



**Minutes of the Molalla City Council Regular Meeting  
Molalla Adult Center  
315 Kennel Ave., Molalla, OR 97038  
Wednesday, June 12, 2019**

**COUNCIL ATTENDANCE:**

Mayor Keith Swigart – Present  
Councilor Elizabeth Klein – Present  
Councilor Leota Childress – Present  
Councilor DeLise Palumbo – Present  
Councilor Terry Shankle – Present  
Councilor Jody Newland – Present  
Councilor Open Position

**STAFF IN ATTENDANCE:**

Dan Huff, City Manager - Present  
Gerald Fisher, Public Works Director - Present  
Cindy Chauran, Senior Accountant - Present  
Christie DeSantis, Interim City Recorder - Present

***PUBLIC COMMENT/COMMUNICATIONS/PRESENTATIONS***

**Janelle Lawrence, Executive Director of Oregon Impact** – Ms. Lawrence stated that she approached twenty businesses in the City of Molalla to provide lock boxes for cannabis users to keep their product locked up and safe from their children. She publicly thanked Las Delicias Bakery for being instrumental in providing 46 lock boxes to the public.

**Natalie Litchfield, Molalla, OR, Student Liaison to City Council** – Ms. Litchfield state that she has submitted an application to become a student liaison between the City of Molalla and Molalla High School.

Motion made by Councilor Newland to accept Ms. Litchfield’s application, seconded by Councilor Klein. Vote passes 4-0. Ms. Litchfield was invited to take a seat at the Council table.

**Eric Underwood, PGE, 121 SW Salmon St, Portland, OR** – Mr. Underwood stated that he is the new liaison between Clackamas County and the City of Molalla. He shared that 675 Molalla residents participate in the Green Program.

Councilor Klein asked if he could describe what is entailed in the green program. He explained that for resident accounts that it is primarily wind energy.

Mayor Swigart asked if the price had come down at all on wind energy, Mr. Underwood replied no, but solar had reduced. The Mayor also asked if PGE had a program for residents to reduce costs through solar energy, and Mr. Underwood replied that at this time PGE does not.

### **APPROVAL OF AGENDA**

### **CONSENT AGENDA**

1. City Council Minutes May 22, 2019
2. 16-07 Public Works Shops Facility Building Improvements Bid Award (staff – Fisher)
3. New Off-Premises Liquor License Application for My Family Market
4. New Off-Premises Liquor License Application for Molalla Beverage and Mixers, LLC

Mayor Swigart called for a motion to approve all Consent Agenda items, given that there was no need for discussion. Motion made by Councilor Klein, seconded by Councilor Shankle. Vote passes 4-0.

### **PUBLIC HEARING**

1. Discussion and/or Action on 2019/2020 Fiscal Year Budget. (staff – Chauran)
  - A. Resolution 2019-13  
A Resolution Adopting the City of Molalla Budget for the Fiscal Year 2019/2020; Making Appropriations; and Categorizing and Levying Ad Valorem Taxes.

Senior Accountant Cindy Chauran presented Resolution 2019-13 to the Council. Mayor Swigart opened the public hearing and invited the audience to speak. There were no speakers. Hearing was closed at 7:23pm.

Councilor Klein asked how the budget rate of 5.3058 per thousand was derived. Staff indicated that Clackamas County sets the rate. City Manager Huff shared that the rate is set by Measure 5, which is a permanent rate.

Motion to adopt Resolution 2019-13 was made by Councilor Newland, seconded by Councilor Klein. Vote passes 4-0.

- B. Resolution 2019-14  
A Resolution of the City of Molalla, Oregon, Certifying All Requirements to Receive State Shared Revenues Have Been Met.

Senior Accountant Cindy Chauran presented Resolution 2019-14 to the Council. Mayor Swigart opened the public hearing and invited the audience to speak. There were no speakers. Hearing was closed at 7:26pm.

Motion to adopt Resolution 2019-14 was made by Councilor Newland, second by Councilor Shankle. Vote passes 4-0.

C. Resolution 2019-15.

A Resolution of the City of Molalla, Oregon, Declaring the City's Election to Receive State Revenue Sharing.

Senior Accountant Cindy Chauran presented Resolution 2019-15 to the Council. Mayor Swigart opened the public hearing and invited the audience to speak. There were no speakers. Hearing was closed at 7:29pm.

Motion to adopt Resolution 2019-15 was made by Councilor Shankle, seconded by Councilor Newland. Vote passes 4-0.

**REPORTS AND ANNOUNCEMENTS**

City Staff did not have any items to report.

Councilor Klein shared that recently the City of Molalla hosted a Clackamas Cities Association dinner at Arrowhead Golf Course. It had been eight years since Molalla had hosted last and it was a good turnout.

Mayor Swigart shared that on June 8<sup>th</sup> the first exploratory meeting for the Arts had taken place. He said the meeting was well attended and hopes that a presentation will be ready for an upcoming Council meeting.

Councilor Shankle reminded everyone that the Giant 4<sup>th</sup> of July Parade takes place at 9:20am, and various streets will be closed and people will have to use Molalla Forest Road.

Motion was made by Councilor Shankle to recess into Executive Session, second by Councilor Newland. Vote passes 4-0. Meeting is recessed at 7:33pm.

**EXECUTIVE SESSION**

*Held pursuant to Oregon Public Record Law, ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.*

**RECONVENE CITY COUNCIL MEETING**

The City Council reconvened the regular meeting at 8:59pm.

**ADJOURN**

Motion made by Councilor Klein to adjourn at 9:01pm, seconded by Councilor Shankle. Vote 4-0.

\_\_\_\_\_  
Keith Swigart, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Christie DeSantis, Interim City Recorder

# City of Molalla

## City Council Meeting

### Agenda Category: Ordinances, Resolutions and Proclamations

**Subject:** *Adopt Supplemental Budget FY 18/19 Resolution 2019-16*

**Recommendation:** *Council Approval*

**Date of Meeting to be Presented:** *June 26, 2019*

**Fiscal Impact:** *\$15,000*

**Background:**

This resolution adjusts the fiscal year 2018-19 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 2-3 times 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.

Under Oregon Budget Law, there are three ways to change appropriations after the budget is adopted:

1. A transfer of appropriations which decreases an appropriation and increases another. This is the simplest budget change allowed under Oregon Budget law. This does not increase the overall budget. This is approved by a City Council resolution.
2. A supplemental budget of less than 10 percent of total appropriations within an individual fund follows a process similar to the transfer of appropriations.
3. A supplemental budget in excess of 10 percent of total appropriations requires a longer process. This process includes a notice in the paper and a public hearing.

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



**RESOLUTION 2019-16  
CITY OF MOLALLA**

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2018-2019 AND  
APPROPRIATING FUNDS.**

**WHEREAS**, the City adopted a budget and appropriated funds for fiscal year 2018-2019 by Resolution 2018-08; and Supplemental Resolution 2018-16,

**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 appropriation levels to expend the unforeseen revenues; and,

**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, 2018 and ending June 30, 2019 to include unanticipated expenses and increases in grant and donation revenues and appropriations within the following funds:

	<b>Reso 2018-08 &amp; 16 Current Appropriations</b>	<b>Reso 2019-16 Change Appropriations</b>	<b>Amended Appropriations</b>
<b>Sewer Fund</b>			
Sewer Maintenance	717,545	78,505	796,050
Sewer Operations	807,662	64,638	872,300
Contingency	402,900	(143,143)	259,757
<b>Total Appropriated to Sewer Fund</b>	<b>2,798,682</b>	<b>0</b>	<b>2,798,682</b>
<b>General Fund</b>			
City Council	59,500	15,000	74,500
<b>Total Appropriated to Sewer Fund</b>	<b>4,752,733</b>	<b>15,000</b>	<b>4,767,733</b>
<b>TOTAL ALL REQUIREMENTS</b>	<b>7,551,415</b>	<b>15,000</b>	<b>7,566,415</b>

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 26th day of June, 2019 by the following vote:

**AYES:** \_\_\_\_                      **NAYS:** \_\_\_\_

APPROVED BY THE MAYOR this 26th day of June, 2019.

\_\_\_\_\_  
Keith Swigart, Mayor

ATTESTED BY:

\_\_\_\_\_  
Christie DeSantis, Interim City Recorder



City of Molalla – Administration Office  
117 N Molalla Avenue, PO Box 248, Molalla, Oregon 97038  
Phone: (503) 829-6855 Fax: (503) 829-3676

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DATE: June 26, 2019  
TO: Mayor and Council  
FROM: City Manager  
SUBJECT: **Chamber Request – Seasonal Banners Downtown**

Attached to this memo is a request from the Molalla Area Chamber of Commerce regarding seasonal banners for downtown Molalla as part of our downtown banner program. The Chamber is specifically requesting the following:

1. Donate their winter banners to the City of Molalla.
2. The City would be the responsible party for install in November through February.
3. The City would be responsible for storage, cleaning and maintenance in the future.


This request is forwarded to the City Council because there is a fiscal impact and the fiscal impact occurs on the City Council fund. Our current banner program runs through the Council fund and does not incorporate tax dollars when costs are incurred. I believe Council needs to be aware of the following when deliberating toward a decision:

**Future costs** – The City will be the responsible party for maintenance, cleaning, repair and replacement. Banners that are up during winter months will most likely require addition maintenance and repair at a cost to the city. Staff recommends that a banner warranty period be considered as part of your decision.

**Contractor** – The City currently contracts with a vendor to remove and install the community banners and 4<sup>th</sup> of July banners. We have had a discussion with the vendor and there will be no additional cost to install winter banners as long as we install at the same time as our current schedule. Our current Schedule is October and January.

Secondly, if we run into damage caused by weather there will be additional cost to remove and repair during the winter months.

City would assume full control of the banners once donated.

  
\_\_\_\_\_  
Dan Huff  
City Manager

City of Molalla  
Dan Huff, City Manager

June 17, 2019

Dear Dan,

This is to follow up on discussions regarding seasonal banners. The Chamber would like to produce up to 40 seasonal banners for the winter period, November through February.

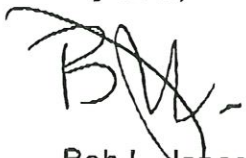
As has been discussed with Councilor Childress, we would like to collaborate with the City to have these banners installed/taken down at the same time the City is taking down/installing the Get to Know Molalla banners. It is our understanding there is a fee to accomplish this. We'd like to request the Molalla City Council use their discretionary "council funds" to support the Chamber in our endeavors.

One of the values identified in the Molalla Area Community Visioning Project is "a welcoming place (both physically and socially)". We believe the winter banners will enhance the welcoming look of Molalla and the positive social feeling, centered around our beautiful winters during which time social gatherings are abundant. This project could be a six-month goal for visioning. It would highlight the Chamber as the first organization to step out and be part of the visioning project and might encourage others to join in.

We'd like to move forward with this project, if you agree let's draft an informal memorandum of understanding (MOU) between the City and the Chamber and set a time for us to be added to the city council agenda. We look forward to working with the city to make these beautification efforts a reality.

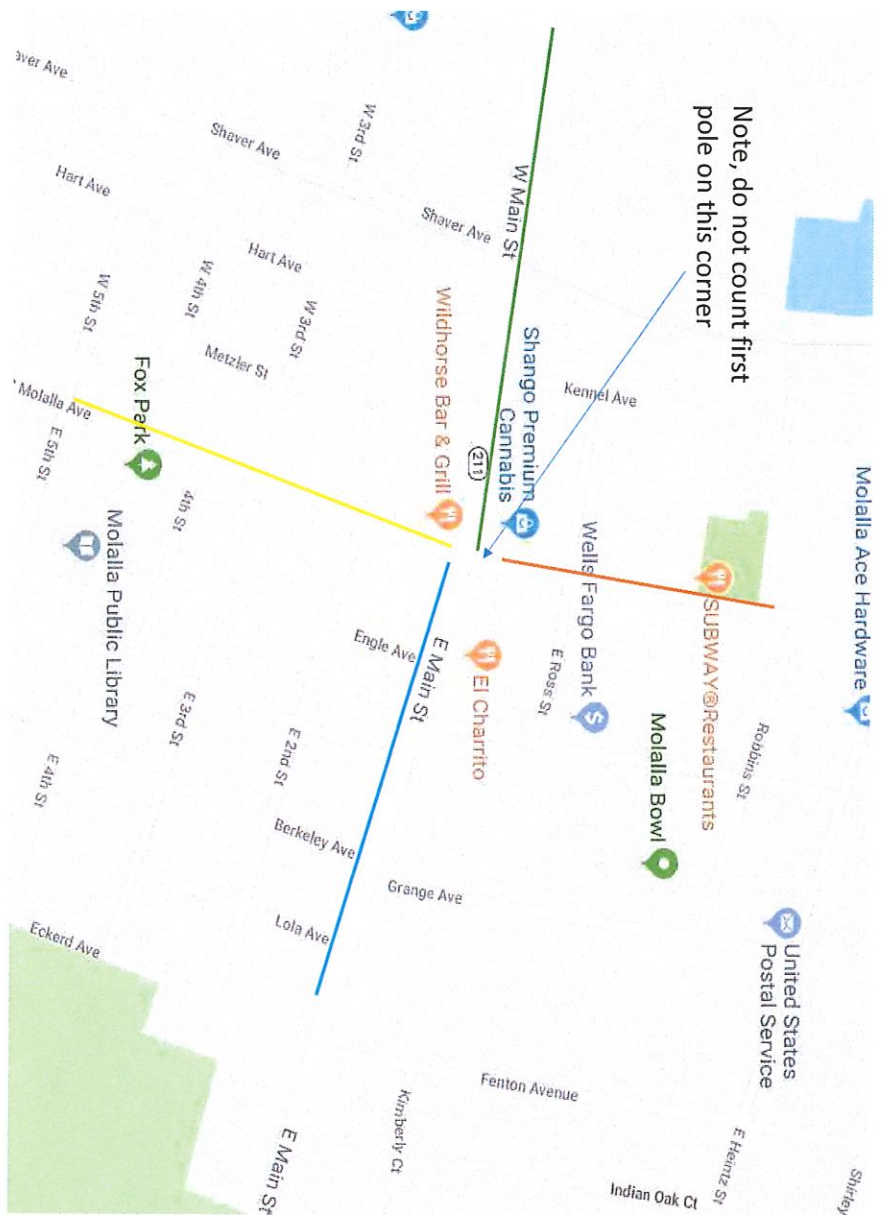
Please give me a call to discuss at your earliest convenience, I can be reached at 503-265-9264.

My best,



Bob L. Jones  
Chamber President  
Molalla Chamber of Commerce





MOLALLA SET CONSISTS OF		
QTY	Banner Text	Color
8	"Historic Molalla"	Yellow
8	"Molalla Community"	Green
8	"Molalla Indian Heritage"	Orange
8	"Molalla River Recreation"	Blue

Note: each direction takes 10 banners: the 8 above, and a "City Logo" banner on the outsides.

AMERICANA SET CONSISTS OF		
QTY	Banner Text	Color
10	Buckaroo Cowboy	Green
10	American Flag	Yellow
10	Fireworks	Orange
10	Veterans	Blue

Contractor: Mike with Westling Trees  
(Cell 971-998-0693)

Annual Schedule	
31-Jan	Molalla Set goes UP
15-Jun	Molalla Set comes DOWN / Americana Set goes UP
15-Jul	Americana Set comes DOWN / Molalla Set goes UP
1-Oct	Molalla Set comes DOWN