

**Minutes of the Molalla City Council Regular Meeting  
Molalla Adult Center  
315 Kennel Ave. Molalla, OR 97038  
Wednesday, June 28, 2017**

**ATTENDANCE:** Mayor Jimmy Thompson, Present; Councilor Leota Childress, Present; Councilor Glen Boreth, Present; Councilor Elizabeth Klein, Present; Councilor Keith Swigart, Present; Councilor DeLise Palumbo, Present; Councilor Cindy Dragowsky, Present.

**STAFF IN ATTENDANCE:** Dan Huff, City Manager, Present; Gerald Fisher, Public Works Director, Present; Chad Jacob, City Attorney Present.

**COMMUNICATIONS, PRESENTATIONS & PUBLIC COMMENT**

**MINUTES**

Boreth made a motion to approve the minutes of May 10, 2017, May 24, 2017 and June 14, 2017. Childress seconded. Motion carried 7-0.

**PUBLIC COMMENT**

JoAnne Everhart on HWY 211 of Molalla spoke in regards to the water utility liens issue that are effecting her and other landowners dating back from 2008. She was told that the fees from the collection agency will be waived but the liens will remain in place until they are paid. This controdicetes the current ORS's the city is using and asked if the Council voted on using the current process.

Huff stated that the utility billing is a administrative function and the processes in place have been revised. There are 5-6 additional ORS's that are in play as well that support the process or advise us how to revise the process to comply. The billings are still outstanding and it is not the city's fault that they were not paid.

Everhart disagreed. If the city would have sent notice to the landowner that a lien was being placed she would have paid the bill out of the security deposits of her tenants before refunding them. She was in several times when her tenants moved to give a forwarding address so the city could collect and that did not happen. No one at the city told me that a lien would be put in place or I would have paid it. Everhart mentioned she did not appreciate Dan Huff writing an editorial blaming the land owners for non-payment because we were not notified between 2008-2016. She is not blaming Dan Huff, but city's mismanagment is the one that caused these bills.

**LIBRARY BOARD MINUTES -- INFORMATION ONLY**

**MOLALLA BUCKEROO JUNIOR COURT**

Princess Cassidy and Princess Faith introduced themselves to the Council. In order to become part of the court you have to fill out an application and it has to be approved by the administrator. Cassidy decided to become part of the court because of the enjoyment she has gotten from the rodeo over the years. Faith stated she became part of the court because she was wanted to be part of the enjoyment that everyone gets from the Rodeo and was inspired from it.

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**CONTINUED BUSINESS**

**COUNCIL GOALS REVIEW AND APPROVAL – THOMPSON/HUFF**

The Council would like to have a goal setting training session with a facilitator to assist with refining our goals especially since the visioning process is currently taking place. Each Council member will send their availability to Huff and can propose some dates to do the training session. Huff will follow-up on times in September and October once he receives the Council members calendars.

**NEW BUSINESS**

**PUBLIC SERVICES CODE FOR SANITARY SEWERS AMENDMENT – FISHER**

In 2016, the City modified the responsibility for sewer lateral maintenance within the public right of way from the City to property owners.

This modification creates problems when coordinating the repair and replacement of infrastructure prior to implementing roadway reconstruction, preservation and maintenance programs. The city would be able to replace from the main to the lateral and do all necessary repairs.

Staff recommends that the City Council approve the attached Ordinance that will follow to allow for the City to maintain control of the infrastructure within the public right of way and public easements.

**DRIVE TO ZERO RESOLUTION TO SUPPORT PROGRAM – PALUMBO**

Palumbo asked the Council to consider having staff draft a resolution supporting and thanking the Drive To Zero Program. Palumbo suggested some language staff could use to create one. Palumbo made the motion to have staff create a resolution based on the language she provided. Klein seconded.

Discussion between Council took place regarding the city's role and that people are saying the city does not support the program. Thompson attended the last meeting for the group that was held and he has asked the county if they felt the city was not being supported by Molalla and they said the city has done everything they can. He feels a resolution at this point is not needed. Palumbo stated a resolution is a formal thank you and it is a valued thing to do.

Childress stated it is important to recognize groups and there are a lot of groups that are doing great things. Recognizing one group for their effort and not the other may be bias.

Discussion between Thompson and Palumbo took place about the validity of using a resolution in place of a letter of recognition or support. They did not agree on a method. Swigart called the question. Motion failed 1-6. (Palumbo, Aye; Dragowsky, Nay; Swigart, Nay; Borth, Nay; Childress, Nay; Klein, Nay; Thompson, Nay)

Dragowsky stated that she seconded the motion but after discussion she feels that recognition can be done in another way. Klein would like to see if the program has a proclamation that could support this

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type of program. Swigart made a motion to instruct staff to create a letter of recognition for the Drive To Zero Program with all Council names to be signed. Thompson seconded. Palumbo stated that the proper way to do recognition is through a resolution. Motion carried 7-0.

**NEW OLCC APPLICATION FOR BELLA VITA PIZZARIA – HUFF**

The application is for only beer and wine. Childress made the motion to approve the application. Boreth seconded. Motion carried 7-0.

**PUBLIC HEARING**

**CITY OF MOLALLA BUDGET FOR FY 17/18 – HUFF/SEIFRIED**

Boreth made the motion to open the public hearing for the City of Molalla Budget for FY 17/18. Childress seconded. Motion carried 7-0.

Thompson called for public comment, hearing none Boreth made a motion to close the public hearing. Motion carried 7-0.

**EXEMPTION FROM COMPETITIVE BIDDING CONSTRUCTION MANAGER/GENERAL CONTRACTOR – FISHER**

Fisher gave some background regarding this item. The use of the Construction Manager/General Contractor (CM/GC) contract requires an exemption from the competitive bidding process in accordance with ORS 279C.335. Attached are the findings as required in ORS 279C.335. On April 12, 2017, Council received a presentation explaining the CM/GC process. An advertisement was published in the Daily Journal of Commerce on June 9, 2017, at least 14 days in advance of a public hearing in accordance with ORS 279C.335(5)(b), and again on June 12, 2017. In order to grant an exemption under ORS 279C.335, a Public Hearing to receive written or oral testimony must be held. No written testimony was received by Public Works as of June 20, 2017. Staff recommends that City Council motion and approve the following:

Dragowsky made the motion to open the public hearing for the exemption from competitive bidding construction manager/general contractor. Boreth seconded. Motion carried 7-0. Thompson called for public comment, hearing none Boreth made the motion to close the public hearing. Childress seconded. Motion carried 7-0.

Thompson made motion the City Council approves the attached findings dated May 4, 2017, grants an exemption under Oregon Revised Statute 279C.335, subsection 2, and directs staff to advertise a request for proposals for a construction manager/general contractor to complete the final design and construction of the Public Works Shops Improvement project. Boreth seconded. Motion carried 7-0.

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**RESOLUTIONS**

Thompson made the motion to approve resolutions 2017-06, 2017-07 and 2017-08. He read each one by title only.

Resolution 2017-06: A Resolution Declaring the City's Election to Receive State Revenue Sharing

Resolution 2017-07: A Resolution Certifying That the City of Molalla Meets All Requirments to Receive State Shared Revenues

Resolution 2017-08: A Resolution Adopting the City of Molalla Budget for the Fiscal Year 2017/2018; Making Appropriations; and Categorizing and Levying Ad Valorem Taxes

Childress seconded the motion. Motion carried 7-0 with no discussion.

**ORDINANCES**

ORDINANCE 2017-06: AN ORDINANCE OF THE CITY OF MOLALLA FOR AMENDING THE MOLALLA MUNICIPAL CODE CHAPTER 13.08, ARTICLE 1, SECTION 13.08.040 BUILDING SEWER

Boreth motioned to read Ordinance 2017-06 for a first reading by title only. Childress seconded. Thompson read the title as listed. Motion carried 7-0.

Boreth motioned to read Ordinance 2017-06 second reading by title only. Childress seconded. Thompson read the title as listed a second time. Motion carried 7-0.

Boreth motioned to approve Ordinance 2017-06 by title only. Childress seconded. Thompson read the title as listed. Motion carried 7-0. Ordinance will take effect in 30 days from today.

**REPORTS AND ANNOUNCEMENTS**

A. Staff and Council:

- Visioning Meeting #2 on June 21, 2017 Report – Childress/Klein

Fisher reported the city received the expemption from the drinking water program to review our own plans and an extention from the Oregon Water Resources to transfer the water rights of the Trout Creek water right move.

Chad Jacobs Legal Counsel commended the actions of a Councilor who received a gift and contacted the Ethics Commission and talked to Dan before accepting the gift.

Huff stated we have a 3% city tax on all marijuana sales inside the city limits that can be spent at the discretion of Council. He recommends that it be spent to supplement the Police Department. We also have

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a tax that will be received for the enforcement of marijuana laws so these funds will have a limited use. We are unsure when we will get those funds from the Department of Revenue at this time.

Huff sent an email out to the Council regarding some landscaping improvements have been made and a reasonable cost and encouraged them to go check it out.

Huff stated that his editorial was done to share facts and the liens portion is a very small portion of the issues at hand. There is a very small portion of people who are unhappy with how we are proceeding but the majority are ok. We are willing to work with the minority, they need to be willing to work with us.

Palmbo thanked everyone for participating in the visioning meeting, she said it went well.

Boreth wished everyone a Happy Independence Day and reminded people that there is an increase in fires and accidents caused by fire so please be careful. During the parade please be extra courteous and cautious to the seniors and children in attendance.

Childress stated there have been rave reviews regarding 4<sup>th</sup> of July banners. People are wanting more of them and she has explained how that can be accomplished publicly by getting donations and assigning a project leader. She informed the Council that the Ford Family Foundation representative was told that he was excited to see how successful Molalla's visioning process has been and has not seen it done successfully. He is highly supportive and encouraged by Molalla's efforts.

Childress also reported that there is an opportunity to go to a vision workshop facilitated by the Ford Family Foundation. City Recorder Cramer will be attending, in addition to Klein and herself. It will take place over 4 days between July and October with state wide participants so this will be an excellent learning opportunity as we move forward in our process with other smaller cities.

The Dedication of the Rodeo Walk of Fame will be Sunday July 1, 2017 at 1PM at Long Park. She encouraged everyone to attend.

Klein thanked everyone for their help and participation at the last meeting. Work is being done to compile the list of information from the second meeting so it can be sent out to all the participants.

Thompson stated the banners look fantastic and at first he didn't think the banner's were a good idea but he was wrong. It looks nice and very inviting. The visioning process has been inspiring and the only complaint is that people want to participate so the next phase should be fantastic. He also announced he is going to run the Freedom 5K.

**EXECUTIVE SESSION**

Thompson read the executive session script ORS 192.660 (2)(i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

Boreth made a motion to exit regular session and enter into executive session. Childress seconded. Motion carried 7-0. Present, all council, Dan and Chad – Daniel Pearson from the Molalla Pioneer

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Council held a general discussion with City Manager Dan Huff regarding his performance evaluation. At approximately 9:29 p.m. Councilor Boreth moved, seconded by Councilor Swigart, to adjourn the executive session and return to open session. There were no objections.

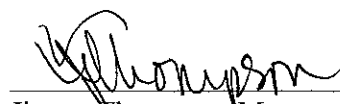
**ACTION AND ADJOURNMENT**

At approximately 9:30 p.m. the Council reconvened in open session. The Council held a discussion regarding the City Manager's new contract as his existing contract is scheduled to expire on June 30. The new contract would include a salary raise, a one month increase in allowable severance pay, and would increase the notice period the City Manager must give to the City before resigning.

Mayor Thompson explained the City Manager's current salary is \$110,000, and the City Manager has requested a new salary of \$117,500. A motion was made by Councilor Childress, seconded by Councilor Swigart to approve the requested salary effective July 1. Councilor Palumbo expressed some concern that it was too much. After a brief discussion, the Council approved the motion 6-1 (Councilor Palumbo dissenting). A second motion was then made by Councilor Boreth, seconded by Councilor Childress to have the City Attorney draft the amendments to the agreement and delegate authority to the Mayor to execute the agreement on behalf of the City. The motion was approved unanimously.

Councilor Boreth then motioned, seconded by Councilor Childress to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at approximately 9:37 pm.

  
Sadie Cramer, City Recorder

  
Jimmy Thompson, Mayor

*See Attached*



**Administration – City Records Office**

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December 8, 2017

This letter is to explain the attached minutes the minutes were not signed before the previous City Recorder left the employment of City of Molalla or the signed minutes couldn't be located. This was the best way to rectify the situation as the minutes were already approved they just needed signed.

Kelly Richardson, CMC  
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