



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

**CALL TO ORDER**

The Molalla City Council Regular Meeting for February 11, 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, and Councilor K.C. Bisenius.

**STAFF IN ATTENDANCE**

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

**APPROVAL OF AGENDA**

As presented.

**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

**ACTION:**

Councilor Childress made a motion to approve the Consent Agenda as presented; Councilor Gilmer seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

**PRESENTATIONS, PROCLAMATIONS, CEREMONIES**

- A. SingerLewak - Auditor Presentation

Kathy Wilson with SingerLewak (City's auditor) presented the results of the annual financial audit. The City received an unmodified opinion, meaning the financial statements were presented in accordance with generally accepted accounting principles. Mrs. Wilson highlighted required change in accounting standards (GASB 101) related to compensated absences, resulting in a restatement that reduced beginning net position by approximately \$900,000. The General Fund ended the fiscal year with a fund balance of \$2.9 million, representing 38% of annual expenditures, which was noted as financially healthy. Overall, the audit was described as positive with no material issues identified.

*(For full presentation please review YouTube Meeting recording minutes 01:10:26 - 01:21:38)*

**PUBLIC COMMENT**

None.

**PUBLIC HEARING**

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

*Mayor Keyser confirmed no conflict of interest by Council. Public Hearing for Ordinance 2026-01 was opened at 6:14pm.*

Assistant City Manager Corthell presented a revised Mobile Food Unit (MFU) ordinance aimed at simplifying and streamlining the City's existing Code. The proposed ordinance establishes two categories of mobile food units. The first is an accessory use, meaning a food unit operating within an existing business's space, such as a parking lot. These would go through a simple *Type I* (one) application process, requiring only a basic site plan. System Development Charges (SDCs) and right-of-way dedications would be waived for accessory units, significantly reducing financial barriers. Gravel surfaces are permitted provided they meet ADA accessibility requirements. The second category is a primary use, which applies to food pod operations of three or more units or a food unit operating as the sole use on a vacant lot. These require a full land use review process, including standard dedications and improvements, due to the greater impacts on traffic, parking, and surrounding areas. Special event vendors are exempt, though fire marshal approval and a valid county health license are still required. Council members praised staff for simplifying a long-discussed issue without overcomplicating it. *Mayor Keyser closed the Public Hearing on Ordinance 2026-01 at 06:40pm. (For full presentation please review YouTube Meeting recording minutes 01:23:15 - 01:45:23)*

## **ORDINANCES AND RESOLUTIONS**

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

Mr. Corthell had no further details to share related to Ordinance 2026-01, updating Molalla Municipal Code, Chapter 17.

#### **ACTIONS:**

Councilor Bisenius moved to hold the First Reading of Ordinance No. 2026-01: Updating Molalla Municipal Code, Chapter 17, Related to Mobile Food Units by title only; Council President Vermillion seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

Councilor Childress moved 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; Councilor Shankle seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

## **PUBLIC COMMENT**

**Denise Greif**, owner of the Feed Shack food cart spoke in support of the proposed ordinance, noting that the removal of previous barriers had already generated community interest in her potential return to town.

## **GENERAL BUSINESS:**

### **A. PVC Pipe Antitrust Litigation**

Staff informed Council that the City received notice of a class action lawsuit against several PVC pipe manufacturers. After reviewing the notice and consulting with the City Attorney, staff recommended that the City join the class action rather than pursue independent litigation, as the City has not purchased enough PVC pipe to make a solo legal effort financially advisable.

*The City Attorney concurred with this recommendation.*

#### **ACTIONS:**

Councilor Shankle made a motion to join the class action lawsuit in the PVC pipe transaction; Councilor Bisenius seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

### **B. 2026 City Council Goals**

City Manager Huff presented a revised approach to the annual goal-setting process, moving away from a traditional goals list in favor of a more functional framework tied to the City's existing Comprehensive Plan. Five council goals were identified from a previous Goal-Setting Session. The Dark Skies Policy also drew discussion, with Council members noting that while the program was intended to reduce light pollution, it resulted in poorly lit streets along key corridors, raising public safety concerns. Staff also proposed adding a road connection between Highway 211/Main Street and the Bear Creek subdivision to the infrastructure priority list as community concerns have grown around public safety access. Staff noted the project involves more than just paving, as water, sewer, and storm drainage work would also be required. Council reached consensus to add it to the priority list.

#### **ACTIONS:**

Council President Vermillion moved to accept the 2026 Council Goal and Priorities with the consensus agreement of adding Ona Way to the Goals; Councilor Bisenius seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

## **STAFF COMMUNICATION**

- **Finance Director Chauran:** provided brief context on the three minor audit findings. The first involved historical figures in the capital projects fund budget document that didn't match the audited financials, though it came from a closed fund and was isolated to one area out of 18 total funds. The second was the meeting publication posting issue, which staff explained was likely posted correctly but were unable to prove without documentation. Third finding involved a budget resolution, where staff had simplified a document by removing items, not realizing those items were required to remain.
- **City Recorder Teets:** noted the full audit report presented was already posted on the City website under the Finance Department's Audit section. Additionally, announced two open volunteer positions: a three-year term vacancy on the Budget Committee and a four-year term vacancy on the Planning Commission. Both positions require applicants to reside within Molalla City limits.

- **Assistant City Manager Corthell:** provided several infrastructure updates. Regarding the Bear Creek subdivision, staff is moving forward with opening Molalla Forest Road as a driveway. A gate is planned for Forest Lane to redirect park traffic out of the neighborhood while maintaining emergency and pedestrian access. Also announced that the flashing crosswalk beacon on North Molalla Avenue was installed and is operational, which was noted as a significant safety improvement. Looking ahead, Mr. Corthell noted upcoming Council meetings would include Work Sessions on System Development Charges, followed by discussions on Parks SDCs, Stormwater SDCs, and rates over the coming months.
- **City Manager Huff:** shared a prior audit recommendation, staff identified 12 outstanding liens totaling approximately \$43,000 that had been sitting on the City's books for 15 to 20 years. Letters were sent to affected property owners in January. Finally, City Manager shared a compliment received from visitors at a recent Work Study session, who remarked that Molalla has something special and expressed hope that everyone appreciates it. Comment was directed to the Council.

**COUNCIL COMMUNICATION**

- **Councilor Bisenius:** commended Finance on a great audit and was looking forward to the next Library Board meeting.
- **Councilor Bartholomew:** noted he was looking forward to upcoming LOC Conference.
- **Councilor Gilmer:** had no comment to share.
- **Councilor Shankle:** commented on a successful Chamber of Commerce Banquet and looked forward to next meeting.
- **Councilor Childress:** had no comment to share.
- **Council President Vermillion:** praised Public Works team for their willingness to assist those in need without hesitation and deserve recognition.
- **Mayor Keyser:** recognized Finance Director Chauran for her exceptional work and dedication. After observing another local government entity struggle to answer basic budget questions, the Mayor noted Finance Director was able to answer those same questions without hesitation. A true testament to leadership and expertise. He highlighted that unlike larger agencies with more resources, the City of Molalla operates without financial surprises or last-minute shortfalls, crediting the Finance Team for that stability.

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

**ADJOUR**

Mayor Keyser adjourned the meeting at 7:23 PM.

  
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Scott Keyser, Mayor

PREPARED BY:

ATTEST:

  
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Crystal Robles, Deputy City Recorder

  
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Christie Teets, CMC - City Recorder