



City of Molalla  
City Council – Regular Meeting  
Minutes – July 22, 2026  
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

**CALL TO ORDER**

The Molalla City Council Regular Meeting for July 22, 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 Martin Bartholomew, and via Zoom Councilor K.C. Bisenius.

Absent: Councilor Doug Gilmer

**STAFF IN ATTENDANCE**

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Cindy Chauran, Finance Director; Seth Kelly, Water Quality Superintendent; Christie Teets, City Recorder; Associate Planner, Claressa Davis.

**APPROVAL OF AGENDA**

As presented.

**CONSENT AGENDA**

- A. City Council Meeting Minutes - June 24, 2026

**ACTION:**

Council President Vermillion moved to approve Consent Agenda as presented; Councilor Shankle seconded.  
Motion passed 6-0.

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

NAYS: None.

ABSTENTIONS: None.

**PRESENTATIONS, PROCLAMATIONS, CEREMONIES**

**A. Timoteo De La Cruz Memorial Skate Park Discussion - Salena De La Cruz-Forsythe**

Selena De La Cruz-Forsythe presented on behalf of the Timoteo De La Cruz Memorial Skate Park Foundation requesting the City's partnership to begin planning and fundraising for the reconstruction of the skate park in honor of Timoteo. The Foundation emphasized no City construction funding was being requested, only support to move the project forward through collaboration, community engagement, grant applications, and fundraising. Council expressed partnership support.

*During the discussion, Mayor Keyser disclosed a personal relationship with the De La Cruz family and recused himself from participation due to a potential conflict of interest. Chairing of the meeting was transferred to Council President Vermillion. | (YouTube recording 01:08:00 – 01:37:40)*

**ACTION:**

Council President Vermillion made a motion to partner with the Foundation and provide support; Councilor Shankle seconded.  
Motion passed 5-0-1.

AYES: Shankle, Childress, Vermillion, Bartholomew, Bisenius.

NAYS: None.

ABSTENTIONS: Keyser.

*Mayor Keyser returned to dais.*

**PUBLIC COMMENT**

None.

**PUBLIC HEARING**

**A. Ordinance No. 2026-03: Adopting Molalla Municipal Code, Chapter 18.01 Murals**

*Mayor Keyser confirmed no conflicts of interest by Council. Public Hearing for Ordinance No. 2026-03 was opened at 6:36pm*

Associate Planner Claressa Davis presented Ordinance No. 2026-03, that would establish the City of Molalla's first Mural Code after several months of collaboration with the Planning Commission, Beautification & Culture Committee (B&C), City Council, and local arts representatives. The proposed ordinance would allow murals in commercial, industrial, and public/semi-public zones while establishing standards for content, design, maintenance, and a minimum three-year display period. Associate Planner Davis explained that property owners would grant a wall easement to the City, allowing the City to enforce the ordinance's content standards. Council discussed the mural review process, staff explained the B&C Committee would likely review applications but was intentionally not named in the code to allow flexibility. Staff noted existing murals are currently regulated under the City's sign code and recommended working cooperatively with property owners to transition them into the new process rather than pursuing enforcement. *(See YouTube recording minutes 01:39:35 – 01:56:58)*

*With no Public Comment, Mayor Keyser closed the Public Hearing for Ordinance No. 2026-03 at 6:52pm*

**B. Ordinance No. 2026-06: Amending Molalla Municipal Code, Chapter 5.24 General Business Licensing**

*Mayor Keyser opened Public Hearing for Ordinance No. 2026-06 at 6:53pm; Mayor Keyser disclosed an actual conflict of interest and upon clarification from Assistant City Manager Corthell, Mayor Keyser recused himself and stepped away from dais. Chairing of the meeting was transferred to Council President Vermillion.*

Assistant City Manager Corthell presented the proposed overhaul of the City's Business License Ordinance, he noted the existing code had been amended multiple times since 1999 and was in need of reorganization and modernization. The proposed revisions were based on the League of Oregon Cities' model ordinance and included updated definitions, clarified administrative procedures, expanded exemptions, improved enforcement provisions, and a reduced business license fee for home occupations to support small businesses. Council discussed several provisions of the proposed ordinance, including exemption thresholds, business license application requirements, terminology, fee provisions, prorated license fees, and administrative processes.

**PUBLIC COMMENT**

**Sheila Howe, Molalla:** provided neutral comment and provided clarification on Internal Revenue Service hobby loss rules. She explained businesses generally seek to be recognized as for-profit businesses rather than hobbies and noted hobby classification does not allow business expense deductions and results in taxation of all income.

*With no further Public Comment, Council President Vermillion closed the Public Hearing for Ordinance No. 2026-06 at 7:15pm | (See YouTube recording minutes 01:57:30 – 02:19:30)*

*Mayor Keyser returned to dais.*

**C. Ordinance No. 2026-07: Amending Molalla Municipal Code, Chapter 3.09 Disposal of Surplus Property**

*Mayor Keyser confirmed no conflicts of interest by Council. Public Hearing for Ordinance No. 2026-07 was opened at 7:15pm.*

Assistant City Manager Corthell requested the agenda item be removed from consideration after discovering formatting errors in the ordinance caused by the document conversion process, rendering portions of the proposed ordinance illegible. He explained the proposed revisions were intended to simplify the City's surplus property procedures, align the ordinance with best practices, reduce administrative costs, and provide greater flexibility for the disposal of surplus property, including electronic equipment. Staff indicated the corrected ordinance would be brought back for Council consideration at a future meeting.

**ACTION:**

Mayor Keyser made a motion remove Public Hearing and Agenda Items 6C and 7C off the Agenda; Council President Vermillion seconded. Motion passed 6-0.

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

NAYS: None.

ABSTENTIONS: None.

*Public Hearing was not closed by Mayor Keyser. | (See YouTube recording minutes 02:20:13 – 02:24:15)*

**ORDINANCES AND RESOLUTIONS**

**A. Ordinance No. 2026-03: Adopting Molalla Municipal Code, Chapter 18.01 Murals**

Associate Planner had no further comments.

**ACTION:**

Council President Vermillion moved to hold the First Reading of Ordinance No. 2026-03: Adopting Molalla Municipal Code, Chapter 18.01 Murals by title only; Councilor Shankle seconded. Motion passed 6-0.

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

NAYS: None.

ABSTENTIONS: None.

**ACTION:**

Council President Vermillion moved to hold the Second Reading and Adoption of Ordinance No. 2026-03: Adopting Molalla Municipal Code, Chapter 18.01 Murals by title only; Councilor Shankle seconded. Motion passed 6-0.

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

NAYS: None.

ABSTENTIONS: None.

**B. Ordinance No. 2026-06: Amending Molalla Municipal Code, Chapter 5.24 General Business Licensing**

Assistant City Manager Corthell had no further comments. Mayor Keyser recused himself from the dais, and Council President Vermillion requested a motion.

**ACTION:**

Councilor Shankle moved to hold the First Reading of Ordinance No. 2026-06: Amending Molalla Municipal Code, Chapter 5.24 General Business Licensing by title only; Councilor Bartholomew seconded. Motion passed 5-0-1

AYES: Shankle, Childress, Vermillion, Bartholomew, Bisenius.

NAYS: None.

ABSTENTIONS: Keyser.

**ACTION:**

Councilor Childress moved to hold the Second Reading of Ordinance No. 2026-06: Amending Molalla Municipal Code, Chapter 5.24 General Business Licensing by title only; Councilor Shankle seconded. Motion passed 5-0-1

AYES: Shankle, Childress, Vermillion, Bartholomew, Bisenius.

NAYS: None.

ABSTENTIONS: Keyser.

*Mayor Keyser returned to dais.*

**C. Ordinance No. 2026-07: Amending Molalla Municipal Code, Chapter 3.09 Disposal of Surplus Property**

*Removed from Agenda.*

**D. Resolution No. 2026-20: Certifying All Requirements to Receive State Shared Revenues Have Been Met**

Finance Director Chauran presented and explained in order to receive state shared revenues annually, cities must formally elect to participate in four or more municipal services, which the City currently does.

**ACTION:**

Council President Vermillion moved to approve Resolution No. 2026-20: Certifying All Requirements to Receive State Shared Revenues Have Been Met by title only; Councilor Childress seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

**E. Resolution No. 2026-21: Declaring the City's Election to Receive State Revenue Sharing**

Finance Director Chauran presented and noted that having declared the City's eligibility to receive state revenue sharing funds, Council was asked to authorize spending the money. The total fiscal impact was identified as \$1,146,500.

**ACTION:**

Councilor Childress moved to approve Resolution No. 2026-21: Declaring the City's Election to Receive State Revenue Sharing: Certifying All Requirements to Receive State Shared Revenues Have Been Met by Title only; Council President Vermillion seconded. Motion passed 6-0

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

NAYS: None.

ABSTENTIONS: None.

**GENERAL BUSINESS:****A. Wastewater Treatment Plant Facility Update**

Water Quality Superintendent Seth Kelly provided an update on the Wastewater Treatment Plant project, he reported the final FM pad has begun pouring, and concrete finishing work continued throughout the process basins, and peak testing of the process basins is expected to begin within the next few weeks, after which mechanical equipment installation will proceed. Electrical crews continue installing conduit and wiring, and the biosolids processing contractor had mobilized on site. Mr. Kelly also announced that the City received DEQ approval for a new biosolids land application site near Tangent, the first of three anticipated approvals, which will reduce hauling distances and costs compared to the current Arlington site. He noted the City continued to work with local farmers as an additional option for biosolids disposal. Mr. Kelly additionally recognized City operator Cody Seelye, who received third place in a wildlife photo competition through the Oregon Water Education Foundation while attending short school at Clackamas Community College. *(See YouTube recording minutes 02:34:46 – 02:47:40)*

**B. Astound Broadband Franchise Agreement Update**

City Manager Huff clarified the item was purely informational, noting that telecom companies frequently merge and change ownership. In this case, Astound Broadband merged with another company but would retain its name and would not change fees. Council was advised no action was needed on the item.

**STAFF COMMUNICATION**

- **Water Superintendent Kelly:** reported that Pump 2 at the intake was scheduled to be started, completing installation of a third 100-horsepower pump to provide full redundancy in case of maintenance needs or motor failure. He also noted that intake design work continues in the background and remains on track to meet the target date for 60% design completion.
- **City Recorder Teets:** shared two candidates, Sheila Howe and Monica Bergmann, filed election paperwork with the office and were in attendance; both were undergoing background checks. She shared a Planning Commission vacancy remains open, and interested parties were directed to contact the City Recorder's office.
- **Finance Director Chauran:** reported staff were currently preparing for year-end audit and shared a new front office hire was announced, starting August 3, 2026, who lives locally.
- **Assistant City Manager Corthell:** recognized operator Cody Seelye for his recent award recognition and introduced summer intern Brandon Robertson from Eastern Oregon University, and noted his valuable contributions to the office. He provided project updates: the Clark Park sports fields landscape architectural design had been posted to bid; the banner

holder project required a redesigned base plate to meet structural engineering standards near the roadway, which had been completed, that allowed fabrication to resume; and Ona Lane's design was complete and out to bid.

- **City Manager Huff:** shared he and Mr. Corthell had attended the Oregon Cities County Managers Association conference in Ashland, and shared a lighthearted note about a promotional item distributed there. He also raised a citywide hiring and staffing shortage affecting multiple departments due to retirements, and asked for Council's patience. Mr. Huff also reminded all of the National Night Out Event on August 4, 2026.

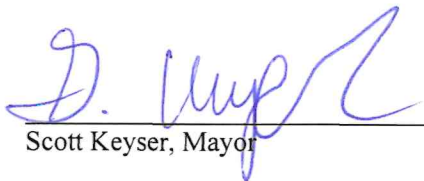
#### **COUNCIL COMMUNICATION**

- **Councilor Bisenius:** had nothing to report.
- **Councilor Bartholomew:** thanked staff for their hard work on all of the evenings presentations.
- **Councilor Shankle:** was thrilled to see a local alleyway next to City Hall has been paved and shared how nice the road looked and thanked staff.
- **Councilor Childress:** shared there were three open Council positions with only two submitted candidate applications and asked views to apply. She also provided reminder that Celebrate Molalla was on August 22, 2026.
- **Council President Vermillion:** shared a reminder summer school would end soon and shared a famous local event would take place at Clark Park on July 30<sup>th</sup>, Reptile Man.
- **Mayor Keyser:** provided brief update on some 4<sup>th</sup> of July week events around town.

[For the complete video account of the City Council Meeting, please go to YouTube  
City of Molalla | Oregon – July 22, 2026](#)

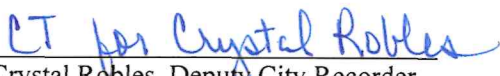
#### **ADJOURN**

Mayor Keyser adjourned the meeting at 8:05 PM.

  
\_\_\_\_\_  
Scott Keyser, Mayor

PREPARED BY:

ATTEST:

  
\_\_\_\_\_  
Crystal Robles, Deputy City Recorder

  
\_\_\_\_\_  
Christie Teets, CMC - City Recorder

#### **Attachments:**

- Q2 2026 Community Development Quarterly Report