



AGENDA

**MOLALLA CITY COUNCIL MEETING
JUNE 9, 2021
7:15 PM
Molalla Adult Center
315 Kennel Ave, Molalla, OR 97038**

Mayor Scott Keyser

**Council President Leota Childress
Councilor Elizabeth Klein
Councilor Terry Shankle**

**Councilor Jody Newland
Councilor Crystal Robles
Councilor Steve Deller**

EXECUTIVE SESSION will be held from 6:00-7:00pm: This meeting is closed to the Public, according to ORS 192.660(2): d and i
MOLALLA URBAN RENEWAL AGENCY MEETING: This meeting will begin at 7:00pm. It is open to the Public and open to Public Comment or Testimony.
REGULAR COUNCIL MEETING begins at 7:15pm: Open to the Public and open to Public Comment or Testimony. Please fill out a comment card and submit it to the City Recorder, prior to the beginning of the meeting.

The On-Demand replay of the Molalla City Council Meetings are available on Facebook at “Molalla City Council Meetings – LIVE” and “Molalla City Council Meetings” on YouTube.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PRESENTATIONS, PROCLAMATIONS, CEREMONIES**
 - A. Economic Development Road Map (Mary Bosch, Marketek).....Pg. 3
 - B. Molalla Police Department Scholarship Award (Schoenfeld).....Pg. 4
- 4. 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 dialog 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.)
- 5. APPROVAL OF THE AGENDA**
- 6. CONSENT AGENDA**
 - A. Meeting Minutes – May 26, 2021.....Pg. 5
- 7. PUBLIC HEARINGS**
 - A. Ordinance No. 2021-07: Annexation and Zone Change of 52E17A 102 & 290, 52E17 2480, Approximately 16.30 Acres on the NW Corner of S. Molalla Ave and Molalla Forest Rd. (Corthell)Pg. 8
 - B. Resolution No. 2021-12: Adopting the City of Molalla Budget Fiscal Year 2021-2022; Making Appropriations; and Categorizing and Levying Ad Valorem Taxes (Seifried)Pg. 27
- 8. ORDINANCES AND RESOLUTIONS**
 - A. Ordinance No. 2021-07: Annexation and Zone Change of 52E17A 102 & 290, 52E17 2480, Approximately 16.30 Acres on the NW corner of S. Molalla Ave and Molalla Forest Rd. (Corthell).....Pg. 8

- B. Resolution No. 2021-12: Adopting the City of Molalla Budget Fiscal Year 2021-2022; Making Appropriations; and Categorizing and Levying Ad Valorem Taxes (Seifried).....**Pg. 27**
- C. Resolution No. 2021-08: Adopting a Supplemental Budget for Fiscal Year 2020-2021 and Appropriating Funds (Seifried).....**Pg. 34**
- D. Resolution No. 2021-18: For the City to Begin Participating in the Oregon PERS Unused Sick Leave Program under ORS 238.150 (1)(Seifried).....**Pg. 37**

9. GENERAL BUSINESS

- A. Sheckard Property Purchase (Huff)**Pg. 39**
- B. Ratification of CCPOA Peace Officers Contract (Huff)**Pg. 40**
- C. Ratification of City Manager Contract (DeSantis)**Pg. 41**

10. REPORTS

- A. City Manager and Staff
- B. City Councilors
- C. Mayor

11. ADJOURN

City of Molalla

City Council Meeting



Agenda Category: Presentations

Subject: Economic Vitality Roadmap Presentation by Mary Bosch, Marketek.

Recommendation: N/A

Date of Meeting to be Presented: 6/9/21

Fiscal Impact: Improved Economic Environments provide numerous positive economic impacts for the City and the Community at large.

Background:

Focus Area #3 of the Molalla Area Vision and Action Plan 2020-2030 is “an economically sound and growing community which is evident in the diversity of businesses, partnerships, education, innovation, and the strong work ethic of its people.”

One of the Actions within Focus Area #3 is to “Create an economic development plan that identifies a foundation to grow resources and services for the community, i.e. shopping, entertainment, dining, and generating jobs.”

In November of 2020 with financial support from the Ford Family Foundation, the City hired veteran Community and Economic Development Consultant, Mary Bosch from Marketek. One part of Mary’s work was to create an Economic Vitality Roadmap that is actionable and tailored to the City of Molalla.

SUBMITTED BY: Mac Corthell, Planning Director
APPROVED BY: Dan Huff, City Manager

City of Molalla

City Council Meeting



Agenda Category: Presentations

Subject: High School Scholarship Award

Recommendation: N/A

Date of Meeting to be Presented: 6/9/2021

Fiscal Impact: None

Background:

Every year the Molalla Police Department selects a Scholarship Committee comprised of members from inside the police department. Committee members look through several applications each year that are submitted by the Molalla High School and Country Christian seniors. It was decided a few years back that due to the fact that many of the kids in our community attend Country Christian school, it was only fitting that they get the opportunity to participate.

Each student who applies for the scholarship fills out an application and completes a brief essay on citizenship and community involvement. The award is \$1000.00 that can be applied to further advance their education.

It should be noted that the funds for this scholarship come directly from the Molalla Police Department's own employee's paychecks which we are proud to say every employee participates in on a voluntary basis.

SUBMITTED BY: Frank Schoenfeld, Chief of Police

APPROVED BY: Dan Huff, City Manager



Minutes of the Molalla City Council Meeting

Molalla Adult Community Center
315 Kennel Ave., Molalla, OR 97038
May 26, 2021

CALL TO ORDER

The Molalla City Council Meeting of May 26, 2021 was called to order by Mayor Scott Keyser at 7:18pm.

COUNCIL ATTENDANCE

Mayor Scott Keyser, Council President Leota Childress, Councilor Elizabeth Klein, Councilor Terry Shankle, Councilor Jody Newland, Councilor Crystal Robles, Councilor Steve Deller.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Gerald Fisher, Public Works Director; Mac Corthell, Planning Director; Christie DeSantis, City Recorder.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

RFP #2021-01 Municipal Court Judge: On March 29, 2021, the City of Molalla posted an RFP for Municipal Court Judge. Proposals were due on April 30, 2021. Proposant interviews with Council took place at a special Executive Session on Wednesday, May 19, 2021. On May 26, 2021, Council held an Executive Session prior to City Council, where second interviews took place between two finalists, Ms. Lucy Heil and Ms. Kyndre Lundquist.

Mayor Keyser made a motion to appoint Lucy Heil as the Molalla Municipal Court Judge. The motion was seconded by Council President Childress. Vote passed 5-0 with Mayor Keyser, Council President Childress, Councilor Deller, Councilor Robles and Councilor Newland voting Aye. Councilors Klein and Shankle abstained from the vote.

PUBLIC COMMENT

Ashley Bentley, owner of Bentley Feed, spoke to Council regarding construction concerns. A project between ODOT and I&E Construction is scheduled to start soon, and Ms. Bentley is concerned about construction on OR211 and Molalla Avenue.

Ayaz Vacerya, owner of Burger King, shared information with Council about the possibility of building a restaurant in the city of Molalla. He is concerned about SDC prices.

APPROVAL OF THE AGENDA

Adopted as presented.

CONSENT AGENDA

- A. Meeting Minutes – May 12, 2021
- B. Updated 2018-2023 Capital Improvement Plan
- C. TMDL (Total Maximum Daily Load) Report

Council President Childress made a motion to approve the Consent Agenda, seconded by Councilor Newland. Vote passed 7-0, with all Councilors voting Aye.

PUBLIC HEARINGS

- A. **Ordinance No. 2021-08:** Water Management, Conservation, and Water System Master Plan

Mayor Keyser opened the Public Hearing for Ordinance No. 2021-08 at 8:03pm. Public Works Director Fisher and a representative with The Dyer Partnership delivered the Staff Report. (A copy of this presentation is located on the City's website, under the May 26, 2021 Council Meeting - Supporting Documents)

There were no members of the audience that wished to speak in favor or against the ordinance. The Public Hearing was closed at 8:04pm.

B. Ordinance No. 2021-06: Amending Section 17-3.6.010 Purpose and Applicability, to Include Limitations on the Public Improvement Requirement

Mayor Keyser opened the Public Hearing for Ordinance No. 2021-06 at 8:06pm. Planning Director Corthell delivered the Staff Report and read Exhibit I – Findings of Facts into the record.

There were no members of the audience that wished to speak in favor or against the ordinance. The Public Hearing was closed at 8:10pm.

Mayor Keyser called for a 10-minute recess at 8:10pm. The meeting reconvened at 8:23pm.

ORDINANCES AND RESOLUTIONS

A. Ordinance No. 2021-08: Water Management, Conservation, and Water System Master Plan

Councilor Newland made a motion to hold the First Reading of Ordinance No. 2021-08 by title only, seconded by Councilor Shankle. Vote passed 7-0, with all Councilors voting Aye.

Councilor Klein made a motion to hold the Second Reading of Ordinance No. 2021-08 by title only, seconded by Councilor Shankle. Vote passed 7-0, with all Councilors voting Aye.

A motion was made by Councilor Newland to adopt Ordinance No. 2021-08 by title only, seconded by Council President Childress. Vote passed 7-0, with all Councilors voting Aye.

B. Ordinance No. 2021-06: Amending Section 17-3.6.010 Purpose and Applicability, to Include Limitations on the Public Improvement Requirement

Council President Childress made a motion to hold the First Reading of Ordinance No. 2021-06 by title only, seconded by Councilor Shankle. Vote passed 7-0, with all Councilors voting Aye.

Councilor Newland made a motion to hold the Second Reading of Ordinance No. 2021-06 by title only, seconded by Councilor Klein. Vote passed 7-0, with all Councilors voting Aye.

A motion was made by Councilor Deller to adopt Ordinance No. 2021-06, seconded by Councilor Newland. Vote passed 7-0, with all Councilors voting Aye.

C. Resolution No. 2021-17: Repealing the Existing and Adopting an Updated System Development Charge Rates for the Water, Sanitary Sewer, Stormwater, Transportation, and Park System for Each Utility

City Manager Huff spoke to Council regarding the repeal of SDC's and keeping rates lowered until January 1, 2022, opposed to the initial change happening July 1, 2021. Mr. Huff explained that there are two options for Resolutions, and Draft B keeps the SDC rates lower to developers, without applying new fees. There is concern about supplies being in demand, and City staff hopes to have a clearer picture in the next six months of how the economy is recovering.

A motion was made by Councilor Klein to approve DRAFT B of Resolution No. 2021-17, seconded by Council President Childress. Vote passed 7-0, with all Councilors voting Aye.

D. **Resolution No. 2021-15:** Ratifying the Purchase of Property by the Urban Renewal Agency for the Development of the Police Station(Huff)

Mr. Huff spoke to Council about the fiscal impact between the URA and the City. The budget allows for beginning of funding for a new Police Facility to begin in this calendar year.

A motion was made by Councilor Newland to approve Resolution No. 2021-15, seconded by Councilor Shankle. Vote passed 7-0, with all Councilors voting Aye.

E. **Resolution No. 2021-16:** In Favor of Businesses and Citizens Liberties and Against COVID-19 Restrictions (Mayor Keyser)

A draft Resolution has been submitted by Council members Childress and Newland. (Draft A) Councilor Newland requested that Resolution 2021-16 reflect the following language:

“WHEREAS, We cannot make medical choices for our citizens, nor should we coerce them, we oppose creating a caste system in our state based upon the medical choices of our citizens, and”

Councilors unanimously agreed that the language should be added.

A motion was made by Councilor Newland to approve DRAFT B of Resolution No. 2021-16, seconded by Councilor Deller. Vote passed 7-0, with all Councilors voting Aye.

GENERAL BUSINESS

MAYOR, COUNCIL REPORTS, STAFF REPORTS

- Mr. Corthell directed Council to a copy of his Planning report.
- Mr. Fisher shared his Director’s Report with Council. (Both documents are listed on the City’s webpage)
- Ms. DeSantis thanked City Staff and Council for their help and patience with this evening’s meeting.
- Mr. Huff explained funding from the American Recovery Act to Council. He also stated that the rules are still being given. The City can use those funds for Capital Projects such as Water, Sewer, and Storm. Funds can also be used for broadband. Funds are not available for use on Street Maintenance or any sort of road repairs. If the City can prove a revenue loss of Gas Tax funds during the pandemic, we may have extra funds received to assist with road repairs.
- Councilor Deller had no report.
- Councilor Robles had no report.
- Councilor Newland thanked the audience for participating, and that providing Public Comment towards issues are how voices are heard.
- Councilor Shankle had no report.
- Council President Childress had no report.
- Councilor Klein had no report.
- Mayor Keyser asked Public Works Director Fisher to create a facts statement to be read at Council regarding OR211 and Molalla Avenue construction, that Mayor Keyser read into record. (Document posted on the City’s website.)

[For the complete video account of this meeting, please go to YouTube “Molalla City Council Meetings”, May 26, 2021.](#)

ADJOURN

Mayor Keyser adjourned the meeting at 8:53pm.

Scott Keyser, Mayor

Date

ATTEST:

Christie DeSantis, City Recorder

City of Molalla

City Council Meeting



Agenda Category: Public Hearing/Ordinances

Subject: DCA08-2021/ORD2021-07 Annexation and Zone Change of 52E17A 102 & 290, 52E17 2480, approximately 16.30 acres on the NW corner of S Molalla Ave and Molalla Forest Rd.

Recommended Action & Motion(s): Adopt.

1. I move the Molalla City Council conduct the first reading of ordinance 2021-07, **AN ORDINANCE OF THE CITY OF MOLALLA, OREGON ANNEXING TAX LOTS 52E17A 00102, 52E17A 00290, AND 52E17 02480; A 16.30 ACRE TERRITORY, AND ASSIGNING AN M-2 (HEAVY INDUSTRIAL) CITY ZONING DESIGNATION TO THE ANNEXED TERRITORY**, by title only.
2. I move the Molalla City Council adopt ordinance 2021-07, **AN ORDINANCE OF THE CITY OF MOLALLA, OREGON ANNEXING TAX LOTS 52E17A 00102, 52E17A 00290, AND 52E17 02480; A 16.30 ACRE TERRITORY, AND ASSIGNING AN M-2 (HEAVY INDUSTRIAL) CITY ZONING DESIGNATION TO THE ANNEXED TERRITORY.**

If approved by unanimous vote of the City Council

1. I move the Molalla City Council conduct the second reading of ordinance 2021-07, **AN ORDINANCE OF THE CITY OF MOLALLA, OREGON ANNEXING TAX LOTS 52E17A 00102, 52E17A 00290, AND 52E17 02480; A 16.30 ACRE TERRITORY, AND ASSIGNING AN M-2 (HEAVY INDUSTRIAL) CITY ZONING DESIGNATION TO THE ANNEXED TERRITORY**, by title only.
2. I move the Molalla City Council adopt ordinance 2021-07, **AN ORDINANCE OF THE CITY OF MOLALLA, OREGON ANNEXING TAX LOTS 52E17A 00102, 52E17A 00290, AND 52E17 02480; A 16.30 ACRE TERRITORY, AND ASSIGNING AN M-2 (HEAVY INDUSTRIAL) CITY ZONING DESIGNATION TO THE ANNEXED TERRITORY.**

Date of Meeting to be Presented: 5/5/21-Planning Commission Recommendation, 6/9/21 City Council Public Hearing, 1st reading, and possible 2nd reading/adoption.

Fiscal Impact: Annexation of land into the City limits provides property tax revenues to the general fund.

Ordinance No. 2021-07: Annexing Lots 52E17100102, 52E17100290, AND 52E1702480, A 16.30 Acre Territory and Assigning an M-2 City Zoning Designation to the Annexed Territory

Background: The applicant is proposing to annex three contiguous, single ownership properties, containing approximately 16.30 acres, into the Molalla City Limits. All three properties are contiguous to the Molalla City limits, and within the Urban Growth Boundary. Consistent with the Molalla Comprehensive Plan, the applicant is proposing that the property be re-zoned from Rural Industrial (RI) to Heavy Industrial (M2). No new development is proposed in this application.

The subject property is located south of town at the northwest corner of S Molalla Ave and Molalla Forest Road. There is no current use on the property, and 2 abandoned mill buildings are currently located on the site.

Posted for public review 4/27/21.

Exhibits:

Exhibit 1 – Ownership Documents

Exhibit 2 – Property Report(s)

Exhibit 3 – Current, Proposed, and Comprehensive Plan Zoning

Exhibit 4 – Annexation Survey and Legal Description

Exhibit 5 – Public Utility Feasibility Plan

Exhibit 6 – Findings of Fact



ORDINANCE NUMBER 2021-07

AN ORDINANCE OF THE CITY OF MOLALLA, OREGON ANNEXING TAX LOTS 52E17A 00102, 52E17A 00290, AND 52E17 02480; A 16.30 ACRE TERRITORY, AND ASSIGNING AN M-2 (HEAVY INDUSTRIAL) CITY ZONING DESIGNATION TO THE ANNEXED TERRITORY

WHEREAS, The City of Molalla Charter, Chapter X, Section 38 requires petitions to annex territory into the city limits to be submitted to the electors of the city; and

WHEREAS, ORS 222.127 supersedes city charters and ordinances requiring a petition to annex territory into the city limits to be submitted to the electors of the city, and requires cities to follow a separate framework for annexations under certain circumstances; and

WHEREAS, The circumstances are present in this application that require the City to apply ORS 222.127 in lieu of the City Charter annexation of territory; and

WHEREAS, The property owners submitted an application for annexation of Tax Lot 52E17A 00102, 52E17A 00290, and 52E17 02480; a 16.30 acre territory located at the northwest corner of S Molalla Ave and Molalla forest road; and

WHEREAS, the City of Molalla is authorized to annex territory under Oregon Revised Statutes (ORS) Chapter 222 and Molalla Municipal Code (MMC) Sections 17-1.2.060, Table 17-4.1.010, and 17-4.1.050; and

WHEREAS, The Owners submitted a concurrent annexation and zone change application proposing an M-2 (Heavy Industrial) city zoning designation as prescribed by the Molalla Comprehensive Plan to the Property; and

WHEREAS, public notice of the annexation request and the zone change request was separately provided consistent with both MMC Section 17-4.1.050.C and ORS 227.186; and

WHEREAS, the Molalla City Council conducted a legislative public hearing on June 09, 2021, where Council heard and considered testimony and evidence presented by the City staff, the Applicant, and those appearing at the public hearing; and

WHEREAS, after the conclusion of the public hearing Council determined the annexation is consistent with all applicable legal requirements of state law, and City ordinances related to annexing property and voted to approve the application; and

WHEREAS, after the conclusion of the public hearing Council determined the zone change is consistent with all applicable legal requirements of state law, and City ordinances related to annexing property and voted to approve the application.

Now, Therefore, the City of Molalla does ordain as follows:

Section 1. The Council approves and endorses the annexation application for the Property shown and described in Exhibit 1 through Exhibit 4 (the property).

Section 2. The existing Clackamas County zoning for the Property, Rural Industrial (RI) is changed to the Heavy Industrial (M-2) City zoning designation in accordance with the City of Molalla Comprehensive Plan.

Section 3. The findings related to the annexation and zone change, and supporting documentation, attached as Exhibits 1-6, are incorporated herein by reference and adopted.

Section 4. Notice to Utilities. In accordance with ORS 222.005, the City Recorder shall, no later than 10 working days after passage of this ordinance of the proposed annexation, provide by certified mail to all public utilities operating within the City, each site address to be annexed as recorded on county assessment and tax rolls, a legal description and map of the proposed boundary change and a copy of the City Council's ordinance approving the annexation.

Section 5. Notice to County. In accordance with ORS 222.010, the City Recorder shall report to the Clackamas County Clerk and County Assessor all changes in the boundaries of limits of the city. The report shall be filed by the City within 10 days from the effective date of this ordinance.

Section 6. Assessor Valuation. In accordance with ORS 222.030 the City Reorder shall request that the County Assessor furnish within 20 days of official request, a statement showing for the current fiscal year assessed valuation of the Property.

Section 7. Notice to Secretary of State. In accordance with ORS 222.177 the City Recorder shall transmit to the secretary of State:

- 1) A copy of this ordinance proclaiming the annexation,
- 2) A copy of the statement of consent for all electors or landowners of the Property who consented to the annexation under ORS 222.170

Section 8. Effective Date. This ordinance shall be effective 30 days after adoption by the City Council and approval by the Mayor.

The first reading of this ordinance was held on June 09, 2021 and was passed by a vote of ___ Aye and ___ Nay votes.

The second reading of this ordinance was held on _____ and was adopted by a vote of ___ Aye and ___ Nay votes; **OR**

This ordinance was made available to the public at least 7 days prior to the first reading and was adopted at the first reading by unanimous approval of the City Council; the second reading is waived.

This ordinance is hereby adopted this ___ day of _____ 2021.

Scott Keyser, Mayor

ATTEST:

Christie DeSantis, City Recorder

EXHIBIT 1 – Ownership and Property Description Documents (3 pages)

	<i>First American</i>	Owner's Policy of Title Insurance
Schedule A		ISSUED BY First American Title Insurance Company
		POLICY NUMBER 3471160

Name and Address of Title Insurance Company:
First American Title Insurance Company, 1 First American Way, Santa Ana, CA 92707.

File No.: 7012-3471160

Address Reference: 250 West 7th Street, Molalla, OR 97038 Amount of Insurance: \$1,600,000.00

Premium: \$3,000.00 Date of Policy: September 16, 2020 at 8:00 a.m.

1. Name of Insured:
Dansons Molalla, LLC, a Delaware limited liability company
2. The estate or interest in the Land that is insured by this policy is:
Fee Simple as to Parcels I, II, III and IV; easement as to Parcel V
3. Title is vested in:
Dansons Molalla, LLC, a Delaware limited liability company
4. The Land referred to in this policy is described as follows:

Parcel I:

A tract of land Situated in the Northeast one-quarter of Section 17, Township 5 South, Range 2 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, being a portion of vacated Blocks 15, 16 and 19, METZLER AND HART'S ADDITION TO MOLALLA, more particularly described as follows:

Commencing at the Northeast corner of Section 17, Township 5 South, Range 2 East, of the Willamette Meridian, marked with a bronze disk in concrete; thence South 18°17'55" West 1160.07 feet to the Southeast corner of the land described as Exhibit B in Fee No. 2018-015788 and the true point of beginning; thence along the Westerly line of Molalla Avenue, having a right of way width of 60.00 feet, South 18°17'55" West 1178.21 feet to the point of intersection of the Westerly line of Molalla Avenue with the Northerly line of S. Molalla Forest Road, having a right of way width of 60.00 feet; thence along said Northerly line of S. Molalla Forest Road North 41°38'30" West 573.25 feet; thence continuing along the Northerly line of S. Molalla Forest Road, along a curve to the left with a radius of 572.96 feet 255.25 feet (chord bears North 54°24'16" West 253.15 feet); thence North 17°48'10" East 556.47 feet to a point on the South boundary of Fee No. 2018-015788; thence North 89°02'56" East along the South boundary of Fee No. 2018-015788, 786.64 feet to a point on the Westerly line of Molalla Avenue and the true point of beginning.

EXCEPTING THEREFROM the following:

A tract of land Situated in the Northeast one-quarter of Section 17, Township 5 South, Range 2 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, being a portion of vacated Blocks 15, 16 and 19, METZLER AND HART'S ADDITION TO MOLALLA, more particularly described as follows:

Commencing at the Northeast corner of Section 17, Township 5 South, Range 2 East, of the Willamette Meridian, marked with a bronze disk in concrete; thence South 18°17'55" West 1160.07 feet to the Southeast corner of the land described as Exhibit B in Fee No. 2018-015788 and the true point of beginning; thence South 18°17'55" West 458.22 feet to a point marked with a 5/8" iron rod marked with a yellow plastic cap marked "ACS&P 668-3151"; thence North 71°58'15" West 367.00 feet to a point marked with a 5/8" iron rod marked with a yellow plastic cap marked "ACS&P 668-3151"; thence North 18°17'55" East parallel with the centerline of Molalla Avenue 331.78 feet to a point on the South boundary of Fee No. 2018-015788; thence along the South boundary of Fee No. 2018-015788 North 89°02'56" East, 388.73 feet to a point on the Westerly line of Molalla Avenue and the true point of beginning.

Parcel II:

A tract of land located in the Northeast quarter of Section 17, Township 5 South, Range 2 East, Willamette Meridian, in the County of Clackamas, State of Oregon, being a portion of vacated P.E. & E. Railway, METZLER AND HART'S ADDITION TO MOLALLA, more particularly described as follows:

Commencing at the Northeast corner of Section 17, Township 5 South, Range 2 East, Willamette Meridian, marked by a bronze disk in concrete; thence South 18° 17' 55" West 2338.28 feet to a one inch iron pipe at the intersection of the Northerly right of way line of S. Molalla Forest Road (a 60 foot right of way, also being former Eastern & Western Logging Co. Railway right of way) with the Westerly right of way of S. Molalla Avenue (a 60 foot right of way); thence along the Northerly line of S. Molalla Forest Road North 41° 38' 30" West 573.25 feet; thence continuing along the Northerly line of S. Molalla Forest Road, along a curve to the left with a radius of 572.96 feet 255.25 feet (long chord bears North 54° 24' 16" West 253.15 feet) to a point of intersection with the East line of former P.E. & E. Railway right of way (a former 80 foot right of way) and True Point Of Beginning; thence continuing along a curve to the left with a radius of 572.96 feet 46.07 feet (long chord bears North 69° 28' 13" West 46.05 feet) to a point of tangency; thence North 71° 46' 25" West 34.00 feet to a point of intersection with the West line of former P.E. & E. Railway right of way; thence North 17° 48' 10" East 526.86 feet along the West line of said named right of way line to a point of intersection with the Molalla city limits line; thence North 89° 02' 56" East 84.48 feet along said city limits line to the East line of former P.E. & E. Railway right of way; thence South 17° 48' 10" West 556.47 feet along the East line of said named right of way line to a point on the North line of S. Molalla Forest Road and the True Point of Beginning.

Parcel III:

A tract of land located in the Northeast quarter of Section 17, Township 5 South, Range 2 East, Willamette Meridian, in the County of Clackamas, State of Oregon, being a portion of vacated Blocks 17, 18, and Down St., METZLER AND HART'S ADDITION TO MOLALLA, more particularly described as follows:

Commencing at the Northeast corner of Section 17, Township 5 South, Range 2 East, Willamette Meridian, marked by a bronze disk in concrete; thence South 18° 17' 55" West 2338.28 feet to a one inch iron pipe at the intersection of the Northerly right of way line of S. Molalla Forest Road (a 60 foot right of way, also being former Eastern & Western Logging Co. Railway right of way) with the Westerly right of way of S. Molalla Avenue (a 60 foot right of way); thence along the Northerly line of S. Molalla Forest Road North 41° 38' 30" West 573.25 feet; thence continuing along the Northerly line

of S. Molalla Forest Road, along a curve to the left with a radius of 572.96 feet 255.25 feet (long chord bears North 54° 24' 16" West 253.15 feet) to a point of intersection with the East line of former P.E. & E. Railway right of way; thence continuing along a curve to the left with a radius of 572.96 feet 46.07 feet (long chord bears North 69° 28' 13" West 46.05 feet) to a point of tangency; thence North 71° 46' 25" West 34.00 feet to a point of intersection with the West line of former P.E. & E. Railway right of way and True Point Of Beginning; thence North 17° 48' 10" East 526.86 feet along the West line of said named right of way line to a point of intersection with the Molalla city limits line; thence South 89° 02' 56" West 238.84 feet along said city limits line to a point of intersection with the Westerly line of vacated Block 18, METZLER AND HART'S ADDITION TO MOLALLA; thence South 17° 38' 13" West along the Westerly line thereof, also being the Westerly lines of vacated Down St. and vacated Block 17, METZLER AND HART'S ADDITION TO MOLALLA, 448.42 feet to the Northerly right of way line of S. Molalla Forest Road; thence South 71° 46' 25" East 224.87 feet along said right of way line to the True Point of Beginning.

Parcel IV:

A tract of land located in the Northeast quarter of Section 17, Township 5 South, Range 2 East, Willamette Meridian, in the County of Clackamas, State of Oregon, more particularly described as follows:

Commencing at the Northeast corner of Section 17, Township 5 South, Range 2 East, Willamette Meridian, marked by a bronze disk in concrete; thence South 18° 17' 55" West 2338.28 feet to a one inch iron pipe at the intersection of the Northerly right of way line of S. Molalla Forest Road (a 60 foot right of way, also being former Eastern & Western Logging Co. Railway right of way) with the Westerly right of way of S. Molalla Avenue (a 60 foot right of way); thence along the Northerly line of S. Molalla Forest Road North 41° 38' 30" West 573.25 feet; thence continuing along the Northerly line of S. Molalla Forest Road, along a curve to the left with a radius of 572.96 feet 255.25 feet (long chord bears North 54° 24' 16" West 253.15 feet) to a point of intersection with the East line of former P.E. & E. Railway right of way; thence continuing along a curve to the left with a radius of 572.96 feet 46.07 feet (long chord bears North 69° 28' 13" West 46.05 feet) to a point of tangency; thence North 71° 46' 25" West 34.00 feet to a point of intersection with the West line of former P.E. & E. Railway right of way; thence continuing along the Northerly line of S. Molalla Forest Road North 71° 46' 25" West 224.87 feet to the Westerly line of vacated Block 17, METZLER AND HART'S ADDITION TO MOLALLA and True Point Of Beginning; thence continuing along the Northerly line of S. Molalla Forest Road North 71° 46' 25" West 191.11 feet to the East line of a tract of land sold to Andy W Falk, et ux, by contract recorded January 9, 2002, Fee No. 2002-002140, Clackamas County Deed Records; thence North 18° 30' 14" East along the said East line, a distance of 384.18 feet to a point of intersection with the Molalla city limits line; thence North 89° 02' 56" East 195.48 feet along said North line to a point of intersection with the Westerly line of vacated Block 18, METZLER AND HART'S ADDITION TO MOLALLA; thence South 17° 38' 13" West along the Westerly line thereof, also being the Westerly lines of vacated Down St. and vacated Block 17, METZLER AND HART'S ADDITION TO MOLALLA, 448.42 feet to the Northerly right of way line of S. Molalla Forest Road and the True Point of Beginning.

Parcel V:

An easement for ingress and egress as described in document recorded August 28, 2017 as Fee No 2017-058796.

EXHIBIT 2 – PROPERTY REPORTS (3 pages)



Geographic Information Systems
168 Warner-Milne Rd
Oregon City, OR 97045

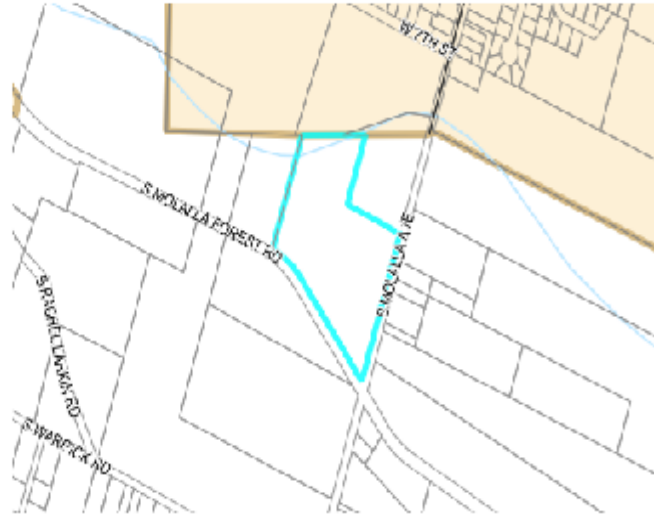
Property Report

FFP INC
PO BOX 1791
MCMINNVILLE, OR 97128

Site Address: 250 W 7TH ST
Taxlot 52E17A 00102
Land Value: 74318
Building Value: 1618220
Total Value: 1692538

Est. Acres: 10.93
Year Built:
Sale Date: 06/04/2007
Sale Amount: 0
Sale Type: X

Location Map:



Land Class:

301

Building Class:

Neighborhood:

Area 02 Industrial

Taxcode Districts: 035013

Site

UGB: MOLALLA

Flood Zone: Not Available

Zoning Designation(s):

Zone	Overlays	Acreage
RI	N/A	10.93

RI N/A 10.93

Fire Molalla RFPD #73
Park N/A
School Molalla River
Sewer N/A
Water N/A
Cable n/a
CPO Molalla
Garb/Recyc Molalla Sanitary
City/County Clackamas Co.

This map and all other information have been compiled for preliminary and/or general purposes only. This information is not intended to be complete for purposes of determining land use restrictions, zoning, title, parcel size, or suitability of any property for a specific use. Users are cautioned to field verify all information before making decisions.

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Ordinance No. 2021-07: Annexing Lots 52E17100102, 52E17100290, AND 52E1702480, A 16.30 Acre Territory and Assigning an M-2 City Zoning Designation to the Annexed Territory



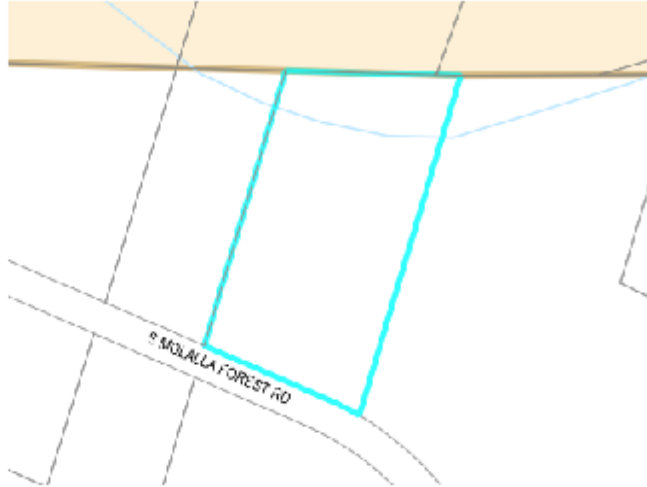
Geographic Information Systems
 168 Warner-Milne Rd
 Oregon City, OR 97045

Property Report

FFP INC
 PO BOX 1791
 MCMINNVILLE, OR 97128

Site Address: NO SITUS
 Taxlot: 52E17A 00290
 Land Value: 106829
 Building Value: 0
 Total Value: 106829
 Est. Acres: 3.39
 Year Built:
 Sale Date: 06/04/2007
 Sale Amount: 0
 Sale Type: X

Location Map:



Land Class:
 300
 Building Class:

Neighborhood:
 Area 02 Industrial
 Taxcode Districts: 035013

Fire: Molalla RFPD #73
 Park: N/A
 School: Molalla Rtver
 Sewer: N/A
 Water: N/A
 Cable: n/a
 CPO: Molalla
 Garb/Recyc: Molalla Sanitary
 City/County: Clackamas Co.

Site	Zoning Designation(s):		
UGB: MOLALLA	<u>Zone</u>	<u>Overlays:</u>	<u>Acreage:</u>
Flood Zone: Not Available	RI	N/A	3.39

This map and all other information have been compiled for preliminary and/or general purposes only. This information is not intended to be complete for purposes of determining land use restrictions, zoning, title, parcel size, or suitability of any property for a specific use. Users are cautioned to field verify all information before making decisions.

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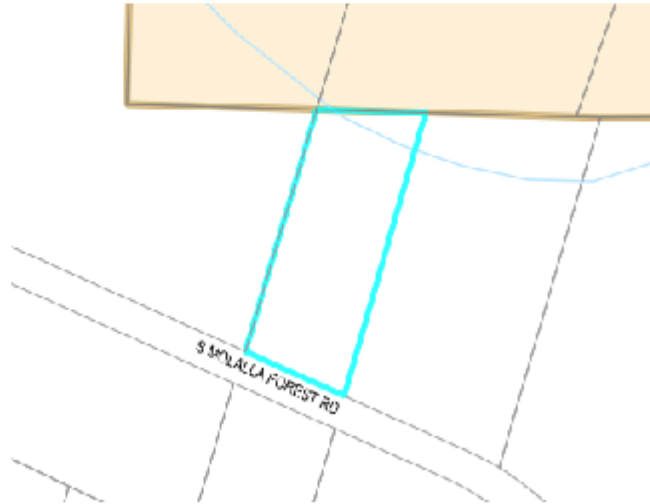


Geographic Information Systems
168 Warner-Milne Rd
Oregon City, OR 97045

Property Report

FFP INC
PO BOX 1791
MCMINNVILLE, OR 97128

Location Map:



Site Address: NO SITUS
Taxlot: 52E17 02480
Land Value: 96429
Building Value: 0
Total Value: 96429

Est. Acres: 1.77
Year Built:
Sale Date: 06/04/2007
Sale Amount: 0
Sale Type: X

Land Class:

301

Building Class:

Neighborhood:

Area 02 Industrial

Taxcode Districts: 035013

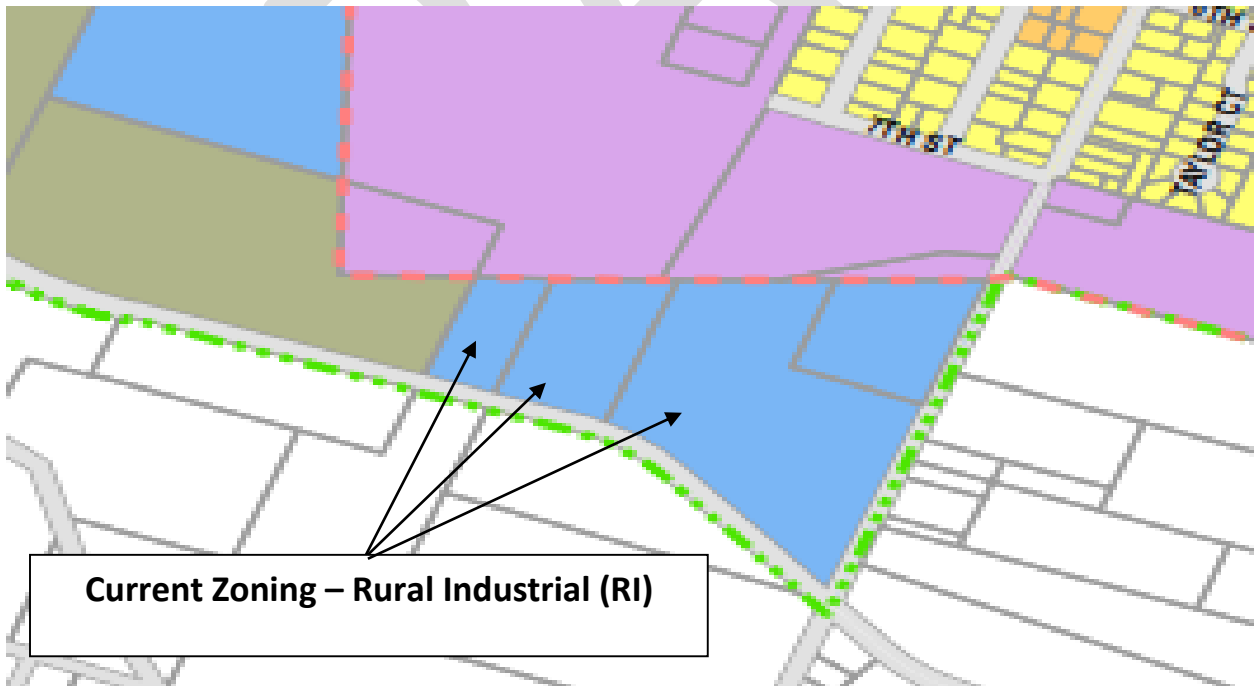
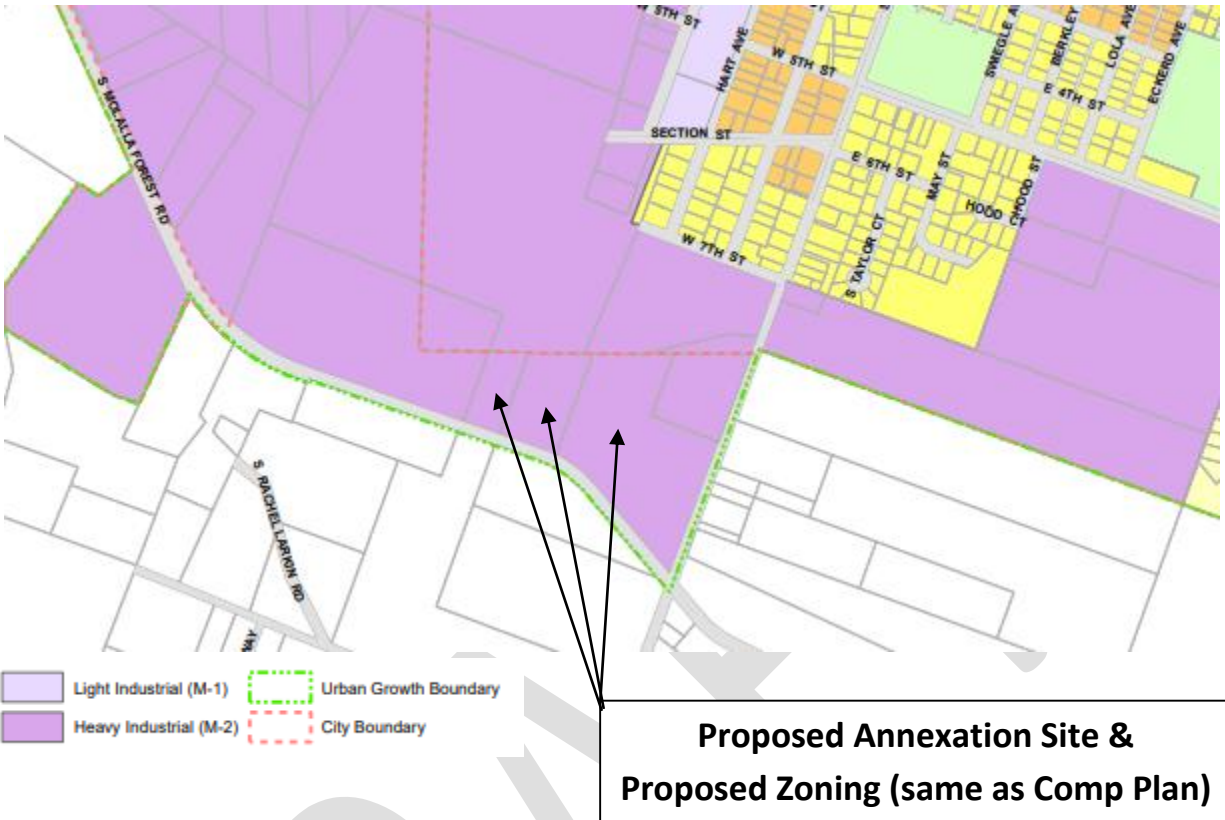
Fire: Molalla RFPD #73
Park: N/A
School: Molalla Rtver
Sewer: N/A
Water: N/A
Cable: n/a
CPO: Molalla
Garb/Recyc: Molalla Sanitary
City/County: Clackamas Co.

Site	Zoning Designation(s):	
UGB: MOLALLA	<u>Zone</u>	<u>Overlays:</u>
Flood Zone: Not Available	RI	N/A
		<u>Acreage:</u>
		1.77

This map and all other information have been compiled for preliminary and/or general purposes only. This information is not intended to be complete for purposes of determining land use restrictions, zoning, title, parcel size, or suitability of any property for a specific use. Users are cautioned to field verify all information before making decisions.

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EXHIBIT 3 – Proposed Zoning (same as Comprehensive Plan) & Current Zoning



Ordinance No. 2021-07: Annexing Lots 52E17100102, 52E17100290, AND 52E1702480, A 16.30 Acre Territory and Assigning an M-2 City Zoning Designation to the Annexed Territory



All County Surveyors & Planners, Inc.

PO Box 955 • Sandy, Oregon 97055 • Phone: 503-668-3151

Job No. 21-003
April 20, 2021

LEGAL DESCRIPTION CITY OF MOLALLA ANNEXATION - DANSONS

A tract of land located in the Northeast quarter of Section 17, Township 5 South, Range 2 East, W.M., in the County of Clackamas, State of Oregon, more particularly described as follows:

Commencing at the Northeast corner of Section 17, Township 5 South, Range 2 East, W.M., marked by a bronze disk in concrete; thence South $18^{\circ} 17' 55''$ West 2,338.28 feet to a one inch iron pipe at the intersection of the Northerly right of way line of S. Molalla Forest Road (a 60 foot right of way) with the Westerly right of way of S. Molalla Avenue (a 60 foot right of way) and the **True Point of Beginning**; thence North $41^{\circ} 38' 30''$ West 573.25 feet along the Northerly line of S. Molalla Forest Road; thence continuing along the Northerly line of S. Molalla Forest Road, along a curve to the left with a radius of 572.96 feet 301.32 feet (long chord bears North $56^{\circ} 42' 28''$ West 297.86 feet) to a point of tangency; thence continuing along the Northerly line of S. Molalla Forest Road North $71^{\circ} 46' 25''$ West 449.98 feet to the East line of a tract of land (Fee No. 2002-002140, Clackamas County Deed Records); thence North $18^{\circ} 30' 14''$ East 384.18 feet along said East line to the Molalla city limits line; thence North $89^{\circ} 02' 56''$ East 916.71 feet along said North line to the West line of a tract of land (Fee No. 2017-072946, Clackamas County Deed Records); thence South $18^{\circ} 17' 55''$ West 331.78 feet along said West line to the South line of said tract; thence South $71^{\circ} 58' 15''$ East 367.00 feet along said South line to the Westerly right of way line of S. Molalla Avenue (a 60 foot right of way); thence South $18^{\circ} 17' 55''$ West 719.99 feet along the Westerly line of S. Molalla Avenue to the **True Point Of Beginning**.

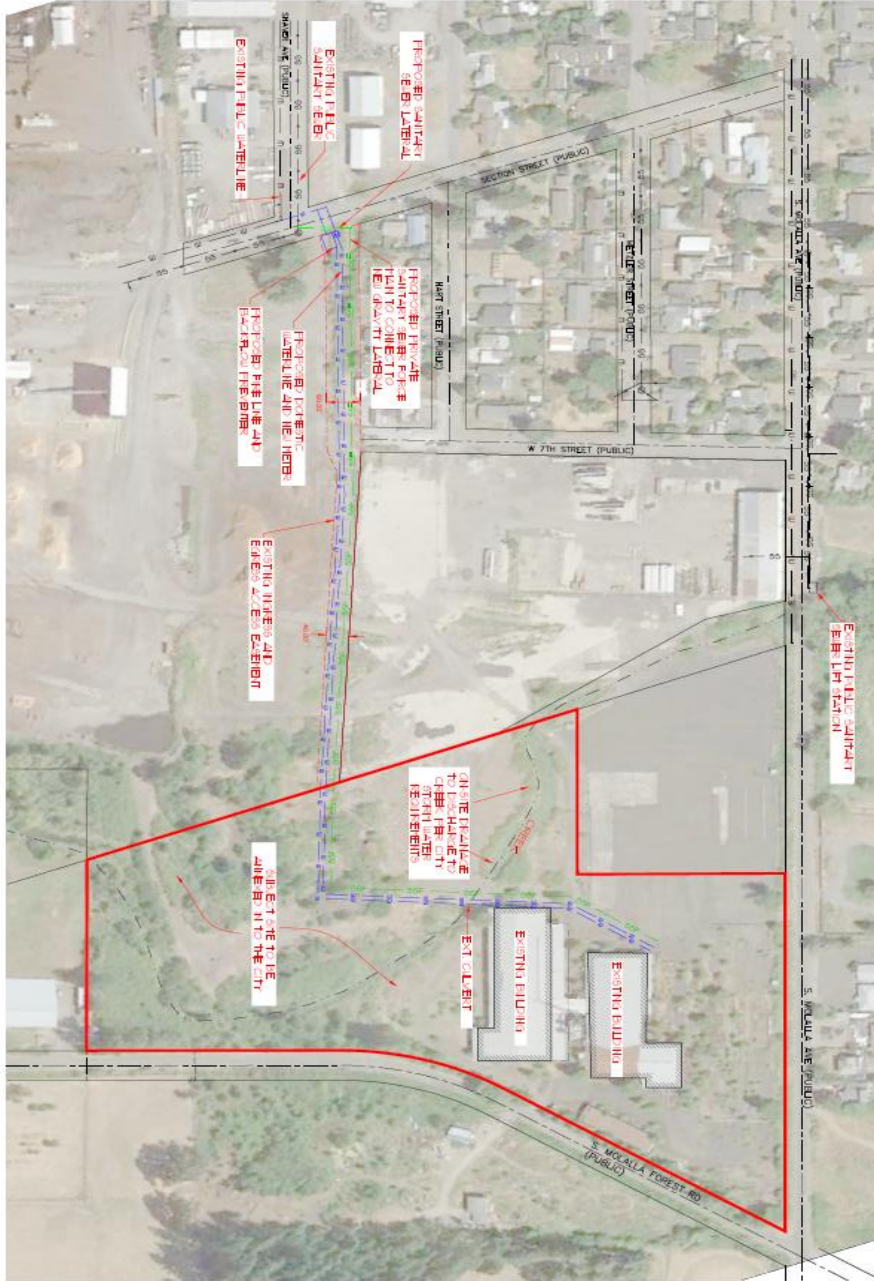
BASIS OF BEARINGS FOR THIS DESCRIPTION IS
SN 2020-125, CLACKAMAS COUNTY SURVEY RECORDS.

CONTAINING AN AREA OF 710,063 SQUARE FEET (16.3 AC), MORE OR LESS.



RENEWS 07/01/21

EXHIBIT 5 – PUBLIC UTILITIES FEASIBILITY PLAN



CLIENT: DANSONS
 ATTENTION: JOHN LITTE, VP OF
 PELLET MILL OPERATIONS
 3811 N. 5TH AVE. SUITE 200
 PHOENIX, AZ 85013
 PHONE: 304-676-6644



PROJECT: **PUBLIC UTILITY FEASIBILITY PLAN**
 FOR: DANSONS ANNEXATION

LOCATION: **250 W 7TH ST, MOLLALA, OREGON**

SCALE: 1/8" = 1' - 0"

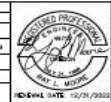
DATE: 04-21-21

FILE: 21-003 - PRE-17879.dwg

SECTION: 19

TWP: 25S

RANGE: 08W



DATE	NO.	REVISION	BY
-	-	-	-

DESIGNED	PLM/SRM	DATE
PLM	SRM	04/21/21

CHECKED	PLM	DATE
PLM	SRM	04/21/21

APPROVED	PLM	DATE
PLM	SRM	04/21/21

EXHIBIT 6 – FINDINGS OF FACT (4 pages)

Applicable to Annexation Only

Annexation Criteria in Oregon Revised Statute 222.127

- 1. This section applies to a city whose laws require a petition proposing annexation of territory to be submitted to the electors of the city.*

Staff Finding: ORS 222.127 by its language supersedes Chapter X, Section 38 of the City of Molalla’s charter and is the controlling law for this application.

- 2. Notwithstanding a contrary provision of the city charter or a city ordinance, upon receipt of a petition proposing annexation of territory submitted by all owners of land in the territory, the legislative body of the city shall annex the territory without submitting the proposal to the electors of the city if [criterion 2(a)-(d), 3, and 4 below are met]:*

Finding: The city is in receipt of a petition proposing annexation of the territory described in Exhibits 1-5 of Ordinance 2021-07. The petition was filed by all of owners of land in the described territory, Dansons Molalla, LLC.

This criterion is met.

- a. The territory is included within an urban growth boundary adopted by the city or Metro, as defined in ORS 197.015;*

Finding: The subject property is within the current City of Molalla urban growth boundary.

This criterion is met.

- b. The territory is, or upon annexation of the territory into the city will be, subject to the acknowledged comprehensive plan of the city;*

Finding: The territory in question is anticipated and included in the current City of Molalla Comprehensive Plan. Upon annexation the property will be subject to Molalla’s current Comprehensive Plan.

This criterion is met.

- c. At least one lot or parcel within the territory is contiguous to the city limits or is separated from the city limits only by a public right of way or a body of water;*

Finding: The northern border of the subject lots are all contiguous to the city limits.

Ordinance No. 2021-07: Annexing Lots 52E17100102, 52E17100290, AND 52E1702480, A 16.30 Acre Territory and Assigning an M-2 City Zoning Designation to the Annexed Territory

This criterion is met.

d. The proposal conforms to all other requirements of the city's ordinances.

Finding: MMC Table 17-3.1.020 makes annexation application approvals subject to public facilities requirements in MMC 17-3.6. The application includes a staff approved public facilities feasibility plan which is attached to this ordinance as Exhibit 5.

Also see MMC 17-4.6.030 Analysis below regarding amendments to the zoning map.

This criterion is met.

- 3. The territory to be annexed under this section includes any additional territory described in ORS 222.111 (Authority and procedure for annexation) (1) that must be annexed in order to locate infrastructure and right of way access for services necessary for development of the territory described in subsection (2) of this section at a density equal to the average residential density within the annexing city***

Finding: No additional territory is required. The territory proposed is sufficient to locate infrastructure and right of way access for services necessary to develop.

This criterion is met.

- 4. When the legislative body of the city determines that the criteria described in subsection (2) of this section apply to territory proposed for annexation, the legislative body may declare that the territory described in subsections (2) and (3) of this section is annexed to the city by an ordinance that contains a description of the territory annexed. [2016 c.51 §2]***

Finding: The criteria described subsection 2 apply to the territory proposed for annexation. Therefore, the City Council shall annex the territory without submitting the proposal to the electors of the city. Ordinance 2021-07 contains the required description of the territory annexed.

This criterion is met.

Applicable to Annexation and Zone Change

MMC 17-4.6.030 Annexation & Zone Change Approval Criteria

Planning Commission review and recommendation, and City Council approval, of an ordinance amending the Zoning Map, Development Code, or Comprehensive Plan shall be based on all of the following criteria:

(A) If the proposal involves an amendment to the Comprehensive Plan, the amendment must be consistent with the Statewide Planning Goals and relevant Oregon Administrative Rules;

Finding: Neither the annexation or zone change action amends the Comprehensive Plan.

This criterion is not applicable.

(B) The proposal must be consistent with the Comprehensive Plan (the Comprehensive Plan may be amended concurrently with proposed changes in zoning);

Finding: The Molalla Comprehensive Plan includes the territory at issue with a zoning designation of M-2, Heavy Industrial. The annexation deals with land that is part of the comprehensive plan and the concurrent zone change proposal is for an M-2 zoning designation which is consistent with the Comprehensive Plan.

This criterion is met.

(C) The City Council must find the proposal to be in the public interest with regard to community conditions; the proposal either responds to changes in the community, or it corrects a mistake or inconsistency in the subject plan or code;

Finding: The proposed annexation and zone change is intended to prepare the subject property for redevelopment of the site in a follow-on land use process. Approval of this proposal is expected to cure a blighted property, provide 30-40 new traded sector jobs to the Molalla Community, and situate a well-established manufacturing firm in the City of Molalla.

Additionally, the Rural Industrial designation of this territory is not consistent with the Comprehensive Plan. The zone change will cure that inconsistency.

This criterion is met.

(D) The amendment must conform to Section 17-4.6.050 Transportation Planning Rule Compliance

Finding: This proposal does not significantly affect the existing or planned transportation system because future development will be consistent with the adopted Comprehensive Plan and Transportation System Plan which already contemplates the territory at issue in this application.

This criterion is met.

Applicable to Zone Change Only

MMC 17-1.2.060 Development Code and Zoning Map Implementation

(A) Zoning of Areas to be Annexed. Concurrent with annexation of land to the City of Molalla, the City Council, upon considering the recommendation of the Planning Commission, shall enact an ordinance applying applicable zoning designation(s) to the subject land, pursuant to Chapter 17-4.6. The Comprehensive Plan shall guide the designation of zoning for annexed areas.

Finding: This proposal is a concurrent annexation and zone change proposal. Chapter 17-4.6 of the comprehensive plan designates the land at issue in this proposal as Heavy Industrial (M2), and the proposal is consistent with that designation.

This criterion is met.

City of Molalla

City Council Meeting



Agenda Category: Ordinances and Resolutions

Subject: Budget Resolution 2021-12

Recommendation: Adopt Resolution 2021-12

Date of Meeting to be Presented: June 9, 2021

Fiscal Impact: \$43,431,417

Background:

1. The Molalla Budget Committee has reviewed and acted on the proposed City Budget on April 22, 2021.
2. The Budget Committee has approved and recommended a balanced budget to the City Council for adoption.
3. The recommended budget is \$43,431,417 of which \$3,681,872 is reserved fund balance.
4. The City Council hereby imposes taxes provided for the adopted budget at a rate of \$5.3058 per \$1000 of assessed value for general operations; and that these taxes are hereby imposed and categorized for tax year 2021/2022 upon the assessed value of all taxable property withing the City of Molalla.

Recommended Motion: Adopt Budget Resolution 2021-12

SUBMITTED BY: Chaunee Seifried, Finance Director

APPROVED BY: Dan Huff, City Manager



RESOLUTION NUMBER 2021-12

A RESOLUTION ADOPTING THE CITY OF MOLALLA BUDGET FOR THE FISCAL YEAR 2021/2022; MAKING APPROPRIATIONS; AND CATEGORIZING AND LEVYING AD VALOREM TAXES

The City Council of the City of Molalla, Oregon, on the 9th day of June 2021 sat in regular session for the transaction of City business.

WHEREAS, the Molalla Budget Committee has reviewed and acted on the proposed City budget; and

WHEREAS, the Molalla Budget Committee approved and recommended a balanced budget to the City Council on April 22, 2021; and

WHEREAS, in accordance with State law, the Molalla City Council has held a public hearing on the budget as approved and recommended but the Molalla Budget Committee.

NOW, THEREFORE, THE CITY OF MOLALLA RESOLVES and hereby adopts the FY 2021/2022 budget approved by the Budget Committee on April 22, 2021, in the amount of \$43,431,417, of which \$3,681,872 is Fund Balance - Reserved. Copies of the said budget are on file at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, 97038.

THE CITY OF MOLALLA FURTHER RESOLVES as follows:

1. **THAT** the amounts for the purpose of operating the City of Molalla for the fiscal year 2021/2022 budget year be appropriated as follows, beginning July 1, 2021.

GENERAL FUND

Administration	\$	3,656,854
Police Service	\$	3,189,000
Municipal Court	\$	261,950
City Council	\$	59,450
Parks Department	\$	256,650
Planning Department	\$	759,632
Transfers	\$	577,900

Contingency	\$ 1,476,000
Fund Balance - Reserved	\$ 200,000
TOTAL APPROPRIATED TO GENERAL FUND	\$ 10,437,436

LIBRARY FUND

Library	\$ 3,564,978
Contingency	\$ 267,000
TOTAL APPROPRIATED TO LIBRARY	\$ 3,831,978

STREET FUND

Streets	\$ 1,167,450
Transfers	\$ 2,763,300
Contingency	\$ 310,883
TOTAL APPROPRIATED TO STREETS	\$ 4,241,633

PD RESTRICTED REVENUE

PD Restricted	\$ 28,465
Transfers	\$ 100,000
TOTAL APPROPRIATED TO PD RESTRICTED	\$ 128,465

SEWER FUND

Sewer	\$ 927,700
Sewer Maintenance	\$ 1,294,900
Sewer Operations	\$ 1,569,400
Transfers	\$ 1,810,211
Contingency	\$ 489,555
TOTAL APPROPRIATED TO SEWER	\$ 6,091,766

WATER FUND

Water	\$ 766,000
Water Maintenance	\$ 495,775
Water Operations	\$ 195,400
Transfers	\$ 1,196,725
Contingency	\$ 986,739

Fund Balance – Reserved	\$	1,000,000
TOTAL APPROPRIATED TO WATER	\$	4,640,639

STORM WATER FUND

Storm Water	\$	269,900
Transfers	\$	76,400
Contingency	\$	135,598
TOTAL APPROPRIATED TO STORM	\$	481,898

SEWER DEBT RETIREMENT

Debt Service	\$	381,486
TOTAL APPROPRIATED TO SEWER DEBT RETIREMENT	\$	381,486

CWSRF

Debt Service	\$	22,000
TOTAL APPROPRIATED TO CWSRF	\$	22,000

TRANSPORTATION SDC

Transfers	\$	439,000
Fund Balance – Reserved	\$	662,609
TOTAL APPROPRIATED TO TRANSPORTATION SDC	\$	1,101,609

PARK SDC

Transfers	\$	1,400,000
Fund Balance – Reserved	\$	700,262
TOTAL APPROPRIATED TO PARK SDC	\$	2,100,262

SEWER SDC

Material & Services	\$	80,000
Fund Balance - Reserved	\$	407,696
TOTAL APPROPRIATED TO SEWER SDC	\$	487,696

WATER SDC

Material & Service	\$	50,000
Transfer	\$	136,200
Fund Balance - Reserved	\$	267,309
TOTAL APPROPRIATED TO WATER SDC	\$	453,509

STORM SDC

Transfer	\$	75,000
Fund Balance - Reserved	\$	121,372
TOTAL APPROPRIATED TO STORM SDC	\$	196,372

CAPITAL PROJECTS FUND

Capital Projects	\$	8,296,436
TOTAL APPROPRIATED TO CAPITAL PROJECTS	\$	8,296,436

FLEET REPLACEMENT FUND

Fleet Replacement	\$	267,805
Fund Balance – Reserved	\$	270,427
TOTAL APPROPRIATED TO FLEET REPLACEMENT	\$	538,232

TOTAL APPROPRIATIONS ALL FUNDS	\$	43,431,417
TOTAL FY 2021/2022 ADOPTED BUDGET	\$	43,431,417

2. **THAT** the Molalla City Council hereby imposes taxes provided for the adopted budget at the rate of \$5.3058 per \$1,000 of assessed value for general operations; and that these taxes are hereby imposed and categorized for tax year 2021/2022 upon the assessed value of all taxable property within the City of Molalla.

	General Government	Excluded from
Limitation		
Permanent Rate	\$5.3058 / \$1,000.00	

3. **THAT** the Budget Officer is authorized to prepare and submit any certifications of the taxes levied that may be deemed necessary by the Oregon Department of Revenue and Clackamas County Assessor.

Adopted by the Molalla City Council this 9th day of June 2021.

Scott Keyser, Mayor

ATTEST: _____
Christie DeSantis, City Recorder

DRAFT

City of Molalla Budget Summary-Adopted FY 21-22

CURRENT YEAR

	Expenditures								Resources		
	Personal Services	Material & Services	Capital Outlay	Transfers	Contingency	Debt Service	Reserve	Total Expenses	BFB	Revenues	Total Revenues
General Fund								0	2,746,029	7,691,407	10,437,436
Administration	842,354	314,500	2,500,000	0				3,656,854			
Police	2,579,000	610,000	0	570,000				3,759,000			
Court	175,250	86,700						261,950			
City Council		59,450						59,450			
Parks	102,600	67,050	87,000	7,900			0	264,550			
Planning	287,400	472,232						759,632			
Capital Outlay								0			
Transfers								0			
Contingency					1,476,000		200,000	1,676,000			
Total General Fund	3,986,604	1,609,932	2,587,000	577,900	1,476,000	0	200,000	10,437,436	2,746,029	7,691,407	10,437,436
Special Revenue Funds											
Library	640,520	427,300	2,497,158	0	267,000			3,831,978	1,977,378	1,854,600	3,831,978
Street	425,300	725,450	16,700	2,763,300	310,883			4,241,633	675,633	3,566,000	4,241,633
PD Restricted		28,465	0	100,000				128,465	56,025	72,440	128,465
Utility Deposits								0			0
Total Special Revenue	1,065,820	1,181,215	2,513,858	2,863,300	577,883	0	0	8,202,076	2,709,036	5,493,040	8,202,076
Capital Project Funds											
Capital Projects			8,296,436					8,296,436	396,236	7,900,200	8,296,436
Fleet Replacement			267,805				270,427	538,232	252,182	286,050	538,232
Total Capital	0	0	8,564,241	0	0	0	270,427	8,834,668	648,418	8,186,250	8,834,668
Debt Service Funds											
Bonded Debt								0			0
Sewer Debt Retirement						381,486	0	381,486	0	381,486	381,486
Water Debt Retirement						0		0	0	0	0
CWSRF Debt Retirement		0				22,000	0	22,000	20,000	2,000	22,000
Total Debt Service	0	0	0	0	0	403,486	0	403,486	20,000	383,486	403,486
SDC Funds											
Street SDC's				439,000			662,609	1,101,609	1,038,104	63,505	1,101,609
Park SDC's				1,400,000			700,262	2,100,262	2,087,512	12,750	2,100,262
Sewer SDC's		80,000		0			407,696	487,696	433,591	54,105	487,696
Water SDC's		50,000		136,200			267,309	453,509	433,699	19,810	453,509
Stormwater SDC's				75,000			121,372	196,372	191,712	4,660	196,372
Total SDC's	0	130,000	0	2,050,200	0	0	2,159,248	4,339,448	4,184,618	154,830	4,339,448
Enterprise Funds											
Sewer	841,500	2,864,300	86,200	1,810,211	437,358		52,197	6,091,766	1,308,766	4,783,000	6,091,766
Water	754,800	691,175	11,200	1,196,725	986,739		1,000,000	4,640,639	2,633,039	2,007,600	4,640,639
Stormwater	149,300	106,700	13,900	76,400	135,598			481,898	181,398	300,500	481,898
Total Enterprise	1,745,600	3,662,175	111,300	3,083,336	1,559,695	0	1,052,197	11,214,303	4,123,203	7,091,100	11,214,303
Total City of Molalla	6,798,024	6,583,322	13,776,399	8,574,736	3,613,578	403,486	3,681,872	43,431,417	14,431,304	29,000,113	43,431,417

City of Molalla

City Council Meeting



Agenda Category: Ordinances, Resolutions and Proclamations

Subject: Adopt FY 2020/21 Supplemental Budget Resolution 2021-08

Recommendation: Adopt Resolution 2021-08

Date of Meeting to be Presented: June 9, 2021

Fiscal Impact: \$ 924,516

Background:

This resolution adjusts the Fiscal Year 2020-21 Budget to keep the City in compliance with Oregon Budget Law. The resolution adjusts the budget for unforeseen events including unanticipated costs or additional unanticipated revenue. Supplemental Budgets are common practice and are completed by all cities annually. As Council is aware, the budget process starts 18 months before the end of the fiscal year. Budgets are based on estimates using the best information available at the time.

This year we had several things happen between the pandemic, wildfires, and the ice storm. We received a CRF Grant to help pay for Covid expenses, a Tourism Grant and we received insurance money to help pay for some of the damages from the wildfire and the ice storm. Refinancing of debt.

SUBMITTED BY: Chaunee Seifried, Finance Director

APPROVED BY: Dan Huff, City Manager



**RESOLUTION 2021-08
CITY OF MOLALLA**

DRAFT

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2020-2021 AND
APPROPRIATING FUNDS.**

WHEREAS, the City adopted a budget and appropriated funds for Fiscal Year 2020-2021, on Resolution No. 2020-13, and additional on Resolution No. 2020-22.

WHEREAS, unanticipated revenues and expenditures are expected to exceed the original adopted budget in some of the City's funds and budgetary changes are necessary within these funds to provide increased appropriations; and, including grants, pandemic, wildfire, and ice storm expenses.

WHEREAS, ORS 294.480 provides that a city may amend the current year adopted budget through the supplemental budget process; and,

NOW THEREFORE, THE CITY OF MOLALLA RESOLVES AS FOLLOWS:

The City amends the budget for the fiscal year beginning July 1, 2020 and ending June 30, 2021 to include unanticipated expenses and revenues and appropriations within the following funds:

	Res 2020-13 Current Appropriations	Res 2021-08 Change Appropriations	Amended Appropriations
General Fund			
Administration Department	1,202,000	380,000	1,582,000
Police Department	2,998,600	115,000	3,113,600
Court Department	239,650	20,000	259,650
Planning Department	351,400	126,800	478,200
Total Appropriated to General Fund	6,946,000	641,800	7,587,800
Water SDC Fund			
Transfers Out	502,900	125,100	628,000
Total Appropriated to Sewer Fund	583,560	125,100	708,660
Capital Fund			
Capital Outlay	10,153,588	125,100	10,278,688
Total Appropriated to Capital Fund	10,153,588	125,100	10,278,688
Sewer Fund			
Transfers Out	1,562,872	16,258	1,579,130
Total Appropriated to Sewer Fund	5,039,711	16,258	5,055,969
Sewer Debt Service			
Debt Service	637,758	16,258	654,016
Total Approp to Sewer Debt Fund	637,758	16,258	654,016
TOTAL ALL REQUIREMENTS	23,360,617	924,516	24,285,133

This resolution shall become effective immediately upon its passage by Council.

Adopted by the City Council of the City of Molalla at a regular meeting thereof this 9th day of June, 2021 by the following vote:

AYES: ____ **NAYS:** ____

APPROVED BY THE MAYOR this 9th day of June 2021.

ATTESTED BY:

Scott Keyser, Mayor

Christie DeSantis, City Recorder

City of Molalla

City Council Meeting



Agenda Category: Resolutions

Subject: Pers Sick Leave Accrual

Recommendation: Approve Resolution 2021-18

Date of Meeting to be Presented: June 09, 2021

Fiscal Impact: N/A

Background:

With this resolution, at retirement employees can utilize half of their unused sick leave in their Pers calculation. This gives employees an incentive to not use up their sick leave. There is no cost to the city to sign up for this program. Only Tier 1 and Tier 2 PERS employees are eligible.

SUBMITTED BY: Chaunee Seifried, Finance Director
APPROVED BY: Dan Huff, City Manager



RESOLUTION NO. 2021-18

**A RESOLUTION OF THE CITY OF MOLALLA, OREGON
FOR THE CITY TO BEGIN PARTICIPATING IN THE OREGON PUBLIC
EMPLOYEES RETIREMENT SYSTEM (PERS) UNUSED SICK LEAVE PROGRAM
UNDER OREGON REVISED STATUTES (ORS) 238.150(1)(A).**

WHEREAS, ORS 238.350(1)(a) provides that a public employer may request that its employees be compensated for accumulated unused sick leave with pay in the form of increased retirement benefits upon service or disability retirement, and the PERS board shall establish a procedure for adding to the gross amount of salary used in determining final average salary the monetary value of one-half of the accumulated unused sick leave with pay of each retiring employee of the requesting public employer and shall establish benefits of the retiring employee on the basis of a final average salary reflecting that addition;

WHEREAS, Oregon Administrative Rule (OAR) 459-011-0500(1) provides that the request must be in writing and shall be effective not earlier than the first of the calendar month following date of the official action by the public employer;

WHEREAS, the City is a public employer covered by PERS; and

WHEREAS, it would be desirable for the City to authorize the use of accumulated unused sick leave to increase retirement benefits for those employees who are members of PERS under ORS Chapter 238;

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

IT IS HEREBY ORDERED and requested that employees of the City who are members of PERS under ORS Chapter 238 may, for the purpose of determining the gross amount of salary used to determine the final average salary, utilize the monetary value of half the accumulated unused sick leave for each retiring employee, and those benefits shall be established for the retiring employee on the basis of final average salary reflecting that addition;

IT IS FURTHER ORDERED that utilization of accumulated unused sick leave shall be subject to the terms, conditions and restrictions set forth in ORS 238.350.

Signed by the Mayor this 9th day of June 2021.

Scott Keyser, Mayor

ATTEST:

Christie DeSantis, City Recorder

City of Molalla

City Council



Agenda Category: General Business

Subject: Park Property Purchase – Sheckard Property

Recommendation: Authorization to Close Escrow

Date of Meeting to be Presented: June 9, 2021

Fiscal Impact: Total purchase price \$400,000

Background:

Council has previously authorized the City Manager to enter into the Purchase and Sale Agreement for the acquisition of the Sheckard property (5.08 acres) for the future development of a park for the purchase price of \$400,000. Staff has completed due diligence and specifically conducted a Level I Environmental Report. The property is free of environmental encumbrances and will allow the City to proceed with park planning.

Suggested Motion: I move to authorize the City Manager to close escrow and complete the purchase of the Sheckard Property for \$400,000.

SUBMITTED BY: Dan Huff, City Manager
APPROVED BY: Dan Huff, City Manager

City of Molalla

City Council



Agenda Category: General Business

Subject: Clackamas County Peace Officers Association – Contract Ratification

Recommendation: Motion to Ratify

Date of Meeting to be Presented: June 9, 2021

Fiscal Impact: 3-year contract

Background:

Molalla Police Officers and support Staff are Bargaining Unit members of the Clackamas County Peace Officers Association (CCPOA). This Council action will authorize entering into a new 3-year agreement beginning on July 1, 2021 – June 30, 2024.

Suggested Motion: I move to authorize the City Manager to sign the new 3-year bargaining unit agreement with the Clackamas County Peace Officers Association (CCPOA).

SUBMITTED BY: Dan Huff, City Manager
APPROVED BY: Dan Huff, City Manager

City of Molalla

City Council Meeting



Agenda Category: General Business

Subject: City Manager Contract Ratification

Recommendation: Approve Contract

Date of Meeting to be Presented: June 9, 2021

Fiscal Impact:

Background:

The City Manager's contract expires at the end of this month. An evaluation and review of the City Managers performance took place on April 14, 2021, with the Mayor and Council in Executive Session.

The contract to be ratified is a two-year contract, for the 2021-2023 calendar years.

Recommended Motion: to ratify the City Manager's contract for 2021-2023

SUBMITTED BY: Christie DeSantis, City Recorder
APPROVED BY: Dan Huff, City Manager