



**CITY OF MOLALLA  
CITY COUNCIL REGULAR MEETING  
AGENDA**

Civic Center | 315 Kennel Avenue  
Wednesday, February 26, 2025 | 7:00 PM

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*NOTICE: City Council will hold this meeting in-person and through video Live-Streaming on the City's Facebook Page and YouTube Channel. Written comments may be delivered to City Hall or emailed to [recorder@cityofmolalla.com](mailto:recorder@cityofmolalla.com). Submissions must be received by 12:00 p.m. the day of the meeting.*

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

**1. CALL TO ORDER AND FLAG SALUTE**

**2. ROLL CALL**

**3. CONSENT AGENDA**

- 3A, Page 3 A. [Work Session Meeting Minutes - February 12, 2025](#)
- 3B, Page 6 B. [City Council Meeting Minutes - February 12, 2025](#)
- 3C, Page 18 C. [Library Board Meeting Minutes - February 26, 2024](#)

**4. PRESENTATIONS, PROCLAMATIONS, CEREMONIES**

- A. SingerLewak Auditor Presentation

**5. PUBLIC COMMENT**

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

**6. PUBLIC HEARINGS**

- 6A, Page 20 A. [Section Street Tree Removal \(Corthell\)](#)

**7. ORDINANCES AND RESOLUTIONS**

- 7A, Page 25 A. [Resolution No. 2025-03: Awarding a Contract for Banking Services and Authorizing the City Manager to Execute the Contract and All Other Documents Necessary to the Award \(Chauran\)](#)

**8. GENERAL BUSINESS**

- 8A, Page 39 A. [City Manager Evaluation Process \(Teets\)](#)
- 8B, Page 48 B. [Contract Award: Chief Yelkus Park \(Corthell\)](#)
- 8C, Page 51 C. [Section Street Tree Removal \(Corthell\)](#)

**9. STAFF COMMUNICATION**

- 9A, Page 52 A. [Quarterly Report with Statistics - Finance Department \(Chauran\)](#)
- 9B, Page 55 B. [OGEC Presentation - March 12, 2025](#)

**10. COUNCIL COMMUNICATION**

**11. ADJOURN**

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



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: CONSENT AGENDA

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**Agenda Date:** Wednesday, February 26, 2025

**Submitted by:** Christie Teets, City Recorder

**Approved by:** Dan Huff, City Manager

**SUBJECT:** Work Session Meeting Minutes - February 12, 2025

**ATTACHMENTS:**

[02-12-2025 Work Session Meeting Minutes.draft.pdf](#)

[City Manager Evaluation Process - Notes to Council.pdf](#)



City of Molalla  
City Council – Work Session  
Minutes – February 12, 2025  
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

**CALL TO ORDER**

The Molalla City Council Work Session of February 12, 2025 was called to order by Mayor Scott Keyser at 6:00pm.

**COUNCIL ATTENDANCE**

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Terry Shankle, Councilor RaeLynn Botsford, Councilor Doug Gilmer. Councilor Martin Bartholomew arrived at 6:15pm.

**STAFF IN ATTENDANCE**

Christie Teets, City Recorder.

**DISCUSSION ITEMS**

A. City Manager Evaluation Procedure

City Recorder Teets explained to Council that the City Manager's evaluation is due in March. City staff has been struggling with the current process, as Council has become familiar with staffs writing style. It is difficult to remain anonymous, and it is sometimes uncomfortable for staff to evaluate the City Manager.

Recorder Teets provided four options that are used by other cities for scoring administrator evaluations. Option A is most used, and was most preferred among City Council. Councilor Botsford requested summary questions from Option B, and the matrix for Option A. Council agreed to the request via consensus. City Recorder Teets will make the updates and present the policy for adoption at the February 26<sup>th</sup> meeting.

Council and staff would like to use the process as a five-year plan. The City Recorder and Council agreed that it could be changed as deemed necessary.

[For the complete video account of the Work Session, please go to YouTube  
"Molalla City Council Work Session – February 12, 2025"](#)

**ADJOURN**

Mayor Keyser adjourned the Work Session at 6:35pm.

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Scott Keyser, Mayor

ATTEST:

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Christie Teets, CMC - City Recorder

Meeting Minute Attachments:

- City Manager Evaluation Process – City Recorder Notes to Council

### **Schedule of Events**

- 2-12 Work Session – Discuss Format Options, provide Staff direction
- 2-26 City Council – Adopt Format with selected Self Evaluation questions
  
- 3-12 OGEC Meeting
  
- 3-26 Executive Session (6pm) – Council to meet with CR to review documents
- 3-26 Regular Session (7pm)
- 3-26 Executive Session (Immediately following Regular Session) – Council to meet with CM to review documents
  
- 4-23 Salary Discussion
  
- 5-14 Contract Renewal

Notes: The City Manager evaluation needs to take place before the end of March, as stated in the contract. Salary discussion/decision needs to take place before July 1, 2025 (Fiscal Year adoption).



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: CONSENT AGENDA

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**Agenda Date:** Wednesday, February 26, 2025

**Submitted by:** Christie Teets, City Recorder

**Approved by:** Dan Huff, City Manager

**SUBJECT:** City Council Meeting Minutes - February 12, 2025

**ATTACHMENTS:**

[02.12.25 CC Meeting Minutes.pdf](#)

[DLCD comment letter Molalla EOA.pdf](#)

[Avison Lumber Submission](#)

[Councilor Botsford Q & A](#)



City of Molalla  
City Council - Regular Meeting  
Minutes – February 12, 2025  
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

**CALL TO ORDER**

The Molalla City Council Meeting of February 12, 2024 was called to order by Mayor Scott Keyser at 7:01pm.

**COUNCIL ATTENDANCE**

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

Absent: Councilor Terry Shankle.

**STAFF IN ATTENDANCE**

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

**APPROVAL OF AGENDA**

City Recorder Teets noted Agenda Item 6A and 7A, Ordinance No. 2025-02. The First Reading on this item will not be held at this meeting, however it will become a discussion item. A Public Hearing was held, and the Ordinance will be brought back for adoption at a later meeting. Council approved the update to the agenda via consensus.

**CONSENT AGENDA**

- A. Work Session Meeting Minutes – January 22, 2025
- B. Integrator Services for the Water Treatment Plant and Wastewater Treatment Plant SCADA Systems
- C. USDA-RD & CWSRF WWTP Financing - Signature Authority

**ACTION:**

Councilor Childress made a motion to approve the Consent Agenda; Councilor Botsford seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**PRESENTATIONS, PROCLAMATIONS, CEREMONIES**

- A. Parks CPC Appointment

City Recorder Teets shared that the Parks CPC had an opening and Ms. Regina Sheaves, actively participating in several Parks meetings, applied to become a member. Parks Committee and Recorder Teets recommended appointment.

**ACTION:**

Councilor Botsford made a motion to approve Regina Sheaves application for the Parks CPC; Councilor Vermillion seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**PUBLIC COMMENT**

None.

**PUBLIC HEARINGS**

- A. Ordinance No. 2025-02: Amending and Adopting the City of Molalla Comprehensive Plan to Adopt the 2025 Employment Opportunities Analysis and Buildable Lands Inventory

*Mayor Scott Keyser opened 2025 Employment Opportunities Analysis and Buildable Lands Inventory Public Hearing at 7:08pm; no present Council Members acknowledged potential conflicts of interest.*

Mr. Corthell provided an update on the Economic Opportunities Analysis (EOA) and Buildable Lands Inventory (BLI), which are part of Molalla's review of its Urban Growth Boundary (UGB), a process required every 20 years, sharing the City is behind schedule since the last UGB review. The analysis includes both Housing and Employment Land Needs for the next 20 years. The EOA specifically focuses on employment lands, assessing the City's job needs and land availability to support them. The process also involves the Department of Land Conservation and Development (DLCD), which reviews the findings and ensures compliance with state rules. Mr. Corthell noted that DLCD's feedback throughout the process helped ensure the City's plans would meet approval. Unfortunately, near the end of the 90-day review period the DLCD requested a larger public involvement process, despite having been involved in every City meeting. The next steps would include reviewing the document again after addressing questions related to the Comprehensive Plan Amendments. The goal is to finalize the document, and optimistically hold the first reading and adoption at a future meeting.

Senior Planner Zinder further reiterated reported the Oregon Statewide Planning Goal 9 requires cities to adopt an Economic Opportunities Analysis (EOA) to assess 20-year employment land needs, site-specific requirements, and target industries. Molalla, does not have an adopted EOA, however is completing one as part of its Urban Growth Boundary (UGB) review process. Funded by a DLCD Grant, the City hired Johnson Economics to prepare the EOA, a Buildable Lands Inventory (BLI), update the Goal 9 Comprehensive Plan, and recommend Development Code changes. *(For a complete account of the discussion, please refer to the YouTube video recording from minutes 06:16 to 18:20)*

### **PUBLIC COMMENT**

City Recorder Teets emailed City Council Public Comments and stated copies will be reflected in Minutes.

*Mayor Keyser closed Public Hearing for Ordinance No. 2025-02 at 7:19pm.*

#### **B. Ordinance No. 2025-03: Parks, Recreation, and Trails Master Plan Adoption & Comprehensive Plan Amendment**

*Mayor Keyser opened Parks, Recreation, and Trails Master Plan Adoption & Comprehensive Plan Amendment Public Hearing at 7:19pm; no present Council Members acknowledged potential conflicts of interest.*

Mr. Corthell provided an overview of the process regarding the proposed amendments to the Parks Master Plan, which includes both public and Planning Commission suggestions. Mr. Corthell explained amendments would only be made if directed by the Council. The Parks Master Plan outlines Capital Projects for the next 10-20 years, and although the Council can add or remove projects, ultimately five-year Capital Plan would be adopted. He clarified that anything in the appendix is not a policy but mere ideas for future consideration.

After considerable debate and in-depth conversation, it was recommended to holding a First Reading of the Parks Master Plan with the proposed amendments. There was a discussion regarding the choice between a wind sail and a permanent shade structure for Long Park's Pickleball Court, keeping Oddfellows Park in the plan, as well as, the possibility of a Dog Park Association, and the Skate Park property, both Mr. Corthell and City Manager Huff agreed that it should remain in the Plan, keeping options open for future opportunities, especially given potential grants, budgeting flexibility, and future Council's. *(For a complete account of the discussion, please refer to the YouTube video recording from minutes 18:30 to 1:00:51)*

*Mayor Keyser closed Public Hearing for Ordinance No. 2025-03 at 8:01pm*

### **ORDINANCES AND RESOLUTIONS**

#### **A. Ordinance No. 2025-02: Amending and Adopting the City of Molalla Comprehensive Plan to Adopt the 2025 Employment Opportunities Analysis and Buildable Lands Inventory**

Assistant City Manager Mr. Corthell directed the Council to review the proposed amendments to be revisited after the Economic Opportunities Analysis (EOA) is considered, allowing individual discussion, which would be more manageable and beneficial for the Council. Furthermore, the Staff Report from Mr. Zinder, with input from Mr. Corthell, and Council consensus addressed several amendments to the Comprehensive Plan. Ultimately, the Council supported the staff's recommendations for striking redundant or unclear provisions and focusing on targeted industries and emphasized maintaining a balance in Land Use Policies. *(For a complete account of the discussion, please refer to the YouTube video recording from minutes 1:01:18 to 1:28:11)*



**B. Ordinance No. 2025-03: Parks, Recreation, and Trails Master Plan Adoption & Comprehensive Plan Amendment** *(For a complete account please refer to the YouTube video recording from minutes 1:28:17 to 1:31:48)*

Mr. Corthell's opening statement suggested adopting the Parks Master Plan as it currently stands, with the only pending amendment of the addition of a Dog Park Association. Mr. Corthell recommended that if the Council had unanimous support for the plan there was an option to move forward with adoption and direct staff to bring back the dog park amendment at a later meeting, likely in April or May, as the calendar would allow.

**ACTION:**

Council President Vermillion moved to adopt Ordinance 2025-03, an Ordinance of the City of Molalla, Oregon Adopting the 2025 Parks, Recreation, and Trails Masterplan and Associated Comprehensive Plan Amendments, and Conduct the First Reading by Title Only; Councilor Gilmer Seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

*Witnessing the First Reading Ordinance 2025-03 passed unanimously, Mayor Keyer called for a motion to hold the Second Reading and Adoption of Ordinance 2025-03, an Ordinance of the City of Molalla, Oregon Adopting the 2025 Parks, Recreation, and Trails Masterplan and Associated Comprehensive Plan Amendments.*

**ACTION:**

Councilor Childress moved the City of Molalla adopt Ordinance 2025-03, an Ordinance of the City of Molalla, Oregon Adopting the 2025 Parks, Recreation, and Trails Masterplan and Associated Comprehensive Plan Amendments; Councilor Botsford Seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**GENERAL BUSINESS**

**A. 2025 Council Goals**

Mr. Huff outlined the goals discussed during the goal-setting session, highlighting those carried over from the previous year in red and newly added goals in blue and requested Council approval to finalize. Recorder Teets noted a prior draft was presented at the January 22<sup>nd</sup> meeting, where a recommendation was made to remove Town Hall Sessions from Focus Area Three: Civic Education, while maintaining the focus on Civic Education.

**ACTION:**

Councilor Botsford made a motion to adopt the 2025 City Council Goals; Council President Vermillion Seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**B. City Council Liaison(s) to Molalla River School District Board**

Mayor Keyser noted at the beginning of each year Council Liaison appointments are made; one position remains open.

**ACTION:**

Mayor Keyser made an amended motion to appoint Councilors Doug Gilmer and Leota Childress to the Molalla River School District Liaison role. Councilor Botsford seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**C. Addition of .20 FTE (Full-Time Equivalent)**

City Manager Huff explained an investigator conducts thorough in-depth background checks when hiring police officers. Other cities have begun placing investigators on their payroll to improve access to background information. Mr. Huff implemented this approach but later realized it required Council approval for an additional 0.20 (FTE) position.

**ACTION:**

Council President Vermillion moved to authorize the addition of .20 FTE to conduct background checks, Councilor Gilmer seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**D. Franchise Agreement Extension - Astound Broadband**

City Manager Huff shared the City is seeking a short-term extension of its 2012 Franchise Agreement with Astound Broadband (formerly Wave) until July 2025. The extension is vital as the City Attorney and Astounds Attorney require time to negotiate a new agreement. The City is also exploring the possibility of shifting from franchise agreements to licenses, as some other cities have done. The goal is to ensure fairness while prioritizing the best interests of the City.

**ACTION:**

Councilor Botsford made a motion to authorize City Manager Huff to enter into a Franchise Agreement Extension with Astound Broadband. Council President Vermillion seconded. Motion passed 6-0.

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

NAYS: None.

ABSENTIONS: None.

**E. Draft Calendar of Upcoming City Council Meetings**

A thorough discussion took place among City staff and City Council regarding upcoming priorities and scheduling, acknowledging a busy agenda in the coming months. Deliberations included scheduling regular and special meetings, potential earlier start times, and overall planning for the Council Calendar. The Council reached a consensus on prioritizing key items: Parkland Dedication as the top priority, RV Trailer Parking on streets to be addressed, Pavement Conditioning Index as the second priority, and the Mural Code.

**F. Spring LOC Conference (May 1-2) - Council Attendance**

The Council and City staff discussed finalizing attendance for the Spring LOC Conference in North Bend, May 1st-2nd, with travel starting on April 30<sup>th</sup> with urgency emphasized in securing hotel reservations. It was noted that new Councilors are encouraged to attend at least one conference for educational and networking benefits.

**STAFF COMMUNICATION**

- **City Recorder Teets:** Provided a reminder of two openings on the Budget Committee, with a commitment of three days per year for a three-year term. Additionally, there are open seats on both the Library Board and Planning Commission.
- **Assistant City Manager Corthell:** shared the City received seven bids for the Chief Yelkus Park project, ensuring competitive pricing, with evaluations underway before awarding a contract. The Lola Water, Sewer, Storm, and Surfacing Project has been posted for bidding. The Wastewater Treatment Plant initial excavation is complete, and Council was invited for a site visit once more visible progress is made.
- **City Manager Huff:** noted the steel framework for the new Police Facility was installed, sharing visible progress on the project and much of the construction is viewable from the road. Mr. Huff encouraged Council members interested in a closer look to arrange a walkthrough.

**COUNCIL COMMUNICATION**

- **Councilor Bartholomew:** highlighted the need to increase awareness about the wide range of activities and programs offered by the local library. The Library provides various classes and events, such as hobby workshops, games for kids, and activities for adults.
- **Councilor Gilmer:** shared he attended a meeting at the Middle School with community members. The meeting provided an opportunity to review new photos and design plans for the new school design.
- **Councilor Botsford:** noted the Chamber of Commerce Networking Meeting scheduled was canceled due to the Winter Storm Warning and appreciatively, extended gratitude to all who attended the recent Chamber Banquet.
- **Councilor Childress:** noted she also attended the Middle School Open House further sharing she and Councilor Gilmer have scheduled a meeting with two representatives from MRSD Board: Mark Lucht and Amy McNiel for coffee on Saturday morning to begin their collaboration.
- **Council President Vermillion:** The See's Candy Valentine's fundraiser raised \$123.60 in profit. Additionally, Strawberry Park will have soft spots repaired this Spring as weather allows.
- **Mayor Scott Keyser:** shared information regarding a recent C4 Meeting where several key topics and possible marketing opportunities were discussed. He also related a meeting with Commissioner Chair Roberts that addressed issues with the County's voucher program and solutions; while also included discussions about attracting businesses to the area, with potential collaboration with the Portland Business Association.

#### **ADJOURN**

Mayor Keyser adjourned the City Council meeting at 9:32pm.

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

[“Molalla City Council Meetings – February 12, 2025”](#)

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

PREPARED BY:

\_\_\_\_\_  
Crystal Robles, Records Specialist

ATTEST:

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

Meeting Attachments:

- Public Hearing Public Comment email submissions regarding Ordinance No. 2025-02: Amending and Adopting the City of Molalla Comprehensive Plan to Adopt the 2025 Employment Opportunities Analysis and Buildable Lands Inventory
- Correspondence from DLCD



# Oregon

Tina Kotek, Governor

## Department of Land Conservation and Development

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

[www.oregon.gov/LCD](http://www.oregon.gov/LCD)

February 11, 2025



Dan Zinder  
City of Molalla  
117 N. Molalla Ave  
Molalla, Oregon 97038

By email: [dzinder@cityofmolalla.com](mailto:dzinder@cityofmolalla.com)

**RE:** City of Molalla Economic Opportunities Analysis File No. 21-16

Dear Mr. Zinder,

Please add the following comments to the record for Local File 21-16 Economic Opportunity Analysis (EOA).

DLCD has reviewed the revised EOA adoption package posted on the city's website on Friday, February 7, and we have the following comments for the city:

Page 96 of the agenda packet states *"There is a need for additional sites of 5+, 10+ and 20+ acres for commercial users, and 10+, 20+ and 30+ acres for industrial users (Figures 7.7 and 7.8)."* It is our understanding that the City's intent is to identify larger industrial sites to add to the Urban Growth Boundary (UGB) through a UGB amendment to ensure such sites are available for future industrial uses. If so, the EOA needs to describe exactly what the employment land need is. We think there is enough analysis and evidence in the document to support a conclusion of the need for larger sites, but it is important to state what specifically the conclusion is in terms of number of sites and their sizes; otherwise it will be a more difficult to make the case for a UGB expansion with those larger parcels.

In June 2024, we provided a comment on the Buildable Lands Inventory inquiring whether there are sites with multiple parcels under the same ownership that could be counted as single larger sites. The Avison Mill site, which contains multiple parcels but is under the same ownership according to the map on page 124 of your packet, appears to be identified as multiple smaller parcels based on the map on page 123 of your agenda packet. We have also shared documentation from DEQ showing that 17 of the 51 acres of that site are planned to be maintained and protected as wetland – for your convenience this map is attached to this letter. While these plans may not be fully approved yet, we think it may still be reasonable to use the plans for purposes of the buildable lands inventory. In summary, it appears the Avison Mill site

might provide an industrial site of 25+ acres, even after removing the 17-acres of protected wetland. The current EOA does not reflect that a 25+ acre industrial site exists in the UGB.

Please remember that DLCD reviews each work task in your sequential UGB work program “in the manner of periodic review.” This means that once adopted locally, the city is required to send a specific notice (Form 4B, which we will provide) and anyone who participated in the local process has the opportunity to submit objections to DLCD. Once the 21-day objection period is over, DLCD reviews the submittal (and any objections received) for compliance with the Statewide Planning Goals and associated rules. DLCD may then approve or remand the local decision.

We note that there are no findings in the staff report for the Division 9 rules that implement Goal 9. It is helpful to have clear findings so DLCD can follow the breadcrumbs and understand how the city reached the conclusions in the EOA, especially if we receive objections.

Please feel free to contact me at (971) 345-1987 [kelly.reid@dlcd.oregon.gov](mailto:kelly.reid@dlcd.oregon.gov) if you have any questions.

Sincerely,

Kelly Reid, AICP  
Regional Representative  
DLCD

Attachments:

A. Avison Mill site plan

cc: Leigh McIlvaine, DLCD Employment Land specialist  
Kevin Young, DLCD Goal 14 specialist



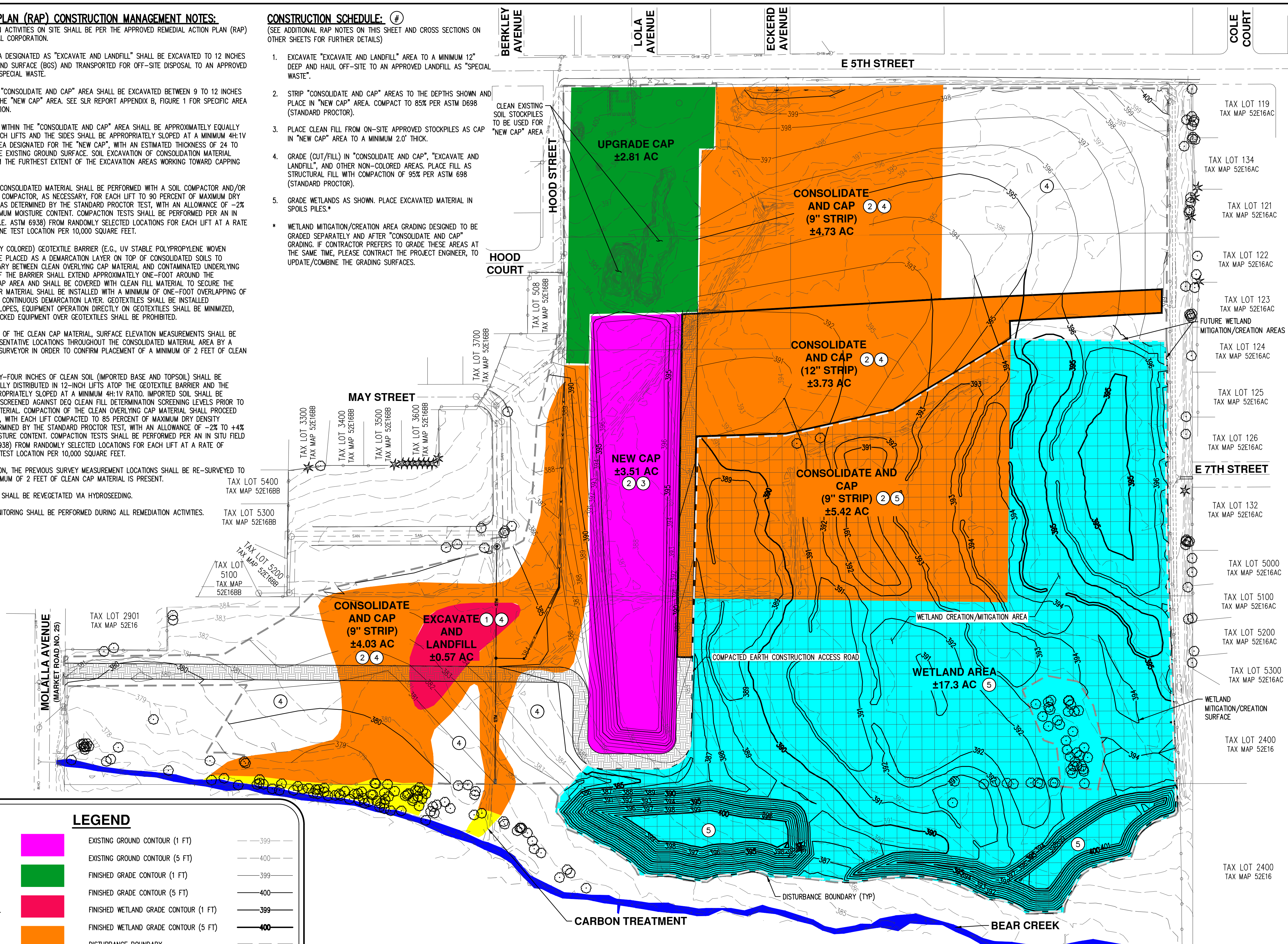
REMEDIAL ACTION PLAN (RAP) CONSTRUCTION MANAGEMENT NOTES:

- ALL SOIL REMEDIATION ACTIVITIES ON SITE SHALL BE PER THE APPROVED REMEDIAL ACTION PLAN (RAP) BY SLR INTERNATIONAL CORPORATION.
- SOIL WITHIN THE AREA DESIGNATED AS "EXCAVATE AND LANDFILL" SHALL BE EXCAVATED TO 12 INCHES MINIMUM BELOW GROUND SURFACE (BGS) AND TRANSPORTED FOR OFF-SITE DISPOSAL TO AN APPROVED LANDFILL, LIKELY AS SPECIAL WASTE.
- THE SOIL WITHIN THE "CONSOLIDATE AND CAP" AREA SHALL BE EXCAVATED BETWEEN 9 TO 12 INCHES BGS RELOCATED TO THE "NEW CAP" AREA. SEE SLR REPORT APPENDIX B, FIGURE 1 FOR SPECIFIC AREA AND DEPTH INFORMATION.
- THE EXCAVATED SOIL WITHIN THE "CONSOLIDATE AND CAP" AREA SHALL BE APPROXIMATELY EQUALLY DISTRIBUTED IN 12-INCH LIFTS AND THE SIDES SHALL BE APPROPRIATELY SLOPED AT A MINIMUM 4H:1V RATIO WITHIN THE AREA DESIGNATED FOR THE "NEW CAP", WITH AN ESTIMATED THICKNESS OF 24 TO 36 INCHES ABOVE THE EXISTING GROUND SURFACE. SOIL EXCAVATION OF CONSOLIDATION MATERIAL SHALL PROCEED FROM THE FURTHEST EXTENT OF THE EXCAVATION AREAS WORKING TOWARD CAPPING AREA.
- COMPACTION OF THE CONSOLIDATED MATERIAL SHALL BE PERFORMED WITH A SOIL COMPACTOR AND/OR A HAND-HELD PLATE COMPACTOR, AS NECESSARY, FOR EACH LIFT TO 90 PERCENT OF MAXIMUM DRY DENSITY OBTAINABLE AS DETERMINED BY THE STANDARD PROCTOR TEST, WITH AN ALLOWANCE OF -2% TO +4% OF THE OPTIMUM MOISTURE CONTENT. COMPACTION TESTS SHALL BE PERFORMED PER AN IN SITU FIELD METHOD (I.E. ASTM 6938) FROM RANDOMLY SELECTED LOCATIONS FOR EACH LIFT AT A RATE OF APPROXIMATELY ONE TEST LOCATION PER 10,000 SQUARE FEET.
- A WHITE (OR BRIGHTLY COLORED) GEOTEXTILE BARRIER (E.G., UV STABLE POLYPROPYLENE WOVEN GEOTEXTILE) SHALL BE PLACED AS A DEMARCATION LAYER ON TOP OF CONSOLIDATED SOILS TO INDICATE THE BOUNDARY BETWEEN CLEAN OVERLYING CAP MATERIAL AND CONTAMINATED UNDERLYING SOIL. THE EXTENTS OF THE BARRIER SHALL EXTEND APPROXIMATELY ONE-FOOT AROUND THE PERIMETER OF THE CAP AREA AND SHALL BE COVERED WITH CLEAN FILL MATERIAL TO SECURE THE BARRIER. THE BARRIER MATERIAL SHALL BE INSTALLED WITH A MINIMUM OF ONE-FOOT OVERLAPPING OF EDGES TO PROVIDE A CONTINUOUS DEMARCATION LAYER. GEOTEXTILES SHALL BE INSTALLED PERPENDICULAR TO SLOPES, EQUIPMENT OPERATION DIRECTLY ON GEOTEXTILES SHALL BE MINIMIZED, AND TURNING OF TRACKED EQUIPMENT OVER GEOTEXTILES SHALL BE PROHIBITED.
- PRIOR TO PLACEMENT OF THE CLEAN CAP MATERIAL, SURFACE ELEVATION MEASUREMENTS SHALL BE COLLECTED AT REPRESENTATIVE LOCATIONS THROUGHOUT THE CONSOLIDATED MATERIAL AREA BY A PROFESSIONAL LAND SURVEYOR IN ORDER TO CONFIRM PLACEMENT OF A MINIMUM OF 2 FEET OF CLEAN SOIL CAP MATERIAL.
- A MINIMUM OF TWENTY-FOUR INCHES OF CLEAN SOIL (IMPORTED BASE AND TOPSOIL) SHALL BE APPROXIMATELY EQUALLY DISTRIBUTED IN 12-INCH LIFTS ATOP THE GEOTEXTILE BARRIER AND THE SIDES SHALL BE APPROPRIATELY SLOPED AT A MINIMUM 4H:1V RATIO. IMPORTED SOIL SHALL BE CHARACTERIZED AND SCREENED AGAINST DEQ CLEAN FILL DETERMINATION SCREENING LEVELS PRIOR TO USE AS SOIL CAP MATERIAL. COMPACTION OF THE CLEAN OVERLYING CAP MATERIAL SHALL PROCEED AS DESCRIBED ABOVE, WITH EACH LIFT COMPACTED TO 85 PERCENT OF MAXIMUM DRY DENSITY OBTAINABLE AS DETERMINED BY THE STANDARD PROCTOR TEST, WITH AN ALLOWANCE OF -2% TO +4% OF THE OPTIMUM MOISTURE CONTENT. COMPACTION TESTS SHALL BE PERFORMED PER AN IN SITU FIELD METHOD (I.E. ASTM 6938) FROM RANDOMLY SELECTED LOCATIONS FOR EACH LIFT AT A RATE OF APPROXIMATELY ONE TEST LOCATION PER 10,000 SQUARE FEET.
- FOLLOWING COMPACTION, THE PREVIOUS SURVEY MEASUREMENT LOCATIONS SHALL BE RE-SURVEYED TO CONFIRM THAT A MINIMUM OF 2 FEET OF CLEAN CAP MATERIAL IS PRESENT.
- THE CLEAN SOIL CAP SHALL BE REVEGETATED VIA HYDROSEEDING.
- PARTICULATE AIR MONITORING SHALL BE PERFORMED DURING ALL REMEDIATION ACTIVITIES.

CONSTRUCTION SCHEDULE: #

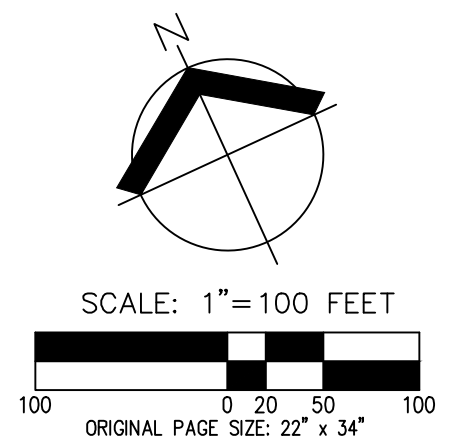
(SEE ADDITIONAL RAP NOTES ON THIS SHEET AND CROSS SECTIONS ON OTHER SHEETS FOR FURTHER DETAILS)

- EXCAVATE "EXCAVATE AND LANDFILL" AREA TO A MINIMUM 12" DEEP AND HAUL OFF-SITE TO AN APPROVED LANDFILL AS "SPECIAL WASTE".
  - STRIP "CONSOLIDATE AND CAP" AREAS TO THE DEPTHS SHOWN AND PLACE IN "NEW CAP" AREA. COMPACT TO 85% PER ASTM D698 (STANDARD PROCTOR).
  - PLACE CLEAN FILL FROM ON-SITE APPROVED STOCKPILES AS CAP IN "NEW CAP" AREA TO A MINIMUM 2.0' THICK.
  - GRADE (CUT/FILL) IN "CONSOLIDATE AND CAP", "EXCAVATE AND LANDFILL", AND OTHER NON-COLORED AREAS. PLACE FILL AS STRUCTURAL FILL WITH COMPACTION OF 95% PER ASTM 698 (STANDARD PROCTOR).
  - GRADE WETLANDS AS SHOWN. PLACE EXCAVATED MATERIAL IN SPOILS PILES.\*
- \* WETLAND MITIGATION/CREATION AREA GRADING DESIGNED TO BE GRADED SEPARATELY AND AFTER "CONSOLIDATE AND CAP" GRADING. IF CONTRACTOR PREFERS TO GRADE THESE AREAS AT THE SAME TIME, PLEASE CONTRACT THE PROJECT ENGINEER, TO UPDATE/COMBINE THE GRADING SURFACES.



LEGEND

NEW CAP AREA		EXISTING GROUND CONTOUR (1 FT)		399
UPGRADE CAP		EXISTING GROUND CONTOUR (5 FT)		400
EXCAVATE AND LANDFILL		FINISHED GRADE CONTOUR (1 FT)		399
CONSOLIDATE AND CAP		FINISHED GRADE CONTOUR (5 FT)		400
CARBON TREATMENT		FINISHED WETLAND GRADE CONTOUR (1 FT)		399
BEAR CREEK		FINISHED WETLAND GRADE CONTOUR (5 FT)		400
EXISTING WETLAND AREA (SEE SHEET C004 FOR MORE INFORMATION)		DISTURBANCE BOUNDARY		
		FUTURE WETLAND AREA		
		COMPACTED EARTH CONSTRUCTION ACCESS ROAD		
		WETLAND CREATION/MITIGATION AREA		



AKS

AKS ENGINEERING & FORESTRY, LLC  
12065 SW HERMAN RD., STE 100  
TUALATIN, OR 97062  
503.563.6151  
WWW.AKS-ENG.COM

ENGINEERING · SURVEYING · NATURAL RESOURCES  
FORESTRY · PLANNING · LANDSCAPE ARCHITECTURE

FORMER AVISON MILL  
CONSTRUCTION PLANS

MOLALLA OREGON

CONSTRUCTION  
MANAGEMENT PLAN

TAX LOT 100, 2700, 2801, 2906, 2900, 3000

DESIGNED BY: LTP  
DRAWN BY: AC  
MANAGED BY: JDR  
CHECKED BY: MBH  
DATE: 02/16/2024

RENEWAL DATE: 12/31/24

REVISIONS

JOB NUMBER  
7874

SHEET  
C003

AKS DRAWING FILE: 7874\_CON-MANAGEMENT.DWG | LAYOUT: GRADE

14



**From:** [Rae-Lynn Botsford](#)  
**To:** [Mac Corthell](#); [Dan Huff](#)  
**Cc:** [Christie Teets](#); [Dan Zinder](#)  
**Subject:** Re: Questions and comments about tonights meeting  
**Date:** Wednesday, February 12, 2025 1:46:57 PM

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1. That makes more sense, thank you.
  2. Understood, I like seeing the obvious clean up from repeated duplication in the Comp plan.
  3. "Processing" missed that wording
  4. I was just thinking this on my way back to town... I am probably bringing up the info they sent us last time to be included. (That DLCD response started making my head hurt at this point!)
  5. Thank you for this explanation, I personally would like to see more improvements in other parks before these two is why I was asking.
- Thank you for your quick responses!!

DLCD, can we amend the presentation this evening so it ordinance can be adopted if the council sees fit?

Thanks again Staff!!!

**Rae Botsford**  
Molalla City Councilor

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**From:** Mac Corthell  
**Sent:** Wednesday, February 12, 2025 12:19:53 PM  
**To:** Rae-Lynn Botsford; Dan Huff  
**Cc:** Christie Teets; Dan Zinder  
**Subject:** RE: Questions and comments about tonights meeting

Hi Rae,

See below in red and let me know if that doesn't clear things up! I'm looping in Mr. Zinder to provide an explanation on the last question as he has been point on the project and can answer that better than I. Thank you!

-Mac

**Macahan "Mac" Corthell, J.D.**  
**Assistant City Manager**  
**City of Molalla**

315 Kennel Ave. | PO Box 248 | Molalla, OR 97038

Phone – [503.759.0243](tel:503.759.0243)

Email – [mcorthell@cityofmolalla.com](mailto:mcorthell@cityofmolalla.com)

Website – <http://www.cityofmolalla.com>

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**From:** Rae-Lynn Botsford <[rbotsford@cityofmolalla.com](mailto:rbotsford@cityofmolalla.com)>

**Sent:** Wednesday, February 12, 2025 11:11 AM

**To:** Dan Huff <[dhuff@cityofmolalla.com](mailto:dhuff@cityofmolalla.com)>; Mac Corthell <[mcorthell@cityofmolalla.com](mailto:mcorthell@cityofmolalla.com)>

**Cc:** Christie Teets <[cteets@cityofmolalla.com](mailto:cteets@cityofmolalla.com)>

**Subject:** Questions and comments about tonights meeting

Hello all,

Questions and comments

Exhibit C pg 17; #11. Through the Molalla Municipal Code the City shall place specific criteria upon new development and redevelopment in the CBD, which matches the style found in the early 1900s

What does this mean?? the early 1900s

This is existing language in the comprehensive plan that paves the way for architectural standards, it isn't part of the EOA, and the Council would adopt any standards proposed... if they were something clearly outside of this, we would amend the comp plan at that time to account for the standards actually adopted.

Exhibit C pg 21; #16 'Non-polluting' would like to keep it in, what are the suggestions to define more accurately?

Hi Rae, there should have been more meat on this bone. The Comp plan already has environmental policies that apply to everything we do. Given that this is ambiguous as noting is in-fact "non-polluting", and that it is redundant, staff would recommend removal.

Goals 5, 6, 7 cover the environment with 6 being specifically geared toward environmental protection:

chrome-

extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.cityofmolalla.com/sites/default/files/fileattachments/public\_works/page/1761/wmcwsmp\_appendix\_a\_part\_8\_-\_comprehensive\_plan.pdf

"#25 . Molalla shall provide a suitable site within its UGB to allow large scale agricultural or nursery processing industries to locate within the City." is this needed? we have so much agriculture on all side of the city, do we need to make sure we have suitable land within city limits?

This is existing language that we are asking whether or not the policy still applies or should be



removed. It's a Council level decision, but it's not about farming and what not, it's about agricultural processing (e.g. mill site, pac fiber, etc...). If you are asking my opinion I would keep it – there's no harm in having it in there, and it tends to adhere to Molalla's timber roots.

Exhibit D: page 2 fueling station. I thought council asked for this to come back to a work session. As it states changing fueling station under C1 zone. but shows entire section of several Uses. trying to keep them together? separating fueling stations only for C1? Why is this not being brought back as a work session per request from last meeting?

Exhibit D is a prelude to development code changes and is just in the packet to provide food for thought. You guys have asked for gas stations to come back, and it will, this is just a summary of the items that might be worthy of discussion and/or modification in the future... it has no effect on current standards.

Parks: Why is Odd Fellow and Rotary park top priority on parks master plan ?

They put them in there as P1 and P2 because they are "low hanging fruit"... low cost, short-term projects. With that said, that doesn't mean anything, you guys adopt a 5-year capital plan that is derived from the capital plans in the master plans, and that is what we budget for and follow. How they are arranged in the given plan doesn't really matter.

The main thing is to ensure a project is in the plan if you like it so it is on everyone's mind for the 5-year plan, and is fundable by grant resources. Removing the ones you all don't like is a best practice, but not necessary per se as you guys will determine whether it goes in the 5-year plan, and whether to fund it when that time comes.

DLCD comments:

1st paragraph, Looks like large industrial zones need to be more specific for future UGB process?

Yeah, this is just part of the back and forth with DLCD... they don't even provide it as public comment, but since it came in so late we asked them to as it will change the adoption process a bit (we will need to make the updates that they called out in the 23<sup>rd</sup> hour as usual, and bring it back for adoption).

2nd paragraph, Buildable land inventory, Do we need to correct the exact wording to include we do have "1" 25 acre industrial parcel?

I'm going to refer this one to Mr. Zinder as he has been point on this.

**Rae Botsford**  
Molalla City Councilor



## CITY OF MOLALLA

### Staff Report

**Agenda Category: CONSENT AGENDA**

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**Agenda Date: Wednesday, February 26, 2025**

**SUBJECT:** Library Board Meeting Minutes - February 26, 2024

**ATTACHMENTS:**

[Library Meeting Minutes.pdf](#)

**Minutes of the Molalla Public Library Board Regular Meeting**  
**Molalla Public Library**  
**201 E 5th St., Molalla, OR 97038**

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**1. CALL TO ORDER OF THE MOLALLA PUBLIC LIBRARY BOARD MEETING;**

meeting of February 26, 2024, was called to order by Tina Teel at 5:33 PM.

**ATTENDANCE:**

Tina Teel, Chair – Present

Robert Thompson, Board Member – Present

Brittney Closner, Board Member – Excused

Mechelle Trefethen – Board Member - Present

Kevin Effinger – Board Member

Crystal Robles, City Council Liaison - Absent

**STAFF IN ATTENDANCE:**

Diana Hadley, Library Director – Present

**2. No Public Comment**

**3. NEW BUSINESS:**

- a. Election of officers: Tina moved, Mechelle seconded, Robert Thompson as the new chair. Motion carried (4-0)
  - i. Mechelle moved, Kevin seconded, Tina as new secretary. Motion carried (4-0)
- b. Overview of 24/25 FY budget by Diana. Budget is solid. Some needed repairs to the inside and outside of the library are budgeted for both this fiscal year and next. A new facility is several years down the road.

**4. OLD BUSINESS:**

- a. Friends of the Library update – Tina.
  - a. The Friends will be doing book sales in the Ivor Davies Hall at the Dibble House quarterly. They will be selling snacks, drinks, and books during the Library's Music in the Park series; they have moved some of the Foundation funds to an investment account for a better interest rate; they are looking for volunteers.

**5. DIRECTOR'S REPORT:**

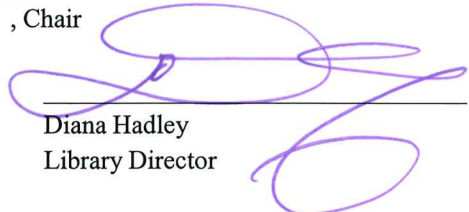
- a. The first draft of the budget for next fiscal year has been submitted.
- b. Needed repairs, e.g. the sidewalk and front doors, are being made
- c. Staff attend as many school and outreach events as possible
- d. The Community Room is available for groups offering free programs/meeting which are open to the public
- e. Summer reading and other programs are in both the planning and implementation phases

**6. ADJOURNMENT:** Motion by Tina Teel; 2<sup>nd</sup> by Robert Thompson. Motion carried (4-0), all ayes 5:40 PM.

  
 \_\_\_\_\_, Chair

  
 \_\_\_\_\_ Date

ATTEST:

  
 \_\_\_\_\_  
 Diana Hadley  
 Library Director



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: PUBLIC HEARINGS

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**Agenda Date: Wednesday, February 26, 2025**

**Submitted by: Mac Corthell, Assistant City Manager**

**Approved by: Dan Huff, City Manager**

**SUBJECT:** Section Street Tree Removal (Corthell)

#### **BACKGROUND:**

In January of 2025 Staff made the Council aware of a scheduled tree removal to facilitate movement of powerlines/poles to the outer edge of the City's Right of Way on Section St. The Council requested staff to notify the Section St. owners and tenants of the potential removal and invite them to the 2/26/25 meeting for public comment on the topic.

Staff sent a dedicated mailer to 32 addresses for the physical locations on Section St. and the owner of record as shown on the County Assessor's tax roles. The mailer is attached to this report and invited written or in-person comment from any party with an interest in this process.

Below you will find the information provided to the Council at the January 2025 meeting:

Many older sections of town have significant Right of Way (ROW) issues. These manifest as improper incursion into City ROW, improper outfitting of infrastructure within or around the ROW, incomplete ROW dedications that are being used as ROW, and so on.

These sorts of issues play a big role in confusing citizens as to what they own and do not own, how to go about development or improvement of their property, what their responsibilities/protections are within the purported ROW, and tend to drive up costs.

What?

In short, the power poles on the north side of Section St. are set to be moved north approximately 2-3 feet to the edge of the City ROW in conjunction with the completion of the Section St repaving project. The pole at the south ADA ramp on Section St and S Molalla Ave is set to move approximately 6 feet south.

Why?

Pole #1 (see attachment): Is in a dangerous location for vehicles, especially given the nature of the road as a truck route. The danger to vehicles compounds as danger to pedestrians given that the hazard is nearly in an ADA sidewalk ramp. Also, the current powerline configuration crossing the street does not meet current standards and would not be allowed by PGE today, thus PGE will require this pole to move at the time of development of the vacant lot 1 property west of the intersection on the north side of the road and the cost will all be borne by the property owner.

Pole #2 (see attachment): Will move 2- 3 feet north to facilitate line tension for the other poles on Section St. moving north to the back of the ROW. This too will be on PGE's dime if it is done as part of this project and stays overhead, this is in accordance with the franchise agreement. Alternatively, no action will eventually place the cost burden on the property owner mentioned in Pole #1 above.

Pole #3 (see attachment): Will move 2- 3 feet north to the back of the ROW thus mitigating cost for future

development and providing the safest possible roadway in terms of power pole location.

Finally, there are a few financial considerations that are played out in the three possible scenarios below:

1. Due to the pole movement being based on a City project, our franchise agreement designates PGE as the financially liable party to move the poles, so long as the lines remain overhead. Thus the cost to the City would be approximately \$6,500 for tree removal, and the rest of the work is on PGE.

**Summary: Tree down, power moved, City pays tree removal cost, PGE pays cost to move poles.**

2. If this is not completed with this public project, whoever builds their home on the vacant land next to the poles will have to pay PGE to move them, and to cut the tree, so one neighbor would need to pay the \$6,500 for tree removal, and about \$20k per pole, all things being equal.

**Summary: Tree down, power moved, Molalla resident pays all costs.**

3. The alternative to tree removal is undergrounding power. Our franchise agreement designates the City as the financially liable party in this case of transitioning from overhead to underground in the public ROW. The projected costs associated with undergrounding are approximately \$75,000 for a small run.

**Summary: Tree up, power underground, City pays approximately \$90k-\$150k for undergrounding, or developing property owner pays the cost to underground at time of development.**

**ATTACHMENTS:**

[Section Street Public Hearing.pdf](#)



## Community Development Department

315 Kennel Ave/PO Box 248

Molalla, OR 97038

Phone 503.759.0205

[www.cityofmolalla.com](http://www.cityofmolalla.com)

January 23, 2025

### Re: Public Hearing on 2/26/25 regarding Section St Tree Removal

Dear Section St. Neighbor,

You are receiving this letter because you own or reside in property abutting Section St in Molalla. On **February 26, 2025 at 7:00pm the City Council will hold a regular meeting at the Molalla Civic Center, 315 Kennel Ave., Molalla, OR 97038.**

At that meeting, the City Council will take public comment regarding the potential removal of a significant tree located in the Right of Way on Section St. For instructions on how to comment, please see the “conclusion” paragraph below.

Photographs of the poles in question have also been provided below. Please note, these are the poles impacted by the tree, but all poles along section would move to the back edge of the right of way (about 2 feet).

#### BACKGROUND:

Many older sections of town have significant Right of Way (ROW) issues. These manifest as improper incursion into City ROW, improper outfitting of infrastructure within or around the ROW, incomplete ROW dedications that are being used as ROW, and so on.

These sorts of issues play a big role in confusing citizens as to what they own and do not own, how to go about development or improvement of their property, what their responsibilities/protections are within the purported ROW, and tend to drive up costs.

#### What?

There are three basic options provided below:

1. The tree is removed and poles moved to the edge of the Right of Way. PGE covers all costs of pole movement (approximately \$20k per pole), and the City pays the cost of tree removal (approximately \$6,500).

**Summary: Tree down, power moved, City pays tree removal cost (\$6,500), PGE pays cost to move poles (\$20k per pole).**

2. The tree remains, power is routed underground near the tree, all other poles move to the edge of the right of way. In this case, the City would be liable for the cost of undergrounding (approximately \$90k-\$125k), PGE pays the cost of moving all other poles

**Summary: Tree down, power moved, city pays costs for undergrounding (\$90k-\$125k), and PGE pays cost to move other poles (\$20k per pole).**

3. The power and tree remain in place. This would mean the cost of moving poles and/or undergrounding would fall on the next property owner along the route to improve/develop their property. PGE pays nothing, the City pays nothing.

**Summary: Tree and poles remain in place until improvement/development, property owner pays cost of moving poles (\$20k per pole) and/or undergrounding (\$90k-\$150k).**

#### **Why?**

Pole #1 (see attachment): Is in a dangerous location for vehicles, especially given the nature of the road as a truck route. The danger to vehicles compounds as danger to pedestrians given that the hazard is nearly in an ADA sidewalk ramp. Also, the current powerline configuration crossing the street does not meet current standards and would not be allowed by PGE today, thus PGE will require this pole to move at the time of development of the vacant lot 1 property west of the intersection on the north side of the road and the cost will all be borne by the property owner.

Pole #2 (see attachment): Will move 2- 3 feet north to facilitate line tension for the other poles on Section St. moving north to the back of the ROW. This too will be on PGE's dime if it is done as part of this project and stays overhead, this is in accordance with the franchise agreement. Alternatively, no action will eventually place the cost burden on the property owner mentioned in Pole #1 above.

Pole #3 (see attachment): Will move 2- 3 feet north to the back of the ROW thus mitigating cost for future development and providing the safest possible roadway in terms of power pole location.

#### **Conclusion.**

The City Council and City Staff invite you to **share your comments on these options** in order to make a fully informed decision. You can provide your comments in any of the following ways:

- Email – [communityplanner@cityofmolalla.com](mailto:communityplanner@cityofmolalla.com) before 4:00pm on February 26, 2025.
- Letter – Drop off at the Molalla Civic Center before 4:00pm on February 26, 2025.
- In Person – Attend the meeting and provide comment (see meeting information above).

Thank you in advance for any feedback you can provide.

Sincerely,

*Mac Cortshell*

Assistant City Manager

Attachments: Section St Tree/Power Pole Photographs



## Section St Tree/Power Pole Photographs







## CITY OF MOLALLA

### Staff Report

#### Agenda Category: ORDINANCES AND RESOLUTIONS

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**Agenda Date: Wednesday, February 26, 2025**

**SUBJECT:** Resolution No. 2025-03: Awarding a Contract for Banking Services and Authorizing the City Manager to Execute the Contract and All Other Documents Necessary to the Award (Chauran)

**RECOMMENDATION/RECOMMENDED MOTION:**

I move to adopt Resolution No. 2025-03, Awarding a Contract for Banking Services and Authorizing the City Manager to Execute all documents.

**BACKGROUND:**

A Request for Proposal (RFP) process for banking services is recommended every 5-7 years to ensure competitive pricing and to review service levels. An RFP was issued on December 4, 2024. Two proposals were received. After a formal evaluation process, HomeStreet Bank was selected as the preferred institution for banking services. Wells Fargo will be retained at this time for purchasing card services.

The proposed contract guarantees banking fees for five years and offers a higher earnings credit rate than we currently receive. We anticipate these factors will keep banking costs at net zero. We have also received a commitment to full-service assistance and a no-cost conversion process.

The attached summary and analysis statement provides more information supporting this recommendation.

**ATTACHMENTS:**

[Resolution No. 2025-03 Summary.pdf](#)

[Resolution No. 2025-03.pdf](#)

[Exhibit A - Molalla & HSB](#)

## BANKING RFP SUMMARY AND ANALYSIS

To ensure that the City of Molalla receives the best possible banking services at competitive rates, the Finance team commenced a Request for Proposal (RFP) process last fall. This review was not just about securing favorable terms, it was also about positioning the City for future growth and ensuring financial services continue to meet the evolving requirements of departments and community.

As part of this process, we formally published the RFP and invited several banks to participate, including our current banking partner, Wells Fargo. In the end, only two banks—Wells Fargo and HomeStreet Bank—submitted proposals for consideration.

A review team, consisting of Finance Director Cindy Chauran, Senior Accountant Suzan Duffy, and Crystal Robles, carefully evaluated the proposals, conducted virtual meetings, and engaged in discussions with both banks. Throughout the process, the group explored key banking solutions, potential Earned Credit opportunities, armored courier services, customer service enhancements, purchasing card options, and guaranteed contract pricing. A major focus was identifying a banking partner that would provide dedicated support fitted to the City's needs while ensuring a seamless transition, should there be one.

After a thorough review, HomeStreet Bank emerged as the strongest option for the City of Molalla. Their offerings are well-suited to City needs, and they have demonstrated a strong commitment to working with municipalities. References from other clients confirmed their reliability and high level of service.

HomeStreet Bank has been expanding its municipal banking presence and, while they are well-established in Washington, Molalla would be their first municipal partner in Oregon. This presents an exciting opportunity; however, we also recognize the responsibility of ensuring a smooth transition. The new partnership could also mean that Molalla receives prioritized service and attention as HomeStreet Bank grows its footprint in the state.

Leading this transition would be Brittany Loyer, a banking professional with extensive experience, including past work with Wells Fargo and direct involvement with the City of Molalla. Brittany is well-regarded in her field and would be a valuable resource in ensuring a successful transition should Council approve to move forward.



## RESOLUTION NO. 2025-03

### **A RESOLUTION OF THE CITY OF MOLALLA, OREGON AWARDING A CONTRACT FOR BANKING SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT AND ALL OTHER DOCUMENTS NECESSARY TO THE AWARD**

**WHEREAS,** The City Council has issued a Request for Proposal for banking services; and

**WHEREAS,** After a formal evaluation process, HomeStreet Bank was selected as the preferred institution for banking services; and

**WHEREAS,** City staff desires to commence a five-year agreement, with the option to renew.

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

- Section 1.** The contract for banking services, Exhibit A, attached hereto and incorporated by reference, is hereby awarded to HomeStreet Bank.
- Section 2.** The City Manager is authorized to sign the contract and all other documents necessary for the contract award.
- Section 3.** This Resolution shall be effective upon adoption.

Signed this 26<sup>th</sup> day of February 2025.

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Scott Keyser, Mayor

ATTEST:

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Christie Teets, CMC  
City Recorder



## GOVERNMENT BANKING SERVICES AGREEMENT

This GOVERNMENT BANKING SERVICES AGREEMENT ("**Agreement**") is made and entered into as of the 26<sup>th</sup> day of February 2025 (the "**Effective Date**"), by and between HomeStreet Bank, a Washington State chartered commercial bank ("**Bank**"); and the City of Molalla, a City organized under the laws of the state of Oregon ("**City**"), with reference to the following facts and intentions of the parties. City is also referred to herein as "**Customer**". Bank and Customer are also referred to herein individually as a "**Party**" and collectively as the "**Parties**".

### **RECITALS**

- A. Customer wishes to receive certain deposit and payment banking services to support its ongoing operations.
- B. Bank is eligible under Oregon law to and does provide deposit and payment banking services to its consumer, commercial, and governmental customers.
- C. Based on its review of Bank's deposit and payment banking services, Customer wishes to contract with Bank for the provision of such services, and Bank is agreeable to providing such services to Customer, subject to the terms and conditions of this Agreement.

### **AGREEMENT**

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which being hereby acknowledged, and in consideration of the mutual promises set forth in this Agreement, the Parties agree as follows:

1. SCOPE OF SERVICES. Bank shall provide the services identified in Exhibit A to this Agreement (the "**Requested Banking Services**"). Customer may wish to expand the scope of Requested Banking Services to include additional banking services offered by Bank ("**Additional Banking Services**"). The Requested Banking Services and the Additional Banking Services are referred to in this Agreement collectively as the "**Banking Services**". Bank shall provide the Banking Services to Customer in accordance with all applicable federal, state, and local laws. To the extent applicable, Bank further agrees and covenants to comply with all of the obligations and conditions required for public contracts as set forth in state law, including but not limited to ORS Chapter 279 A and B, as though each obligation or condition were fully set forth herein. In addition, Bank covenants and agrees that in the performance of its duties hereunder, it will comply with all other state and federal requirements applicable to contracts of this type including but not limited to being and remaining a qualified depository that participates in the Oregon Public Funds Collateralization Program (PFCP). If any provision of this Agreement will be deemed to be not in compliance with any statute or rule of law, such provision will be deemed modified to ensure compliance with said statute or rule of law.

1.1 REPORTS, STATEMENTS, AND OTHER DOCUMENTS. Bank shall make available to Customer periodic reports, statements, and other documents typically provided in connection with banking services for the Banking Services provided to the Customer ("**Banking Records**"). Bank shall make available Banking Records in accordance with applicable banking law and Bank's standard practices.

2. PRICING FOR BANKING SERVICES.

2.1 REQUESTED BANKING SERVICES. Bank shall provide the Requested Banking Services at the prices set forth in Exhibit B to this Agreement.

2.2 ADDITIONAL BANKING SERVICES. Bank shall make available Additional Banking Services on such terms and conditions offered to Bank's other customers; provided, however, the Parties may negotiate specific terms for Additional Banking Services through a written amendment of this Agreement signed by both Parties.

2.3 METHOD OF PAYMENT. Customer shall pay the Bank for Banking Services provided pursuant to this Agreement. Fees shall be paid through compensating balance offsets or, where specified, through direct debit. If Customer terminates this Agreement prior to the end of the billing cycle period identified in Exhibit B, fees for services shall be calculated and paid for the period the Agreement was in effect. If Customer is required to pay Bank for Banking Services after the application of applicable offsets and/or credits, and the balance in Customer's account is insufficient to cover the outstanding fees, Customer shall promptly deposit funds into the account to cover outstanding fees, or otherwise pay the fees to Bank as requested by Bank.

3. TERM OF AGREEMENT; TERMINATION. The term of this Agreement shall expire upon the earlier of: (i) the expiration of the (5) five-year period beginning on the Effective Date; or (ii) the earlier termination of this Agreement pursuant to Section 3.2 or 3.3. Upon written agreement of the Parties, this Agreement may be extended for two additional renewal periods. The first renewal will be for an additional five (5) years after the initial period, and the second renewal will be for an additional two (2) years after the first extension. During any Extension Period, all terms and conditions of the existing Agreement shall remain in effect including any mutually approved amendment; provided, however, Customer and Bank shall negotiate fees for the term of an Extension Period. Bank shall be authorized to begin work under the terms of this Agreement upon signing of this Agreement and shall begin offering Banking Services to Customer no later than the Effective Date, unless a mutual written agreement is signed to change the schedule. An extension of the time for beginning Banking Services may be given by Customer due to conditions not expected or anticipated at the time of execution of this Agreement.

3.1 CONTINUATION OF BANKING SERVICES BEYOND TERM OF AGREEMENT. If Customer continues to utilize Banking Services beyond the term of this Agreement, the pricing for such Banking Services shall be at Bank's standard rates for such Banking Services, and the Banking Services shall be governed and controlled by the agreements, terms, and conditions applicable to such Banking Services.

3.2 EARLY TERMINATION BY CUSTOMER. Customer may terminate this Agreement at any time upon written notice to Bank.

3.3 EARLY TERMINATION BY BANK.

3.3.1 FOR CAUSE. Bank may terminate this Agreement at any time, without prior notice to Customer, for Cause. For purposes of this Agreement, “Cause” means Bank’s belief that: (i) the Banking Services have been used to violate applicable laws, rules, or regulations; (ii) the continued use of Banking Services may result in a violation of applicable laws, rules, or regulations; or (iii) the continuation of the Banking Services is inconsistent with safe and sound banking practices.

3.3.2. WITHOUT CAUSE. Bank may terminate this Agreement at any time, for any reason other than Cause, upon ninety (90) days prior written notice to Customer.

3.4 FINAL PAYMENT. If this Agreement is terminated under Section 3.2. or 3.3: (i) a final payment shall be made to Bank for all Banking Services performed as of the effective date of termination; and (ii) Bank shall reasonably cooperate with Customer’s transition of Banking Services to the new provider in accordance with applicable law, any agreements governing the Banking Services, and standard industry practices.

4. INSURANCE. Bank shall, at Bank’s sole expense, obtain and maintain during the term of this Agreement policies of insurance of those types, in such amounts, and with deductibles appropriate for Bank’s size and scope of operations. Bank shall provide a certificate of coverage upon Customer’s request, but not more frequently than annually.

5. CUSTOMER REPRESENTATIONS, WARRANTIES, AND COVENANTS. Customer hereby represents, warrants, and covenants that: (i) prior to the execution of this Agreement, Customer has obtained all approvals necessary to enter into and perform under this Agreement; (ii) Customer’s execution of this Agreement and performance hereunder does not violate and will not violate any laws, regulations, codes, ordinances, agreements, policies, or other obligations binding upon Customer; and (iii) the individual signing this Agreement has the necessary legal authority to bind Customer to the terms and conditions of this Agreement.

6. COUNTERPARTS AND EXECUTION BY ELECTRONIC MEANS. This Agreement may be executed by the Parties hereto in separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the Parties hereto. Copies of documents or signature pages bearing original signatures, and executed documents or signature pages delivered by a Party by electronic means, shall, in each such instance, be deemed to be, and shall constitute and be treated as, an original signed document or counterpart, as applicable. Any Party delivering an executed counterpart of this Agreement by electronic means also shall deliver an original executed counterpart of this Agreement, to the other Party within five (5) business days of the date of delivery of the electronically signed copy, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

7. MISCELLANEOUS.

7.1 INTERPRETATION; JURISDICTION; VENUE. This Agreement shall be governed by and interpreted in accordance with the laws of the state of Oregon, except if preempted by federal law. In any action brought or arising out of this Agreement, the Parties hereby consent to the jurisdiction of any

federal or state court having proper venue within the state of Oregon and also consents to the service of process by any means authorized by Oregon or federal law.

7.2 HEADINGS. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of this Agreement.

7.3 SUBCONTRACTING. Bank shall not subcontract its obligations under this Agreement without Customer's express, prior, written consent; provided, however: (i) Bank's use of third-party vendors to provide Banking Services, consistent with Bank's standard practices, shall not constitute an impermissible subcontracting of its obligations; and (ii) Bank shall remain responsible for any breach of this Agreement by Bank's third-party vendors.

7.4 SEVERANCE OF TERMS. If any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, that portion shall be deemed severed therefrom, and the remaining parts shall remain in full force as though the invalid, illegal, or unenforceable portion had never been a part thereof.

7.7 CONSTRUCTION OF TERMS AND PROVISIONS. In the event of any ambiguities in the language hereof, there shall be no inference drawn in favor of or against either Party. Each Party has reviewed this Agreement and accordingly the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not apply.

7.8 RESERVATION OF RIGHTS; EXERCISE OF REMEDIES; NO WAIVER. No failure on a Party's part at any time to require the performance by the other Party of any term of this Agreement shall in any way affect a Party's rights to enforce such term, nor shall any waiver by a Party of any term hereof be taken or held to be a waiver of any other term hereof or of any breach or subsequent breach hereof.

7.9 NO THIRD PARTY BENEFICIARIES. This Agreement does not confer any rights or remedies upon any person or entity other than the Parties, and their respective successors and permitted assigns as limited by section 9 of this Agreement.

7.10 FURTHER ACTS AND COOPERATION. The Parties shall reasonably cooperate with each other with respect to the matters addressed in this Agreement. Upon a Party's request, the other Party shall duly execute and deliver, or cause to be duly executed and delivered, to the requesting Party such further instruments, agreements, and documents, and do or cause to be done such further acts as may be reasonably necessary or proper to carry out more effectively the provisions of this Agreement.

7.11 CONFLICTING TERMS OF AGREEMENTS. Except for the pricing set forth in Exhibit B, in the event a term or condition of this Agreement conflicts with the terms or conditions of a disclosure or another agreement between Customer and Bank regarding the Banking Services, the terms and conditions of the disclosure or other agreement shall control.

7.12 INDEPENDENT CONTRACTOR. The Parties' relationship under this Agreement is that of depository institution and customer. No fiduciary, quasi-fiduciary, or special relationship exists between Customer and Bank. Bank is an independent contractor with respect to the provision of Banking Services under this Agreement. Nothing in this Agreement shall create an employee/employer relationship between the Parties, or between the employees of Bank and Customer.

8. INTEGRATION; INTERPRETATION. This Agreement contains or expressly incorporates by reference the entire agreement of the Parties with respect to the matters contemplated therein, and supersede all prior negotiations. This Agreement shall not be modified except by written instrument executed by Customer and Bank. Any reference(s) to other agreements, disclosures, or terms and conditions applicable to the Banking Services includes any amendments, modifications, updates, replacements, and/or substitutions issued or approved by Bank.

9. SUCCESSORS, ASSIGNMENT. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives, successors, and assigns of the Parties; provided however, that Customer may not assign or transfer its interest hereunder without Bank's prior written consent.

10. NOTICES. All notices, requests, and demands that any Party is required or may desire to give to any other Party under any provision of this Agreement must be in writing and delivered to each Party at the following address:

CUSTOMER: City of Molalla  
Attn: Finance Department  
117 N Molalla Ave.  
Molalla, OR 97038

BANK: HomeStreet Bank  
Attn: Commercial Lending  
601 Union Street, Ste. 2000  
Seattle, WA 98101

WITH A COPY TO: HomeStreet Bank  
Attn: Legal Department  
601 Union Street, Ste. 2000  
Seattle, WA 98101

or to such other address as any Party may designate by written notice to all other Parties. Each such notice, request, and demand shall be deemed given or made as follows: (a) if sent by hand delivery, upon delivery; (b) if sent by mail, upon the earlier of the date of receipt or three (3) days after deposit in the U.S. mail, first class and postage prepaid; or (c) if sent by overnight or express mail, upon the earlier of receipt or the delivery day after deposit with the overnight or express carrier.

*\*\*Signatures provided on the following page\*\**



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

HOMESTREET BANK, a Washington State  
chartered commercial bank

City of Molalla, an Oregon Municipality

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A  
BANKING SERVICES**

	<b>Services</b>	<b>Related Documentation*</b>
<input checked="" type="checkbox"/>	Public Funds (Non-Interest) Analyzed Checking Account	Business Signature Card; Deposit Account Agreement; Terms & Conditions for Business Analyzed Checking Accounts; Schedule of Fees for Business Deposit Accounts
<input type="checkbox"/>	Public Funds Interest Analyzed Checking Account	Business Signature Card; Deposit Account Agreement; Terms & Conditions for Business Analyzed Checking Accounts; Schedule of Fees for Business Deposit Accounts
<input checked="" type="checkbox"/>	ACH Origination	ACH Origination Agreement + Exhibit A
<input checked="" type="checkbox"/>	Wire Origination	Business Wire Application
<input checked="" type="checkbox"/>	Positive Pay	Positive Pay Agreement; ACH Blocks Authorization Form
<input checked="" type="checkbox"/>	Remote Deposit Capture	RDC Agreement + Exhibit A
<input type="checkbox"/>	Zero Balance Sweeps	ZBS Setup Request
<input type="checkbox"/>	Lockbox Services	Lockbox Agreement; Lockbox Addendum
<input checked="" type="checkbox"/>	Returned Item Special Handling	Returned Item Special Handling Setup Form
<input type="checkbox"/>	Electronic Data Interchange Reporting	EDI Reporting Setup Form

**\*Additional documentation may be required; not all listed items may apply. The above listed documents will be provided to Customer during onboarding once scope of services is finalized, or during the response review process by request.**

**EXHIBIT B**  
**ANALYZED BANKING SERVICES**  
**BILLING DETAILS & FEE SCHEDULE**

**Earnings Credit & Analysis Billing Details:** The following is summary level data only. For full terms and conditions, see, “Terms & Conditions for Business Analyzed Checking Accounts” as referenced in Exhibit A.

<b>Account(s) in Scope:</b>	<b>Public Funds Analyzed Checking</b>
Monthly Earnings Credit Rate (ECR) at contract start date (subject to change):	1.75%
Formula used to calculate monthly earnings credit allowance (ECA), which will be applied towards the Customer's monthly analysis service charge:	Investable Balance multiplied by monthly ECR, multiplied by days open, divided by 366.
Billing Settlement Frequency:	Annual
Billing Cycle Period:	January – December
Billing Settlement Month (if a net service charge is accrued):	January (on behalf of prior calendar year)

**Analyzed Banking Services Fee Schedule:** The following unit prices are guaranteed through an initial contract term, with the exception of armored car & cash vault services (marked with a “\*”), which are administered by Loomis Armored US, LLC. Estimated volumes and cost (where applicable) are provided for reference only.

This section specifically lists services that Customer currently uses, and services that Customer may begin using as part of a move to Bank. See “Terms & Conditions for Business Analyzed Checking Accounts” (as referenced in Exhibit A) for a complete list of Bank’s analysis fees.

<b>ITEM</b>	<b>UNIT PRICE</b>	<b>ESTIMATED MONTHLY VOLUME</b>	<b>ESTIMATED MONTHLY COST</b>	<b>ADDITIONAL COMMENTS</b>
<b>Service Category Header: General Account Services</b>				
Account Maintenance	15.00	1	15.00	
Basic Banking -Per Account	0.00	1	0.00	Service provided at no cost
Deposit Recoupment (Per \$1,000)	0.00	900	0.00	
Online Stop Payment Request	15.00	0	0.00	
Stop Payment Request - Auto Renewal	0.00	1	0.00	Positive Pay exception would generate
Checks Paid	0.20	133	26.60	
Debits Posted	0.00	74	0.00	Duplicate charge not assessed by HSB
Online Check Issues Per Item	0.05	16	.80	
Electronic Credits Posted	0.10	96	9.60	

ACH Received Items	0.10	139	13.90	
ARP Aged Issue Records on File-Item	0.00	30	0.00	Service provided at no cost
ACH Received Addenda	0.00	27	0.00	Service provided at no cost
Alerts Service - Email	0.00	109	0.00	Service provided at no cost
Alert Services - Text	0	13	0.00	Service provided at no cost
Zero Balance Sweep	10.00	0	0	
Vendor Payment Handling	25.00	0	0	
<b>Service Category Header: Remote Deposit Capture (RDC)</b>				
RDC Monthly Maintenance	50.00	1	50.00	
RDC - Per Deposit	0.35	19	6.65	
RDC - Per Deposited Check	0.15	442	66.30	
RDC Online Reporting - Monthly Base	0.00	1	0.00	Service provided at no cost
RDC Online Reporting - Per Image	0.00	484	0.00	Service provided at no cost
<b>Service Category Header: Branch Services</b>				
Branch - Per Deposit	0.35	1	0.35	
Branch - Per Check Deposited	0.15	1	0.15	
Branch - Currency & Coin Deposited - Per \$100	0.15	100	0.15	\$1.50 per \$1,000, \$100 used for estimate
Branch - Currency & Coin Furnished - Per \$100	0.15	1	0.15	\$1.50 per \$1,000, \$100 used for estimate
Branch Cash Order Fee	0.00	1	0.00	Service provided at no cost
<b>Service Category Header: Armored Car &amp; Cash Vault Services*</b>				
Weekly Armored Courier Service - Monthly Maintenance	151.55	1	151.55	Loomis OR State Contract Pricing
Vault - Per Deposit	3.40	4	13.60	
Vault - Per Deposited Check	0.00	2	0.00	Service provided at no cost
Vault - Currency Deposited - Per \$1	see notes	12,400	7.30	\$.01 per note, \$12,400 / 17 used for estimate
Vault - Coin Deposited - Per Deposit / Roll	see notes	200	28.72	\$7.18 per deposit with loose coin
Vault - Per Change Order	12.72	1	12.72	
Vault - Currency Furnished - Per \$100	0.00	1	0.00	Service provided at no cost
Vault - Coin Furnished - Per Roll	0.1054	1	0.1054	
<b>Service Category Header: Returned Item Handling</b>				
Deposited Item Returned	10.00	1	10.00	

Deposited Item Returned - Re-Deposited	0.00	1	0.00	Service provided at no cost
Returned Items Reporting & Decisioning - Monthly Base	0.00	1	0.00	
Returned Items Reporting & Decisioning - Per Decision	see notes	1	0.00	Re-Deposit preferences to be pre-established
Returned Items Reporting & Decision - Per Image Retrieved	0.00	1	0.00	Service provided at no cost
<b>Service Category Header: Online Banking Services</b>				
Previous Day Detailed Reporting - Per Account	0.00	1	0.00	Service provided at no cost
Previous Day Reporting - Per Item	0.00	344	0.00	Service provided at no cost
Current Day Detailed Reporting - Per Account	0.00	1	0.00	Service provided at no cost
Current Day Reporting - Per Item	0.00	145	0.00	Service provided at no cost
Analysis Statement Viewing	0.00	1	0.00	Service provided at no cost
Deposit Statement Viewing	0.00	1	0.00	Service provided at no cost
Per Online Search	0.00	12	0.00	Service provided at no cost
Online Search - Per Image Retrieved	0.00	2	0.00	Service provided at no cost
<b>Service Category Header: Positive Pay Services</b>				
Positive Pay Monthly Maintenance - Per Account	20.00	1	20.00	
Positive Pay - Per Issued Item	0.05	136	6.80	
Payee Validation - Standard Item	0.00	136	0.00	Service provided at no cost
Positive Pay - Per Exception	0.10	-		
Positive Pay - Per Exception Returned	30.00			
ACH Positive Pay - Monthly Maintenance - Per Account	20.00	1	20.00	
ACH Positive Pay - New Authorization Set-up	0.00	-		Service provided at no cost
ACH Positive Pay - Per Exception	0.00			Service provided at no cost
ACH Positive Pay - Per Exception Returned	30.00			
<b>Service Category Header: ACH Services</b>				
ACH Origination Monthly Service Fee (File Upload)	30.00	1	30.00	
ACH Online Customer Activity Report - Monthly Maintenance	0.00	1	0.00	Service provided at no cost

ACH Originated Items (Credits) - Next Day	0.20	176	35.20	
ACH Total Originated Batches	5.00	9	45.00	
ACH Originated Item - Per Return	10.00	-		
ACH Originated Item - Per Notification of Change	10.00	-		
ACH Fraud Filter Review Monthly Base	<i>see notes</i>	1	0.00	<i>Same service as ACH Positive Pay covered above</i>
ACH Fraud Filter Review - Item	<i>see notes</i>	15	0.00	<i>Same service as ACH Positive Pay covered above</i>
<b>Service Category Header: Wire &amp; Funds Transfer Services</b>				
Domestic Outgoing Wire (Manual) - Per Wire Fee	35.00	1	35.00	
Online Wire Module - Monthly Maintenance	0.00	1	0.00	<i>Service provided at no cost</i>
Online Domestic Outgoing Wire - Per Wire Fee	15.00	1	15.00	
Per Incoming Domestic Wire	15.00	-		



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: GENERAL BUSINESS

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**Agenda Date: Wednesday, February 26, 2025**

**Submitted by: Christie Teets, City Recorder**

**SUBJECT:** City Manager Evaluation Process (Teets)

**RECOMMENDATION/RECOMMENDED MOTION:**

I move that City Council adopts the City Manager Evaluation Process as a five-year plan.

**BACKGROUND:**

At the February 12, 2025 City Council Work Session, discussion took place about the need to update the City Manager Evaluation Procedure.

Staff provided options and the attached document is a result of discussion by Council. Staff is requested a five-year adoption.

**ATTACHMENTS:**

[City Manager Evaluation Procedure](#)

[CM Self Evaluation Questions](#)

City Manager Performance Evaluation

Molalla City Council

Evaluation period: \_\_\_\_\_ to \_\_\_\_\_

Each member of the governing body should complete this evaluation form, sign it in the space below, and return it to the City Recorder. The deadline for submitting this performance evaluation is \_\_\_\_\_. Evaluations will be summarized and included on the agenda for discussion at the executive session on \_\_\_\_\_.

\_\_\_\_\_  
Governing Body Member's Signature

\_\_\_\_\_  
Date Submitted



## INSTRUCTIONS

This evaluation form contains ten categories of evaluation criteria. Each category contains a statement to describe a behavior standard in that category. For each statement, use the following scale to indicate your rating of the city manager's performance.

**5 = Excellent** (almost always exceeds the performance standard)

**4 = Above average** (generally exceeds the performance standard)

**3 = Average** (generally meets the performance standard)

**2 = Below average** (usually does not meet the performance standard)

**1 = Poor** (rarely meets the performance standard)

Any item left blank will be interpreted as a score of "3 = Average"

This evaluation form also contains a provision for entering narrative comments, including an opportunity to enter responses to specific questions and an opportunity to list any comments you believe appropriate and pertinent to the rating period. Please write legibly.

Leave all pages of this evaluation form attached. Initial each page. Sign and date the cover page. On the date space of the cover page, enter the date the evaluation form was submitted. All evaluations presented prior to the deadline identified on the cover page will be summarized into a performance evaluation to be presented by the governing body to the city manager as part of the agenda for the meeting indicated on the cover page.

## PERFORMANCE CATEGORY SCORING

### 1. INDIVIDUAL CHARACTERISTICS

\_\_\_\_\_ Diligent and thorough in the discharge of duties, "self-starter"

\_\_\_\_\_ Exercises good judgment

\_\_\_\_\_ Displays enthusiasm, cooperation, and will to adapt

\_\_\_\_\_ Mental and physical stamina appropriate for the position

\_\_\_\_\_ Exhibits composure, appearance and attitude appropriate for executive position

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 2. PROFESSIONAL SKILLS AND STATUS

- \_\_\_\_\_ Maintains knowledge of current developments affecting the practice of local government management
- \_\_\_\_\_ Demonstrates a capacity for innovation and creativity
- \_\_\_\_\_ Anticipates and analyzes problems to develop effective approaches for solving them
- \_\_\_\_\_ Willing to try new ideas proposed by governing body members and/or staff
- \_\_\_\_\_ Sets a professional example by handling affairs of the public office in a fair and impartial manner

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 3. RELATIONS WITH ELECTED MEMBERS OF THE GOVERNING BODY

- \_\_\_\_\_ Carries out directives of the body as a whole as opposed to those of any one member or minority group
- \_\_\_\_\_ Sets meeting agendas that reflect the guidance of the governing body and avoids unnecessary involvement in administrative actions
- \_\_\_\_\_ Disseminates complete and accurate information equally to all members in a timely manner
- \_\_\_\_\_ Assists by facilitating decision making without usurping authority
- \_\_\_\_\_ Responds well to requests, advice, and constructive criticism

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 4. POLICY EXECUTION

- \_\_\_\_\_ Implements governing body actions in accordance with the intent of council
- \_\_\_\_\_ Supports the actions of the governing body after a decision has been reached, both inside and outside the organization
- \_\_\_\_\_ Understands, supports, and enforces local government's laws, policies, and ordinances
- \_\_\_\_\_ Reviews ordinance and policy procedures periodically to suggest improvements to their effectiveness
- \_\_\_\_\_ Offers workable alternatives to the governing body for changes in law or policy when an existing policy or ordinance is no longer practical

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 5. REPORTING

- \_\_\_\_\_ Provides regular information and reports to the governing body concerning matters of importance to the local government, using the city charter as guide
- \_\_\_\_\_ Responds in a timely manner to requests from the governing body for special reports
- \_\_\_\_\_ Takes the initiative to provide information, advice, and recommendations to the governing body on matters that are non-routine and not administrative in nature
- \_\_\_\_\_ Reports produced by the manager are accurate, comprehensive, concise and written to their intended audience
- \_\_\_\_\_ Produces and handles reports in a way to convey the message that affairs of the organization are open to public scrutiny

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 6. CITIZEN RELATIONS

- \_\_\_\_\_ Responsive to requests from citizens
- \_\_\_\_\_ Demonstrates a dedication to service to the community and its citizens
- \_\_\_\_\_ Maintains a nonpartisan approach in dealing with the news media
- \_\_\_\_\_ Meets with and listens to members of the community to discuss their concerns and strives to understand their interests
- \_\_\_\_\_ Gives an appropriate effort to maintain citizen satisfaction with city services

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 7. STAFFING

- \_\_\_\_\_ Recruits and retains competent personnel for staff positions
- \_\_\_\_\_ Applies an appropriate level of supervision to improve any areas of substandard performance
- \_\_\_\_\_ Stays accurately informed and appropriately concerned about employee relations
- \_\_\_\_\_ Professionally manages the compensation and benefits plan
- \_\_\_\_\_ Promotes training and development opportunities for employees at all levels of the organization

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 8. SUPERVISION

- \_\_\_\_\_ Encourages heads of departments to make decisions within their jurisdictions with minimal city manager involvement, yet maintains general control of operations by providing the right amount of communication to the staff
- \_\_\_\_\_ Instills confidence and promotes initiative in subordinates through supportive rather than restrictive controls for their programs while still monitoring operations at the department level
- \_\_\_\_\_ Develops and maintains a friendly and informal relationship with the staff and work force in general, yet maintains the professional dignity of the city manager's office
- \_\_\_\_\_ Sustains or improves staff performance by evaluating the performance of staff members at least annually, setting goals and objectives for them, periodically assessing their progress, and providing appropriate feedback
- \_\_\_\_\_ Encourages teamwork, innovation, and effective problem-solving among the staff members

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## 9. FISCAL MANAGEMENT

- \_\_\_\_\_ Prepares a balanced budget to provide services at a level directed by council
- \_\_\_\_\_ Makes the best possible use of available funds, conscious of the need to operate the local government efficiently and effectively
- \_\_\_\_\_ Prepares a budget and budgetary recommendations in an intelligent and accessible format
- \_\_\_\_\_ Ensures actions and decisions reflect an appropriate level of responsibility for financial planning and accountability
- \_\_\_\_\_ Appropriately monitors and manages fiscal activities of the organization

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

**10. COMMUNITY**

- \_\_\_\_\_ Shares responsibility for addressing the difficult issues facing the city
- \_\_\_\_\_ Avoids unnecessary controversy
- \_\_\_\_\_ Cooperates with neighboring communities and the county
- \_\_\_\_\_ Helps the council address future needs and develop adequate plans to address long term trends
- \_\_\_\_\_ Cooperates with other regional, state and federal government agencies

Add the values from above and enter the subtotal \_\_\_\_\_  $\div 5 =$  \_\_\_\_\_ score for this category

## OVERALL EVALUATION

☐ Excellent ☐ Good ☐ Satisfied ☐ Not Satisfied ☐ Needs Improvement

- A. Based upon your evaluation of the City Manager, what areas would you list as his strong points?
- B. Based upon your overall evaluation, what areas would you suggest the manager work on to improve his skills and to be more effective. Please be as specific as possible.
- C. Progress towards suggested areas for improvement from previous year's evaluations:

Date: \_\_\_\_\_

Mayor: \_\_\_\_\_

City Manager: \_\_\_\_\_

## CITY MANAGER SELF EVALUATION

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City Manager: Create an outline of goals and accomplishments using the questions below as a guideline. The summary is due to the City Recorder on \_\_\_\_\_.

- Describe any areas in which you like to improve in terms of your professional capabilities. List the steps you plan to take and/or the resources you need to accomplish this.
- Note the challenges you faced during the review period and how you either overcame them and/or how you think they could have been handled more productively.
- What additional tools, guidance and/or support could the Mayor and City Council provide that would assist you in performing your work?
- What projects are you passionate about that you would like to work on in the next year?
- What improvements do you plan to make in the organization over the coming year? How will you achieve them?
- What improvements did you make to the organization over the prior year? What was your role in making them?
- Can you provide examples of how you have demonstrated leadership and innovation?
- In what ways have you worked to develop your team and improve their performance?
- What are your organizational goals for the upcoming year, and how do you plan to achieve them?
- How do you ensure effective communication within your team and with other departments?
- How have you sought feedback from others, and how have you acted on it?



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: GENERAL BUSINESS

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**Agenda Date: Wednesday, February 26, 2025**

**Submitted by: Mac Corthell, Assistant City Manager**

**Approved by: Dan Huff, City Manager**

**SUBJECT:** Contract Award: Chief Yelkus Park (Corthell)

**FISCAL IMPACT:** \$667,146 (fully budgeted)

**RECOMMENDATION/RECOMMENDED MOTION:**

I authorize the City Manager to execute the contract with Western United Civil Group for Chief Yelkus Park.

**BACKGROUND:**

The playground is themed around the foundational myth of the Molalla Indian Tribe, specifically the story of Coyote and Grizzly. It features a large Coyote play structure that includes a log jam, wooden columns shaped like cattails, balance beams, and platforms. The development of Chief Yelkus Park is currently in Phase 1 of a 2-Phase construction process.

Phase I, this contract, involves the construction of a new parking area, enhancements to storm drainage, playground structures, a concrete-entry plaza, concrete walkways, a portable restroom enclosure, bicycle parking, an extension of the waterline for irrigation services, park landscaping, a drinking fountain, street lighting, and other amenities such as park benches, tables and trash can enclosures.

The Following Bids were received through the procurement process:

- \$667,146.00 by Western United Civil Group, LLC
- \$671,755.00 by Knife River Corporation – Northwest
- \$687,885.00 by Capture Energy, LLC
- \$699,999.00 by R&R General Contractors, Inc.
- \$787,617.00 by D & D Concrete and Utilities, Inc.
- \$826,023.50 by Canby Excavating, Inc.
- \$1,028,991.00 by Strider Construction Co., Inc.

After reviewing bids, Western United Civil Group, LLC was deemed the lowest responsible bidder. A Notice of Intent to Award was issued to all bidders and no protests were received. Staff recommends City Council award the contract to Western United Civil Group, LLC and authorize the City Manager to execute a contract for construction services.

**ATTACHMENTS:**

[Recommendation Letter - Chief Yelkus Park](#)

[Notice of Intent to Award - Western United](#)





THE DYER PARTNERSHIP  
ENGINEERS & PLANNERS, INC.

February 19, 2025

Macahan Corthell, Assistant City Manager  
City of Molalla  
117 N Molalla Avenue  
Molalla, OR 97038

RE: City of Molalla  
Chief Yelkus Park  
City of Molalla Project No. 21-09; The Dyer Partnership Project No. 198.44

Dear Mr. Corthell:

This letter is to recommend action by the City of Molalla in response to the bids received on February 12, 2025 at 2:00 PM for the above referenced project. Seven bids were received, and all were responsive and responsible. There were minor irregularities on four of the bids. The bids were in the following amounts:

1. \$667,146.00 by Western United Civil Group, LLC
2. \$671,755.00 by Knife River Corporation – Northwest
3. \$687,885.00 by Capture Energy, LLC
4. \$699,999.00 by R&R General Contractors, Inc.
5. \$787,617.00 by D & D Concrete and Utilities, Inc.
6. \$826,023.50 by Canby Excavating, Inc.
7. \$1,028,991.00 by Strider Construction Co., Inc.

Dyer recommends that the City of Molalla take the following action:

1. Accept the bids.
2. Award a contract to Western United Civil Group, LLC in the amount of \$667,146.00

It is our opinion that Western United Civil Group, LLC has sufficient experience and qualifications to satisfactorily construct the project.

Assuming the City of Molalla and Council concurs with our recommendation; we have enclosed four copies of the Notice of Award. A representative for the City needs to sign all four copies after which they should be returned to our Coos Bay office. (***Please do not date the Notice of Award.***) We will date the Award following notification that the City of Molalla accepts the bid and is determined to award the project.

Pursuant to ORS279C.835, the Oregon Bureau of Labor and Industries requires that Form WH-81 be filled out by the contracting agency and sent to them with a copy of the first-tier subcontractor form, if applicable (ORS 279C.370), within 30 days of issuing the Notice of Award. The form is available at:

<https://www.oregon.gov/boli/WH/PWR/docs/wh81.pdf>

The Owner is also responsible for payment of a Public Works fee to the Bureau of Labor & Industries. This payment is accompanied by Form WH-39 which is available at: <https://www.oregon.gov/boli/WH/PWR/docs/wh39.pdf>

Sincerely,

Ryan Quigley, PE  
Project Manager

Enclosure



THE DYER PARTNERSHIP  
ENGINEERS & PLANNERS, INC.

## **NOTICE OF INTENT TO AWARD**

February 19, 2025

Josiah Thomas  
Western United Civil Group, LLC  
22414 NE Saint Helens View Road  
Yacolt, WA 98675

Re: City of Molalla  
Chief Yelkus Park  
City of Molalla Project No. 21-09  
Project No. 198.44

Dear Josiah:

Bids were received and opened on February 12, 2025 for the above project. After review and evaluation of the bids, the apparent lowest responsive bidder was determined to be Western United Civil Group, LLC.

The City of Molalla, at their regular Council meeting on February 26, 2025, is expected to approve the award of the Contract to Western United Civil Group, LLC, the apparent low bidder. Award of the Contract is conditional on the following:

1. Five (5) days after the date on the Notice of Intent to Award is sent to Western United Civil Group, LLC and the other bidders, no protest is received.
2. If a protest is filed, then, until the City of Molalla provides a written response to all protests filed within five (5) days after the date on the Notice of Intent to Award that denies the protest and affirms the award.
3. Award of the Contract to Western United Civil Group, LLC by the Council.

If in the event these conditions cannot be satisfied, then the City of Molalla reserves the right to reject all bids and rebid the project or take other actions it deems in its best interest.

Sincerely,

Ryan Quigley, PE  
Project Manager

cc: Macahan Corthell, Assistant City Manager, City of Molalla



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: GENERAL BUSINESS

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**Agenda Date:** Wednesday, February 26, 2025

**Submitted by:** Mac Corthell, Assistant City Manager

**Approved by:** Dan Huff, City Manager

**SUBJECT:** Section Street Tree Removal (Corthell)

**FISCAL IMPACT:** Approximately \$6.5k vs. Approximately \$90k - \$150k

**RECOMMENDATION/RECOMMENDED MOTION:**

Direct city staff from options 1-3 per summary provided in the Public Hearing.

No Action by Council = Tree Removal

Options 2 or 3 = Motion required by Council



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: STAFF COMMUNICATION

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**Agenda Date:** Wednesday, February 26, 2025

**Submitted by:** Cindy Chauran, Finance Director

**Approved by:** Dan Huff, City Manager

**SUBJECT:** Quarterly Report with Statistics - Finance Department (Chauran)

**RECOMMENDATION/RECOMMENDED MOTION:**

No action required. For review only.

**BACKGROUND:**

Second Quarter financial report shows budgeted vs actual revenues for the General Fund by department. The first page shows actual expenses at 48%, indicating overall spending for the General Fund is currently slightly below target.

The second page shows performance statistics for Utility, Court, and Accounts Payable. As workloads increase staff remain focused to the tasks at hand and the statistics reflect all their hard work.

**ATTACHMENTS:**

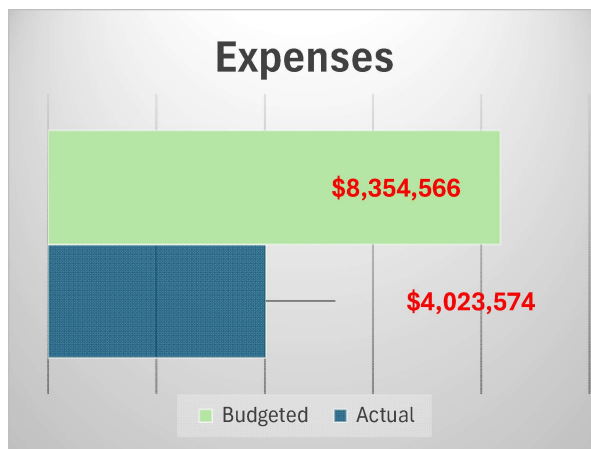
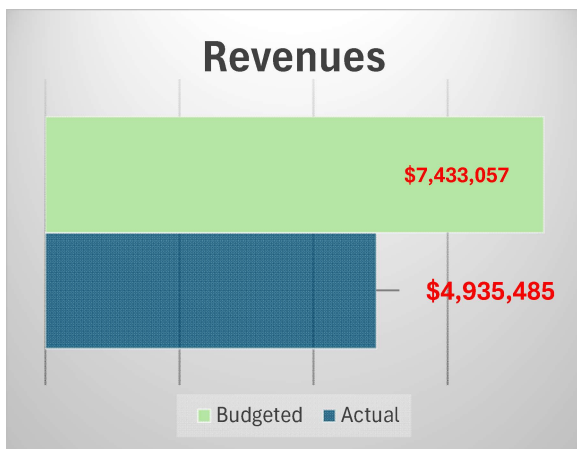
[2nd QTR GF Report.pdf](#)

[2nd Qtr Performance Report.pdf](#)

## City of Molalla General Fund

**2nd Qtr Report  
July thru December**

	Actual	Budgeted	
<b>Revenues</b>			
General	\$4,149,269	\$5,919,794	70%
Administrative	\$455,990	\$887,843	51%
Park	\$17,729	\$12,600	141%
Court	\$103,784	\$170,100	61%
Police	\$118,085	\$149,300	79%
City Council	\$9,620	\$13,420	72%
Planning	\$81,008	\$280,000	29%
<b>Total General Fund Revenue</b>	<b>\$4,935,485</b>	<b>\$7,433,057</b>	<b>66%</b>
<b>Expenses</b>			
Admin	\$ 795,814	\$ 1,552,798	51%
Police	\$ 2,365,220	\$ 4,668,026	51%
Court	\$ 152,511	\$ 294,535	52%
Council	\$ 30,760	\$ 68,540	45%
Parks	\$ 503,821	\$ 1,371,764	37%
Planning	\$ 175,447	\$ 398,903	44%
<b>Total General Fund Expenses</b>	<b>\$ 4,023,574</b>	<b>\$ 8,354,566</b>	<b>48%</b>



Revenues are on target and have passed the 50% mark. Finance is confident in their revenue estimates and on target to meet 3rd quarter estimates.



Expenses are just below the 50% mark.



Utility Performance by Month	October-24	November-24	December-24
Total Number of Utility Customers	3229	3223	3224
Number of Bills Sent - Mail	2232	2237	2222
Number of Bills Emailed / Texted	3229	3223	3224
Delinquent Notices Sent Out	396	320	332
Courtesy Delinquent Notices Sent out to Landlords	47	43	37
Shut Offs	9	5	8
New Accounts - Opened	21	14	10
Accounts - Closed	19	36	12
End Point User Replacements (Malfunctioned Meters)	0	38	19

Court Performance by Month	October-24	November-24	December-24
Case Docketing	239	189	113
New Cases Filed	116	95	73
Guilty by Default Letters Sent	24	29	16
Sentenced - Fines	80	45	30
Fix It Tickets	12	8	10
Seat Belt Diversion Class	1	0	0
First Time Offender Traffic Diversion	5	2	1
Distracted Driver Awareness Class (cell phone)	2	1	2
Charges Dismissed (due to fix-its or plea deals)	45	23	21
DUI Divisions	0	1	2
DUI Convictions	0	0	1
Contract Payment Plans	12	12	1
Order to Show Cause Letters Issued	32	10	37
Bench Warrants Issued	41	30	12
Cases Sent to Collections	65	37	44
Criminal Cases Resolved	28	15	17
Court Fines Collected	\$12,828.11	\$9,096.50	\$9,669.53
Court Costs Collected	\$6,894.25	\$4,219.46	\$5,473.33

Accounts Payable	October-24	November-24	December-24
Number of Invoices	261	231	214
Number of Invoice Transactions	522	495	499
Number of Checks Issued	155	136	114
Number of ACH Payments	34	32	33
Combined Total of All Payments Issued	\$ 2,447,704.95	\$ 1,447,878.97	\$ 1,130,401.49



## CITY OF MOLALLA

### Staff Report

#### Agenda Category: STAFF COMMUNICATION

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**Agenda Date:** Wednesday, February 26, 2025

**Submitted by:** Christie Teets, City Recorder

**Approved by:** Dan Huff, City Manager

**SUBJECT:** OGEC Presentation - March 12, 2025

**BACKGROUND:**

This item serves as a reminder that the Oregon Government Ethics Commission will provide a presentation to all boards, commissions, committees, and council on March 12th, beginning at 6:00pm. This meeting is planned for two and a half hours.