible compensation directly from the PRO through the DEQ's Funding Authorization Process.

DISCUSSION

The City of Molalla and Clackamas County's partnership on recycling programs and activities is currently outlined in a 2008 Letter of Understanding. In the process of developing an intergovernmental agreement for Recycling Modernization Act programming, City and County staff identified an opportunity to incorporate the other aspects of the Clackamas County Recycling Partnership into the IGA, to replace the older 2008 Letter of Understanding with one comprehensive agreement. The IGA in Exhibit A covers the scope of work for Clackamas County and the City of Molalla to collaborate on meeting state and local recycling requirements from the Opportunity to Recycle Act, Recycling Modernization Act, and Metro Regional Waste Plan.

ATTACHMENTS:

[Resolution No. 2026-12 IGA Pollution Act.v1.pdf](#)

[Molalla_Clackamas County IGA.pdf](#)

[MOLALLA LOU OTR 2008.pdf](#)



RESOLUTION NO. 2026-12

**A RESOLUTION OF THE CITY OF MOLALLA, OREGON
AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERGOVERNMENTAL
AGREEMENT WITH CLACKAMAS COUNTY TO PROVIDE SERVICES FOR PLASTIC
POLLUTION AND RECYCLING MODERNIZATION, AND TO RECEIVE THE PRODUCER
RESPONSIBILITY ORGANIZATION FUNDING REIMBURSEMENT**

WHEREAS, Oregon's Opportunity to Recycle Act and Plastic Pollution and Recycling Modernization Act (OAR Chapter 340, Division 90), established statewide requirements for providing the opportunity to recycle and reducing waste, including responsibilities for local governments; and

WHEREAS, the City of Molalla and Clackamas County have had a long-standing agreement whereby Clackamas County provides county-wide recycling and waste reduction programs and activities that meet many of the requirements of the Opportunity to Recycle Act that apply to cities in the Metro region on behalf of Clackamas County cities, including Molalla; and

WHEREAS, Clackamas County and the City of Molalla desire to replace their 2008 Letter of Understanding for Opportunity to Recycle Act implementation with a comprehensive IGA that covers the full scope of collaboration between the two agencies to meet requirements of the Opportunity to Recycle Act and Plastic Pollution and Recycling Modernization Act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Molalla that:

- Section 1.** The City Manager is authorized to execute the intergovernmental agreement with Clackamas County attached as **Exhibit A**.
- Section 2.** Effective Date. This Resolution shall take effect upon passage of the City Council and signature of the Mayor.

Signed this 25th day of March 2026.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder

**Intergovernmental Agreement between
Clackamas County and
City of Molalla**

**Opportunity to Recycle, Plastic Pollution and Recycling Modernization
[ORS 459A; OAR 340-090]**

1. Purpose

This Agreement is entered into between the City of Molalla (the “City”) and Clackamas County (the “County”) for the cooperation of units of local government under the authority of ORS 190.010. This Agreement provides for the County, on behalf of the City and as a part of the Clackamas County Recycling Partnership, to meet the requirements of the Opportunity to Recycle Act, including the Recycling Modernization Act (OAR chapter 340, division 90) as applicable to the City, in carrying out certain county-wide recycling programs and activities, including but not limited to recycling, waste prevention, and contamination reduction programming.

2. Background

Through the Clackamas County Recycling Partnership, the County provides county-wide recycling and waste reduction programs and activities that meet many of the requirements of Oregon’s “Opportunity to Recycle Act” (ORS chapter 459A) that apply to the metropolitan service district (Metro) for Clackamas, Multnomah, and Washington counties and the cities therein, including the City, to develop integrated solid waste management plans—the Regional Waste Plan (RWP)—and implement associated activities to meet goals established by the Oregon Department of Environmental Quality (DEQ). The County also reports to DEQ via Metro, the watershed representative, on these programs and activities on behalf of cities in the partnership, including the City.

Key components of meeting the goals established in the RWP are directly related to the activities of the solid waste collection franchisee(s). Some of the collection practices considered to be standard components of the RWP include but are not limited to: 1) Weekly collection of the uniform statewide collection list (commingled recycling); 2) Collection of glass separated from other recyclables; and 3) Providing the opportunity for all business and multifamily communities to have recyclables collected. Metro maintains regional service standards (RSS) that detail minimum solid waste and recycling collection service levels to be provided for compliance with Opportunity to Recycle Act requirements.

The Plastic Pollution and Recycling Modernization Act [SB 582 (1921)] created requirements (starting in 2025) for cities to provide for recycling in their communities, including by collecting a uniform statewide list of materials and implementing new contamination reduction programs. Local governments may receive compensation for eligible costs to implement these additional requirements from the statewide Producer Responsibility Organization (PRO), Circular Action Alliance (CAA). Local governments may elect to receive PRO funding directly or may authorize service providers and/or other entities that incur eligible costs to receive compensation directly from the PRO for activities conducted (and reporting) for their community.

The RWP, Metro Code and rules, and state law related to waste reduction and recycling requires implementation throughout the entirety of the Metro watershed. Local governments may receive compensation annually based on the funds Metro has allocated for the Annual Waste Reduction Plan (subset of RWP) in the adopted Metro budget. Local governments may elect to receive Metro funding directly or may authorize the County to receive compensation directly from Metro for the activities conducted (and reporting) for their community.

3. Scope of Work

- A. In keeping with the Clackamas County Recycling Partnership, the County shall carry out the recycling programs and activities—including but not limited to waste reduction and contamination reduction planning, program implementation, and education—that meet the requirements of OAR chapter 340, division 90, on behalf of the City.
- B. The County shall represent the City in the planning effort, in collaboration with regional partners and service providers where appropriate, to develop one or more funding agreements with the producer responsibility organization that designate how funds will be distributed to meet those requirements for the City, pursuant to the planning efforts of the Clackamas County Recycling Partnership. With the City's prior authorization, this may include distribution of funds directly to the City's franchised hauler.
- C. Pursuant to the delegation of authority below, the County shall file such reports as may be necessary with DEQ to acknowledge receipt and to report eligible expenses, and to otherwise act as required or permitted by OAR chapter 340, division 90, on behalf of the City.
- D. The County shall have an opportunity to review any proposed deviation from the standard collection practices of the solid waste collection franchisee(s) presented to the City for the purpose of ensuring continued compliance with the RSS and with RWP and Opportunity to Recycle Act requirements. The County agrees to present the findings of the review to the City.
- E. The County shall provide the City with standardized forms to request annual production and financial data from the City's solid waste collection franchisee for use in the City's annual review and establishment of service rates. The City shall request that their franchisee share the City-specific data with the County for the County's annual review to support standardized data collection and compliance with Opportunity to Recycle Act and Plastic Pollution and Recycling Modernization Act requirements for fees. The County may request other City-specific operational data from the City's franchisee as needed to support compliance with state and local recycling requirements and programming.

- 4. Delegation of Authority by City to County. The City designates the County as its authorized agent to receive eligible compensation directly from the producer responsibility organization through DEQ's Funding Authorization Process pursuant to OAR 340-090-0810.

5. Term and Termination

- A. This Agreement becomes effective on January 1, 2026, and shall be automatically renewed each calendar year unless otherwise terminated as provided herein.

- B. Either party may terminate this Agreement at the end of the then-current calendar year by providing notice to the other party at least ninety (90) days before the end of that calendar year. Where this Agreement is terminated at the end of a calendar year, the County shall complete all reporting requirements for that calendar year.
 - C. Either party may terminate this Agreement in the event of a breach of the Agreement by the other party. Prior to such termination, however, the party seeking the termination shall give the other party written notice of the breach and of the party's intent to terminate. If the breaching party has not entirely cured the breach within fifteen (15) days of deemed or actual receipt of the notice, then the party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination. If the default is of such a nature that it cannot be completely remedied within such fifteen (15) day period, this provision shall be complied with if the breaching party begins correction of the default within the fifteen (15) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable. The party giving notice shall not be required to give more than one (1) notice for a similar default in any twelve (12) month period.
 - D. Neither party shall be deemed to have waived any breach of this Agreement by the other party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.
 - E. Either party may terminate this Agreement in the event the terminating party fails to receive expenditure authority sufficient to allow that party, in the exercise of its reasonable administrative discretion, to continue to perform under this Agreement, or if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that the terminating party is prohibited from performing under the Agreement. The terminating party shall give written notice of termination stating the effective date of the termination.
 - F. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the parties prior to termination.
6. General Provisions.
- A. Liability.

Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the County agrees to indemnify and hold harmless the City, its officers, elected officials, agents, and employees, from and against all third party claims and actions, and all expenses incidental to the investigation and defense thereof, including reasonable attorney fees, arising out of or based upon damage or injuries to persons or property caused by the negligent acts or omissions of the County, its employees or agents, while performing under this Agreement.

Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the City agrees to indemnify and hold harmless the County, its officers, elected officials, agents, and employees, from and against all third party claims and actions, and all expenses incidental to the investigation and defense thereof, including reasonable attorney fees, arising

out of or based upon damage or injuries to persons or property caused by the negligent acts or omissions of the City, its employees or agents, while performing under this Agreement.

- B. **Oregon Law and Forum.** This Agreement, and all rights, obligations, and disputes arising out of it, shall be governed by and construed in accordance with the laws of the State of Oregon and the ordinances of the County, without giving effect to the conflict of law provisions thereof. Any claim between the parties that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Clackamas County for the State of Oregon; provided, however, that, if a claim must be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. The City hereby consents to the in personam jurisdiction of the courts referenced in this section.
- C. **Compliance with Applicable Law.** The parties shall comply with all applicable local, state, and federal ordinances, statutes, laws, and regulations. All provisions of law required to be a part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.
- D. **Non-Exclusive Rights and Remedies.** Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other party.
- E. **Access to Records.** The City shall retain, maintain, and keep accessible all records relevant to this Agreement (the "Records") for a minimum of six (6) years following termination of or full performance under this Agreement, or for any longer period as may be required by applicable law, or until the conclusion of an audit, controversy, or litigation arising out of or related to this Agreement, whichever is later. The City shall maintain all financial Records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period, the City shall permit the County's authorized representatives access to the Records at reasonable times and places for purposes of examining and copying.
- F. **Work Product.** All work performed under this Agreement shall be considered work made for hire and shall be the sole and exclusive property of the County. The County shall own any and all data, documents, plans, copyrights, specifications, working papers, and other materials produced in connection with this Agreement.
- G. **Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon the appropriation of funds. Any provisions herein that conflict with the above-referenced laws are deemed inoperative to that extent.

- H. Severability. If any provision of this Agreement is found to be unconstitutional, illegal, or unenforceable, this Agreement nevertheless shall remain in full force and effect, and the offending provision shall be stricken. The court or other authorized body finding such provision unconstitutional, illegal, or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the parties.
- I. Integration, Amendment, and Waiver. Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the parties regarding the subject matter described herein. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification, or change of terms of this Agreement shall bind either party unless in writing and signed by both parties and all necessary approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either party to enforce any provision of this Agreement shall not constitute a waiver by such party of that or any other provision.
- J. Interpretation. The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- K. Independent Contractor. Each party shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee, or contractor of one party shall be deemed to be a representative, agent, employee, or contractor of the other party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the parties any relationship of principal and agent, partnership, joint venture, or similar relationship, and each party hereby specifically disclaims any such relationship.
- L. No Third-Party Beneficiary. The City and the County are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
- M. Subcontract and Assignment. The City shall not enter into any subcontracts for any of the work required by this Agreement, or assign or transfer any of its interest in this Agreement by operation of law or otherwise, without obtaining prior written approval from the County, which shall be granted or denied in the County's sole discretion. The County's consent to any subcontract shall not relieve the City of any of its duties or obligations under this Agreement.
- N. Counterparts. This Agreement may be executed in several counterparts (electronic or otherwise), each of which shall be an original, and all of which shall constitute the same instrument.
- O. Survival. All provisions in this Section 6 shall survive the termination of this Agreement, together with all other rights and obligations herein which by their context are intended to survive.

Signatures on next page.

Signed:

CLACKAMAS COUNTY

By: _____

Title: _____

Date: _____

CITY OF MOLALLA

By: _____

Title: _____

Date: _____

Approved as to Form:

Ellen Osoinach, City Attorney



Campbell M. Gilmour
Director

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

SUNNYBROOK SERVICE CENTER
9101 SE SUNNYBROOK BLVD. | CLACKAMAS, OR 97015

LETTER OF UNDERSTANDING

This letter of understanding is between Clackamas County's Department of Transportation and Development (Clackamas County) and the City of Molalla (City) commencing July 1, 2008. This agreement shall continue to stay in force until either party terminates the agreement. Either party may terminate this agreement with a 30-day written notice prior to May 1st of each year this agreement is in effect.

ORS 459 and 459A requires the metropolitan service district (Metro) for Multnomah, Washington and Clackamas counties and the cities therein in aggregate to develop integrated solid waste management plans and implement associated activities designed to meet goals established by the DEQ. Metro council adopts a DEQ approved Regional Solid Waste Management Plan (RSWMP) for a ten (10) year planning period. In each of the ten years local governments and Metro create annual work plans to meet the goals and objectives established in the RSWMP. A new RSWMP was recommended to Metro Council for adoption by both the Solid Waste Advisory Committee and the Metro Policy Advisory Committee, with the recommended action occurring on July 17, 2008.

Clackamas County actively engages with Metro in all matters associated with the provision of integrated solid waste management services within all of Metro's boundaries, paying particular attention to the effect of these plans on citizens within incorporated and unincorporated areas of Clackamas County. Additionally, many of the goals and objectives of the RSWMP are only accomplished through the cooperative working relationship Clackamas County has established with the franchised solid waste collectors operating within the County's borders.

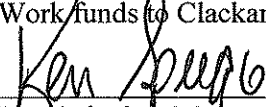
Since 1990 Clackamas County has been successful meeting the requirements necessary for annual plan adoption by Metro. The adoption of the annual plan releases funds collected, by Metro, from the disposal of regional tons of solid waste to be land filled or incinerated. Clackamas County intends to continue participating in this process through the functional period of the newly adopted Regional Solid Waste Management Plan and in the development of future plans.

Key components of meeting the goals established by the RSWMP are directly related to the activities of the solid waste collection franchisee. Currently there are several collection practices considered to be standard components of the RSWMP. These include but are not limited to: 1) Weekly collection of residential recyclables; 2) Collection of glass separated on the truck from other recyclables; 3) Providing the opportunity for all businesses to have recyclables collected. Clackamas County, through this agreement, requests the opportunity to review any proposed deviation from the standard collection practices of the solid waste collection franchisee presented to the City. The review is for the purpose of ensuring continued compliance with the RSWMP. Clackamas County agrees to present the findings to the City.

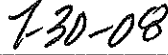
Clackamas County will continue providing staff for waste reduction planning, program implementation and education for the unincorporated areas of the County and in the cities of Barlow, Damascus, Estacada, Gladstone, Happy Valley, Lake Oswego, Molalla, Oregon City, Sandy, West Linn, and Wilsonville. Additionally, County staff will continue working in conjunction with the franchised solid waste collectors' Education Coordinator working throughout the County and its cities providing educational programs in schools.

This letter clarifies the City intends to continue its partnership with Clackamas County in the waste reduction program. The County will provide the activities listed in the Annual Waste Reduction Plan, write the final report, work with Metro in development of next year's plan elements, and keep the City apprised of activities within its boundary. This letter further clarifies the County will provide direct assistance to businesses, schools and government facilities within the City as applies to meeting the requirements of the regional Recycle @ Work program.

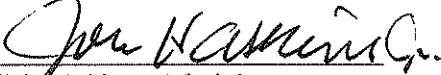
In return, the City authorizes Metro to annually distribute their portion of the Annual Waste Reduction and Recycle @ Work funds to Clackamas County until this agreement is terminated.



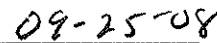
Ken Spiegle – Manager
Community Environment Division



Date



John Atkins - Administrator
City of Molalla



Date



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Seth Kelly, Water Quality Superintendent

Approved by: Dan Huff, City Manager

SUBJECT: Wastewater Treatment Plant Update

RECOMMENDATION/RECOMMENDED MOTION:

No action, for discussion only.

BACKGROUND:

The Wastewater Treatment Plant Project is the largest and most significant infrastructure investment in the City's history. This project will ensure compliance with the City's new NPDES permit while also providing the treatment capacity needed to support future community growth and long-term economic opportunity.

We are now 15 months into construction, and the project continues to make steady, measurable progress. While there have been some minor delays related to weather and equipment lead times, a recently approved change order has also extended the schedule. However, that change order provides important long-term benefits to the City, which I will address in this update.

Recap of last update:

All three project sites were making structural progress. At that time, the floors for the **Sequencing Batch Reactor (SBR)** and aerobic digester had been poured, and the walls were being erected and poured in sections each week. The Control Building floors had also been poured, the brick exterior walls were in place, and the remaining interior rooms had been framed. Roofing and siding were expected to begin soon. The Equalization Basin floor was nearly complete, and wall reinforcement had started. In addition, most of the site piping had been installed and was awaiting connection to the new structures as they were completed.

Today's Update:

- Construction has continued to advance across the site.
- The SBR and aerobic digester walls are now complete. Catwalk construction is also progressing, with approximately 50 percent poured and additional sections framed and ready for concrete placement. The headworks structure is now under construction.
- The Equalization Basin walls are approximately 75 percent complete, with the remaining work expected to be finished in the coming weeks.
- Approximately 90 percent of the underground utility work is complete, including water, sewer, storm, and electrical conduit runs.
- The Control Building exterior is complete. Inside, drywall, texture, paint, cabinets, and countertops have been installed, and a portion of the finish plumbing has been completed.

Installation of major equipment is also underway, including the sludge dewatering equipment, blowers, and electrical cabinets.

Going Forward:

Based on the recently approved change order for biosolids removal, the contractor will remove the bulk of the sludge stored in Lagoon No. 1 during the spring and summer of 2026.

The SBR is expected to be operational and ready to begin treatment in spring 2027, allowing wastewater flows to be routed through the new treatment process. Once that occurs, Lagoon No. 2 can be taken offline in summer 2027, drained, cleaned, and converted into a clean effluent storage pond.

After the SBR is operating as intended and Lagoon No. 2 has been converted, the City will be able to fully commission the upgraded wastewater treatment plant. In 2028, the contractor will return to complete the remaining biosolids removal from Lagoon No. 1, after which it will also be cleaned and converted into a second clean effluent storage pond.

This approach allows the City to realize the savings previously discussed by Assistant City Manager Corthell, while also completing work that was originally intended to be part of the first advertised bid package.

ATTACHMENTS:

[Plant Operations Update.pdf](#)

Molalla, OR

City of Molalla Wastewater Updates



Seth Kelly
Water Quality Superintendent

WWTP Overview



New Treatment Equipment



Grit Removal



FKC Screw Press



Aerobic
Digesters

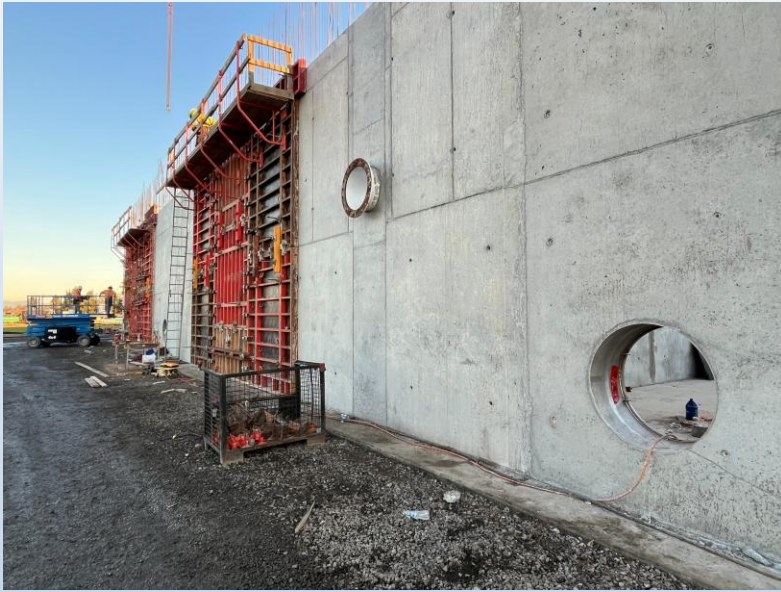
Sequencing
Batch Reactor



New 600 kw
Generator

- ❖ New Drum Filters are onsite and covered but have not been place.
- ❖ New UV Unit are not onsite yet

Sequencing Batch Reactor (SBR) Progress



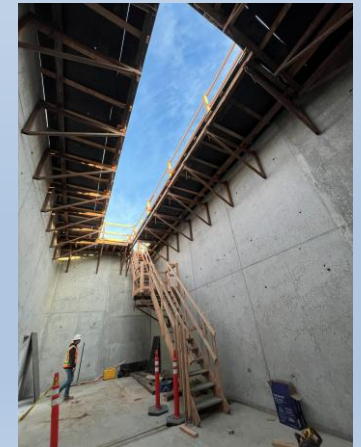
Last Wall Section Poured



Platform forms for
Aerobic Digester



Catwalks
being formed
and poured
as fast as the
electrician
can keep up
with



Site Piping

- Onsite plumbing is nearly complete with the last of the remaining items being tie-ins that will happen as the SBR and other upgraded equipment is ready to online and be put into service.



Control Building (Office Areas)

New Laboratory



Operator Workstations



Utility Room and Bathroom



Lunch and
Conference
Room

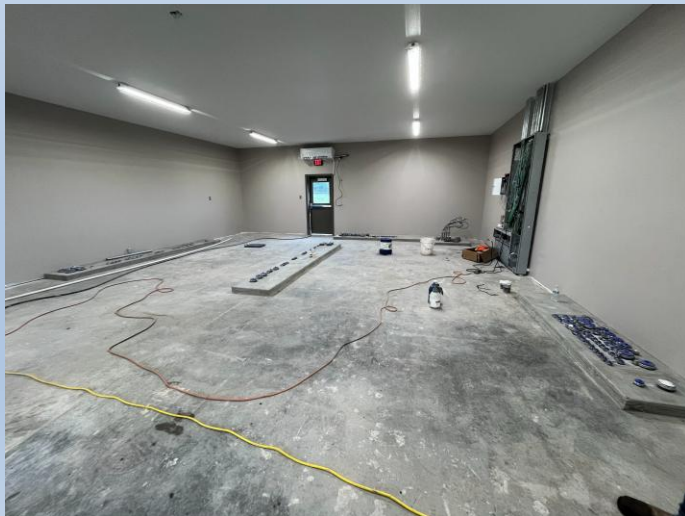


Control Building (Process Areas)

Blower Room Air Piping
Is Getting Installed



Electrical Room



More Process Equipment To Come But
The FKC Screw Press Is Coming Together



Equalization (EQ) Basin



With the SBR walls completed the contractor has moved their crane over to the North side of the property and is now Working on completing the EQ Basin structure.



What's coming Next

- Install Electrical Cabinets in the Control Building
- Install the Blowers and tie in the Air piping
- Continue to put the Screw Press and Biosolids handling equipment together
- Complete the EQ Basin and piping connections on the North side of the property
- Biosolids removal expected to start in the Spring or early Summer.
- Handrail Install on the Catwalks
- Mechanical Components to be Installed on the SBR

Questions...?



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Dan Huff, City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Mural Code Discussion

RECOMMENDATION/RECOMMENDED MOTION:

Provide recommended direction for Mural Code.

BACKGROUND:

Staff is seeking feedback regarding the creation of a mural code. Currently, City code does not permit murals. Staff have identified three options to adopt a Mural Code:

Option 1: No Restrictions

Under this "hands-off" approach, murals would be permitted on any property without content restrictions.

- **Pros:** Very easy to manage; easy for property owners to create murals.
- **Cons:** The City could not prevent murals containing profanity, obscene imagery, or offensive messaging.

Option 2: Content-Based Restrictions

The City could create rules about what can and cannot be painted (e.g., "no political messages" or "only historical themes").

- **Pros:** Provides City with control over mural content.
- **Cons:** High Legal Risk. Courts view this as a violation of free speech. This strategy often leads to expensive litigation.

Option 3: The Public Easement Method

This is a strategy currently used by at least six other Oregon cities. The property owner grants the City an "easement" for the wall where the mural will be.

- **Pros:** By granting an easement, the wall effectively becomes a public surface. The artwork is then classified as "Government Speech," which legally empowers the City to select or approve specific content.
- **Cons:** Slightly more administrative burden.

Staff and Planning Commission Recommendation

Staff believes the Easement Method offers the best balance between protecting the City from legal challenges and ensuring that new murals contribute positively to our community's aesthetic. Planning Commission also recommended the Easement method. They were also interested in restricting murals to specific zones, such as non-residential zones.

Next Steps

Staff requests that Council:

1. Issue a formal recommendation to Staff regarding the preferred regulatory direction.
2. Provide input on the following questions if desired:
 - Are there specific restrictions—such as designated zones or size limits—that the Council would like to see incorporated into the draft?
 - Do you oppose murals that display imagery related to what's inside the business?
 - Does Council have any other comments or thoughts on a mural code?



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Scott Keyser, Mayor

Approved by: Dan Huff, City Manager

SUBJECT: Letter of Support - South Clackamas First Responders

RECOMMENDATION/RECOMMENDED MOTION:

This item was requested by Mayor Keyser and may require a consensus by City Council via raise of hand.

ATTACHMENTS:

[Joint Statement on Post Fire.pdf](#)

Joint Statement on Post-Wildfire Hazard Mitigation in Clackamas and Marion Counties

We, the undersigned elected officials, first responders, and public infrastructure agencies respectfully call for coordinated and timely action to address ongoing public safety risks associated with lands impacted by the 2020 Labor Day fires.

As elected leaders and public safety professionals, we share a fundamental responsibility: to ensure the safety and well-being of the people and communities we serve. That responsibility compels us to speak with a unified voice when conditions on the ground present ongoing and preventable risks to life, infrastructure, and essential services.

Thousands of acres across Clackamas and Marion Counties remain uncleared on lands managed or owned by the Bureau of Land Management (BLM), the State of Oregon, Weyerhaeuser, and Port Blakely. These fire-impacted areas continue to present significant and compounding hazards.

Standing dead timber, dense accumulations of ground fuels, and fire-damaged landscapes have created elevated and sustained fire risk conditions. These areas are highly susceptible to rapid ignition and extreme fire behavior, increasing the likelihood that any future incident could escalate beyond the capacity of local and regional response resources.

The ongoing condition of these lands is placing a measurable and growing strain on city and county resources. Local fire agencies must account for increased risk in pre-planning, staffing, and deployment strategies. Public works and infrastructure departments are facing added burdens in monitoring and mitigating impacts to roads, bridges, and drainage systems. Emergency management personnel are required to plan for scenarios that are made more severe due to the lack of hazard mitigation on these lands.

In addition, falling trees and debris are entering waterways, contributing to log jams that pose direct threats to critical infrastructure, including bridges and key transportation corridors necessary for emergency and medical response in rural communities. These same conditions have the potential to impact municipal water systems, as debris and sediment can threaten water intakes that serve entire cities—creating risks not only to infrastructure, but to public health.

Public safety concerns also extend to outdoor recreation areas, where unstable, fire-damaged trees continue to fall without warning, posing a hazard to residents and visitors alike.

While progress has been made in certain locations, significant work remains. We recognize that the federal government has received a settlement exceeding \$450,000,000 from the power provider associated with the fires. This underscores the importance of ensuring that sufficient resources are directed toward timely cleanup, restoration, and long-term hazard mitigation efforts across affected lands.

Given the scale and persistence of these risks, we respectfully request that the State of Oregon take a leadership role in coordinating with federal agencies and private landowners to advance a comprehensive and timely approach to cleanup and fuel reduction. A clearly defined path

forward—with priorities, coordination, and timelines—will be essential to reducing risk, alleviating the burden on local jurisdictions, and strengthening the resilience of our communities.

We remain committed to working collaboratively in the interest of public safety, infrastructure protection, and the long-term health of Clackamas and Marion Counties. The safety of our residents must remain our highest priority, and we stand united in calling for action that reflects that shared responsibility.



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, March 25, 2026

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Dibble House Sewer Lateral Repair

FISCAL IMPACT: \$8,000-\$10,000; there are enough funds budgeted in the Sewer Line Repair account to pay the cost of this repair.

RECOMMENDATION/RECOMMENDED MOTION:

Staff recommends approval.

Recommended Motion: I move the City of Molalla approve payment for repair of the Dibble House Sewer Lateral.

BACKGROUND:

City Engineering Staff have been working with the Dibble House to repair or replace their completely compromised sewer lateral. Public Works Maintenance staff has scoped the line and confirmed it is fully compromised in the right-of-way, and is on the lateral and not the main. The City Code places the financial burden for the sewer lateral on the property owner starting at the sewer main (which is typical and considered best practice).

In discussions with Dibble House Board members, it has become apparent that the anticipated repair cost is not within the Dibble House's financial ability to pay and threatens to close the organization as sewer is a requirement for an occupied structure.

Given the nature of this organization (non-profit, Molalla Historical Society) the public benefits of their existence are significant.

Given the potential community detriment of the Dibble House closing, staff determined to bring this issue to the Council to consider a deviation from the City Code to pay the cost of the repair from City Sewer funds.

This may be approved by motion or denied by inaction.

