

Kent Taylor Civic Hall Council Chambers 200 NE Second Street McMinnville, OR 97128

City Council Meeting Agenda
Tuesday, September 23, 2025
5:30 p.m. – Work Session Meeting
7:00 p.m. – City Council Regular Meeting

Welcome! The public is strongly encouraged to participate remotely but there is seating at Civic Hall for those who are not able to participate remotely. However, if you are not feeling well, please stay home and take care of yourself.

The public is strongly encouraged to relay concerns and comments to the Council in one of four ways:

• Attend in person and fill out a public comment card

- Email at any time up to noon on Monday, September 22nd to CityRecorderTeam@mcminnvilleoregon.gov
- If appearing via telephone or ZOOM, please sign up prior by **noon on Monday, September 22nd** by emailing the City Recorder at CityRecorderTeam@mcminnvilleoregon.gov as the chat function is not available when calling in Zoom; You will need to provide the City Recorder with your First and Last name, Address, and contact information (email)

or phone) for a public comment card.

You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331,
Frontier 29 or webstream here:
mcm11.org/live

CITY COUNCIL WORK SESSION & CITY COUNCIL REGULAR MEETING:

You may join online via Zoom Webinar Meeting:

https://mcminnvilleoregon.zoom.us/j/83464587652?pwd=1xhpsp0DKexX7ZaLaP4EaqLNCaHw9q.1

Or you can call in and listen via Zoom: 1-253- 215- 8782

Webinar ID: 834 6458 7652

5:30 PM – WORK SESSION MEETING – VIA ZOOM AND SEATING AT CIVIC HALL

- 1. CALL TO ORDER
- 2. WORK SESSION: LEGISLATIVE INITIATIVE FY25/27 OREGON ('26 SHORT SESSION) AND FY27 FEDERAL APPROPRIATIONS
- 3. ADJOURNMENT OF WORK SESSION

7:00 PM - REGULAR COUNCIL MEETING - VIA ZOOM AND SEATING AT CIVIC HALL

- 1. CALL TO ORDER & ROLL CALL
- 2. PLEDGE OF ALLEGIANCE
- 3. INVITATION TO COMMUNITY MEMBERS FOR PUBLIC COMMENT –

The Mayor will announce that any interested audience members are invited to provide comments. Anyone may speak on any topic other than: a matter in litigation, a quasi-judicial land use matter; or a matter scheduled for public hearing at

some future date. The Mayor may limit comments to 4 minutes per person for a total of 32 minutes. The Mayor will read comments emailed to the City Recorder and then call on anyone who has signed up to provide public comment.

4. ADVICE/INFORMATION ITEMS

- a. Reports from Councilors on Committee & Board Assignments
- b. Department Head Reports

CONSENT AGENDA

a. Consider Resolution No. <u>2025-52</u>: A Resolution authorizing the approval of an Intergovernmental Agreement between the City of McMinnville and the Oregon Department of Transportation (ODOT) for ADA Curb Ramp Improvements along OR99W, OR18, and OR18 Frontage Road, Agreement No. 73000-00039034.

6. RESOLUTION

- a. Consider **Resolution No. <u>2025-53</u>**: A Resolution authorizing the lease of City-owned real property at the Water Reclamation Facility to Creekside Valley Farms, LLC pursuant to ORS 271.310.
- 7. ADJOURNMENT OF REGULAR MEETING



City of McMinnville
City Hall
230 NE 2nd Street
McMinnville, OR 97128
www.mcminnvilleoregon.gov

STAFF REPORT

DATE: September 23, 2025

TO: Mayor and City Councilors

FROM: Jody Christensen, Special Projects Manager

Heather Richards, Community Development Director

Geoff Hunsaker, Public Works Director

Jenny Berg, Library Director and Interim Parks and Recreation Director

SUBJECT: Work Session: Legislative Initiative – FY25/27 Oregon ('26 Short Session) and

FY27 Federal Appropriations

STRATEGIC PRIORITY & GOAL:



CITY GOVERNMENT CAPACITY

Strengthen the City's ability to prioritize & deliver municipal services with discipline and focus.

Report in Brief:

This is a work session to prepare for the City's participation in the 2026 Session of the Oregon State Legislature and the FY27 Federal Direct Appropriations Initiative. The City's State Lobbyist, Doug Riggs with NW Policy, will join the discussion.

Background

On July 22, 2025, during a regular meeting, the City Council received a full 2025 Legislative report and results of the City's Legislative Initiative since its establishment in 2022.

Below is a review of the current approach, coordination, 2026 timeline, and results to date for the City of McMinnville's legislative effort.

The Approach: A strategic set of best practices was developed with the help of former Representative Ron Noble, Representative Lucetta Elmer, Senator Bruce Starr, District Office Policy Advisors, the Federal Delegation and their Field Staff, the City's State and former Federal Lobbyists, and the City's Executive Leadership Team.

Best Practices

Legislative planning is year-round

- A city team comprised of the Mayor, City Manager, Public Works Director, Community Development Director, and Special Projects Manager meet for 30 minutes every other Tuesday with state lobbyist. Representative Elmer and her staff occasionally will join the meeting.
- Periodic outreach with Governor's policy advisors and Regional Solutions to provide updates or engage for a specific discussion
- Engage with legislators and agency representatives in 1:1 meetings and site visits with local elected officials; always include District Representative and Senator's Offices.
- Testimony and letters of support are essential have the lists and templates ready to go. Keep partner agencies (MDA, MACC, MEDP, VM, MEVLC, AHC and MURAC) apprised of efforts for quick response testimonials
- The funding request needs to be tracked from start to signing. For example, HB 4134 changed without prior knowledge.
- Develop targeted list of priorities with projects that are ready to go
 - Set priorities by June identify projects finalize requests by September
 - o Focus on direct allocations!
- Outreach
 - Create digital and printed one-pagers/backgrounders.
 - o Distribute project communications to wide audience.
- State and federal funding requests
 - Lists are key get on a list in a bill.
 - o Asks should be between \$1-3M. Requests under a million are more competitive.
 - o Project should have partial funding secured (i.e., match or in-kind)
 - PHASED projects could go for additional future funding.
 - Shovel ready projects mean
 - Federal: 12-18 months start from receipt of funds usually needs to be completed in 3-5 years; state agency will likely be responsible for managing the contract with the City
 - State: 1-3 years completed (depending on session)

The City Team and Coordination: Mayor Morris, Council President Sal Peralta (when available), the interim City Manager Adam Garvin, Community Development Director Heather Richards, Public Works Director Geoff Hunsaker, Special Projects Manager Jody Christensen, and our state lobbyist, Doug Riggs, meet bi-weekly to coordinate legislative priorities. During these meetings, the group works to move the priority projects forward. On occasion, the group may invite Representative Elmer, Senator Starr, and their policy staff.

In preparation for the Federal Direct Appropriations process, there will also be coordination meetings and visits with the Federal Delegation and their field staff. These will likely be scheduled through the Office of the Mayor and supported by Staff.

The Staff manages the project tracker and timeline documents, tours (both Salem and city) logistics, communications, materials development, special meetings, lobbying contract, letters of support campaigns, presentations, and staffing and prepping city elected officials, as needed. The Staff is also responsible for submitting all the documents and applications required for the funding requests.

It is important to note that in the legislative arena, the Mayor is THE point of contact when engaging with elected officials regarding any project discussion. Staff act as the support team for the Mayor and the legislative initiative work.

The Results to Date: Since 2022, this work has generated \$3,045,000 in direct allocation funds for McMinnville projects, including \$850,000 in Federal Appropriations for the next phase of design for the Third Street Improvement Project, \$2,000,000 for the Zone 2 Water Pump Station to secure workforce housing units, and \$195,094 to support the MV Advancements housing development for seniors and households with disabilities.

In Summer 2025, Mayor Morris was informed by Senator Wyden's office that the City's McMinnville Housing Rehabilitation Program in partnership with Housing Authority of Yamhill County is in the Draft FY26 Federal Appropriations Bill for \$1M. As of 9.11.25, the bill had not yet passed.

The 2025-2026 Planning Timeline

The following chart shows the 2026 State and FY27 Federal Appropriations timelines.

2026 DEADLINES (subject to change):

- July Aug. 2025 Review current Priority Project Lists with city leadership, lobbyist and city staff
- September 2025 Confirm Priority Projects List is ready to go with 2-3 projects identified for State & Federal Requests
- Sept. March. 2026 Work with Rep. Elmer, Sen. Starr, and Wyden/Merkley/Salinas field staff to discuss FY 26 State Requests and FY27 Federal Appropriations AND <u>submit</u> State '26 CIP form to Rep. Elmer and Sen. Starr. Continue to advocate for projects.
- Jan. March 2026 Submit FY27 Federal Appropriations CIP/CFP to Wyden/Merkley/Salinas
- Feb. 2 Mar. 9, 2026 Oregon Legislature Short Session (If awarded in the bill, the agency will have contracts out in 6-8 months.)
- Late Summer/Early Fall 2026 Notification of Pending Federal Appropriations

'26 Legislative Preparation

To prepare for the City Council legislative discussion, the Staff met with several stakeholders to review the 2025 priority projects, seek comments (i.e., additions, updates, etc.), and determine project readiness for 2026.

The following represents the groups who helped to vet the proposed list of 2026 Priority Projects.

- Council Leadership
- City Administration
- Executive Leadership Team
- Department leadership in Planning, Engineering, Public Works, Library and Parks and Recreation

In addition, Staff reviewed alignment with the City Council 2025-26 Goals, Mac Town 2032 Strategic Goals, McMinnville Economic Vitality Leadership Council (EVLC) Goals, and McMinnville Water and Light Strategies as shown in Exhibit A.

The Proposed 2026 Priority Projects and Other Legislative Work

The Draft Priority Projects List for the '26 Session of Oregon State Legislature and FY27 Federal Appropriations is provided in Exhibit B.

Several of the projects have been on the list since 2022 (i.e., Third Street Improvement Project; Community, Parks, and Recreation Project; and the Low-to Moderate (LMI) Neighborhood Sidewalk Accessibility Phase 1). The list has been reviewed each year with the coordination team to prepare for the upcoming legislative initiatives.

In 2025, three City projects were promoted for funding – City of McMinnville NE Gateway Alpine Ave Street Improvement Phase 2, City of McMinnville Hwy 18 Frontage Streets Improvement Phase 1 (Cumulus and North Lane), and City of McMinnville LMI Neighborhood Sidewalk Accessibility Phase 1. These were promoted for funding after discussions with city leadership, state lobbyist, state representatives and federal representatives based on political priorities and readiness to proceed.

To review an example of the 2025 Priority Projects flyer, see Exhibit C. In addition, the City of McMinnville worked with two local partner agencies to promote projects for funding – McMinnville Affordable Housing Project (Habitat for Humanity) and McMinnville Housing Rehabilitation submitted by Housing Authority of Yamhill County.

For the Draft 2026 Priority Projects list, some projects have been updated, such as the Third Street Improvement Project, which is now in its final two phases - Phase E 30-100% Design and Engineering and Phase F Construction. Projects added this year are the Repurposing of Vacated Recreation Properties, 2nd Street and Hill Road Roundabout, and the Community, Parks, and Recreation project now has phased project components to allow for more refined legislative asks as appropriate.

The list will be the foundation for legislative work in the '26 State Legislature Session and for the FY27 Federal Appropriations process. Over the next few weeks and months, the Coordination

Team will continue to plan and assess the potential requests. The projects will be continually refined for readiness to proceed; assessed the funding timeframe (12-18 months); the City's ability to provide a match, if required; and the City's staff capacity. The entire approved Priority Projects will be considered ready for opportunity.

In addition, the City is sometimes engaged in policy work. Over the last five years, starting with former Representative Noble, the City has been working on the adoption of an Inclusionary Zoning bill. Last year, Senator Khanh Pham's office reached out to discuss sponsoring IZ language in her housing committee bill. The proposed bill was drafted but did not move forward due to the need for more information from the League of Oregon Cities and other housing interests. The Senator's Housing and Transportation Policy Advisor reached out to city staff again this year in preparation for sponsoring an IZ bill again this '26 session.

The Staff is also reviewing the requirements for the Federal grant program, Better Utilizing Investments to Leverage Development (BUILD). The City would be seeking construction funds for the Third Street Improvement Project. The maximum request is \$25M.

Discussion

There will be a brief overview of the legislative work to date, a look at how the process works in Salem, and how the City is positioning itself for success. The City Council will review the proposed Priority Projects List (see Exhibit B) in preparation for the legislative effort.

Doug Riggs from Northwest Policy Advocates, the city's state lobbyist, will be available at the work session to answer questions and provide insight on how to best position the City for success with legislative requests.

Attachments:

- 1. Exhibit A: 2026 CITY Projects Alignment Matrix
- 2. Exhibit B: Proposed CITY 2026 Priority Projects
- 3. Exhibit C: Example 2025 Priority Projects Flyer

Staff Seeking Direction:

The Staff is seeking direction on the proposed '26 Priority Projects list and guidance on how the Council would like to receive legislative updates.

																Ev	chibit A
				own 2032 Stra							ls (2025-:			p Council Strat		-26)	Goals
PROJECT TITLE This title will be used to identify the project in several systems. The Projects that meet the '26 Legislative readiness readiness criteria are bolded.	City Gov Cap: Strengthen the City's ability to prioritize and deliver municipal service W/ discipline & focus	Civic Leadership Encourage a variety of leadership development opps to foster a culture of civic pride and involvement	Community Safety & Resiliency Proactively plan for & t responsivel y maintain a safe & resilient community	Econ Prosperity Provide economic opp for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors	Engagement & Inclusion Create a culture of acceptance and mutual respect that acknowledges differences and strives for equity	Growth and Dev Character Guide growth and dev strategically, responsibly to enhance our unique character	Housing Opps Create diverse housing opps that support great neighborhoods	Develop a realistic work plan for Planning that is based on workload	Implement consistent customer service hours across the City.	Review recruitment strategies and guidelines for committees	Review Parks and Recreation's SDCs on non- residential projects	THIRD STREET IMPROVEMENT PROJECT - Continue to advocate for the successful implementation of the Third Street improvement Project by applying for state and federal funds with a focus on the Build Grant in 2027 and the Business Resiliency program.	INNOVATION CAMPUS - Continue to steward the master planning and public infrastructure feasibility analysis to develop a 190- acre campus hosting and attracting research and development industrial companies with high-density jobs and higher wages	WORKFORCE HOUSING—the MEVLC will study ways to increase the availability of workforce housing in McMinnville, with a focus this year or the Alpine Avenue Street improvement Project and the residential redevelopment envisioned in the NE Gateway District	Support the leveraging of the airport for economic development purposes by	EFFECTIVENESS EVALUATION – Review the results of the Emergency Business Assistance and Noble Grants that the MEVLC has	Organizational Focus; Stakeholder Relationships; RESOURCES & INFRASTRUCTURE; EMERGENCY PREPAREDNESS
City of McMinnville Northwest Rubber Site Redevelopment																	
City of McMinnville NE Gateway Wastewater and Stormwater Upgrade Project																	
City of McMinnville NE Gateway Alpine Ave Street Improvement Project Phase 2																	
City of McMinnville Innovation Campus Master Planning Project City of McMinnville Hwy 18																	
Frontage Streets Improvement Phase 1 (Cumulus and Norton Lane)																	
City of McMinnville Booth Bend Railroad Pedestrian Crossing Improvement (Safe Route to School)																	
City of McMinnville LMI Neighborhood Sidewalk Accessibility Phase 1																	
City of McMinnville HAYC Housing Rehabilitation Program Expansion City of McMinnville Affordable																	
Housing Project (Habitat Project) City of McMinnville Signalized Intersection Michelbook and																	
Baker Creek City of McMinnville 2nd Street and Hill Rd Roundabout																	
City of McMinnville Third Street Improvement Project Phase E City of McMinnville Downtown																	
Business Resilience Program City of McMinnville Third Street																	
Improvement Project Phase F City of McMinnville Community Recreation and Aquatic Center																	
Phase 1 City of McMinnville Community Recreation and Aquatic Center Phase 2																	
City of McMinnville Library Expansion and Rehabilitation Phase 1																	
City of McMinnville Library Expansion and Rehabilitation Phase 2																	
City of McMinnville Senior Center Renovation Phase 1 City of McMinnville Senior Center																	
Renovation Phase 2 City of McMinnville Park																	
Improvements City of McMinnville Repurposing																	
Vacated Community Center (historic Armory) Phase 1																8 of 8	

"Luck is what happens when preparation meets opportunity." - Seneca

2020 DNAFT FTOJECIS LIST - NEddy for Neview		Luck is what happens when preparation meets opportunity.	3077004					
PROJECT TITLE This title will be used to identify the project in several systems	TIMING 1 (1-2yrs) 2 (2-3yrs) 3 (4-5yrs) 4 (6+yrs)	DESCRIPTION	Status of 09.09.25					
City of McMinnville NE Gateway Projects								
City of McMinnville Northwest Rubber Site Redevelopment	3	The Urban Renewal Agency acquired this 3.5 acre industrial site to reposition to a developer for a mixed-use residential/commercial development as part of a neighborhood revitalization effort.	In process.					
City of McMinnville NE Gateway Wastewater and Stormwater Upgrade Project	2 or 3	The wastewater and stormwater upgrade will allow for higher density development in the entire NE Gateway blighted 70-acre area.	Eng. staff gathering more information.					
City of McMinnville NE Gateway Alpine Ave Street Improvement Project Phase 2	1	development in the northern end of the NE	ASK: \$1M/City Match \$3.5M - 2nd Round (Fed and State) - Confirmed moved forward in the FY26 Community Initiated Project (CIP) by Senators Merkley/Wyden. Did not get funded. Submitted to State FY25-27 direct allocation (Sen Starr and Rep. Elmer). Did not move forward.					
City of McMinnville Three Mile Lane Area	Projects							
City of McMinnville Innovation Campus Infrastructure Support Project	1	The Innovation Campus (McMinnville Landing) in McMinnville is one of Oregon's largest industrial sites on HWY 18 near a municipally owned airport. McMinnville has three contiguous privately owned sites totaling 190+ acres. The City launched the master planning process in June '24. Project includes, master planned concept, infrastructure feasibility analysis, design & development standards, & marketing. The website is live - www.mcminnvillelanding.com	Planning Project (June 2024- December 2025) Tied to Hwy 18 Streets Improvement Phase 1 Project - see below					

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2	This transportation project is a critical connector improvement supporting access to the Innovation Campus site, and protecting throughput on Highway 18.	ASK: \$750,000 (D&E)/City Match \$0 - City submitted for State FY25-27 direct allocation. Did not move forward.
y and Acc	cessibility	
2	The Booth Bend RR Ped Crossing is critical for a Safe Route to Sue Buel Elementary. The City must complete this crossing to access the State's Safe Routes to School program. In 2024, the City had to return an ODOT grant fund award due the need to concurrently or first complete this crossing improvement.	Rec'd ODOT letter of eligibility. Project on pause until further notice (GH)
1	The McMinnville sidewalk improvement project (Phase 1), LMI Neighborhood is to repair and for replacement for accessibility and active trans connectivity.	ASK: \$957,375/City Match \$0 - 2nd submission - City submitted Federal FY26 CIP. Did not move forward.
1	The City in partnership with Housing Authority of Yamhill County has a successful housing rehabilitation program that has been oversubscribed for the last three years (190 McMinnville homes on a waiting list). City helped the HAYC's submission for their McMinnville project to deliver an estimated 90 rehab projects, which will keep low income participants in their homes.	ASK: \$1M - City supported/Partner submitted Federal FY26 CIP. Confirmed moving forward. In final Appropriations Bill - Pending.
1	The City helped the Habitat for Humanity team with a CIP submission as the final phase of Aspire - six (6) triplex units - in McMinnville.	ASK: \$1.5M - City Supported/Partner submitted Federal FY26 CIP. Confirmed moving forward. Did not get funded.
2	This project will improve safety for the 6 acres Baker Creek North multi-use development.	
	2 1	Innovation Campus site, and protecting throughput on Highway 18. The Booth Bend RR Ped Crossing is critical for a Safe Route to Sue Buel Elementary. The City must complete this crossing to access the State's Safe Routes to School program. In 2024, the City had to return an ODOT grant fund award due the need to concurrently or first complete this crossing improvement. The McMinnville sidewalk improvement project (Phase 1), LMI Neighborhood is to repair and for replacement for accessibility and active trans connectivity. The City in partnership with Housing Authority of Yamhill County has a successful housing rehabilitation program that has been oversubscribed for the last three years (190 McMinnville homes on a waiting list). City helped the HAYC's submission for their McMinnville project to deliver an estimated 90 rehab projects, which will keep low income participants in their homes. The City helped the Habitat for Humanity team with a CIP submission as the final phase of Aspire - six (6) triplex units - in McMinnville. This project will improve safety for the 6 acres

City of McMinnville 2nd Street and Hill Rd Roundabout	1	This project will construct a new roundabout at the intersection of 2nd Street and Hill Road to improve traffic flow and safety in response to increased traffic generated by a 500-plus homes development.	City in talks with developer who is conditioned to improve the southern leg of the intersection.	
City of McMinnville Third Street Improve	ment			
City of McMinnville Third Street Improvement Phase E	1	The Third Street Improvement Project will fix deteriorated downtown infrastructure that has led to accessibility and safety issues. 30-100% Design and Engineering Phase E	Rec'd FY 24 Fed Appropriations for \$850k.; ODOT and City are currently working on Contract; Phase E expected to start early 2026.	
City of McMinnville Downtown Business Reliance Program	1	To support the McMinnville Downtown businesses, the Business Reliance Program will bring resources to help businesses thrive pre-, during, and post-construction.	Program plan development is expected to begin Fall '25. The next phase would be implementation.	
City of McMinnville Third Street Improvement Project Construction Phase F	3	The Third Street Improvement Project will fix deteriorated downtown infrastructure that has led to accessibility and safety issues. Construction Phase F	City preparing application for the Federal 2027 BUILD Grant - potential ask is \$25M.	
City of McMinnville Community, Parks, a	nd Recre	ation		
City of McMinnville Community Recreation and Aquatic Center Phase 1	2	Design and Engineering for project expected to include lap/competition pool, recreation pool, multi-purpose gym, drop in childcare, classroom and meeting space, and fitness studio.	These projects have been a priority for the City Council starting in 2024. Bond in Nov. 2025; includes Library and Senior Center. Preparing for a state legislative ask in	
City of McMinnville Community Recreation and Aquatic Center Phase 2	3	Construction of Community Recreation and Aquatic Center.	FY27-29 (Long Session)	
City of McMinnville Library Expansion and Rehabilitation Phase 1	2	Design and Engineering for project expected to include expanded spaces for activities and learning opportunities for children and families including more restrooms.		

City of McMinnville Library Expansion and Rehabilitation Phase 2	3	Construction of library expansion and rehabilitation.	
City of McMinnville Senior Center Renovation Phase 1	2	Design and Engineering for project expected to include improved existing rooms and features; redesigned entrance for people with mobility issues; safety enhancements, and covered outdoor area.	
City of McMinnville Senior Center Renovation Phase 2	3	Construction of Senior Center renovation and safety improvements.	
City of McMinnville Park Improvements	3	Improvements to parks and open spaces expected to include safer playgrounds with play opportunities for children of abilities; improvements such as light, cameras, and visibility, and other amenities.	
City of McMinnville Public Facilities			
City of McMinnville Repurposing Vacated Community Center (historic Armory) Phase 1		Phase 1 would be a feasibility analysis.	Future discussion

NE Gateway District – Revitalizing a Blighted Old Industrial Neighborhood into a Vibrant Mixed-Use City Center

The City of McMinnville's NE Gateway District is the city's historic industrial area. This district was the subject of a master planning effort in 2013 which resulted in new redevelopment in the area including the signature Granary District adjacent to the site, as well as Phase 1 of the pedestrian and festival-street improvements along Alpine Ave. The City is currently seeking a developer for the district's NW Rubber 3.5 acre site. The City is now ready to complete the remaining four blocks of Alpine Ave.

PRIORITY #1 PROJECT

City of McMinnville NE Gateway Alpine Ave Street Improvement Phase 2 will transform four blocks of gravel road into a paved street with storm-drainage, safety, accessibility, bicycle and pedestrian amenities in a blighted industrial area to revitalize into a vibrant, mixed-use neighborhood. This



project is necessary to serve the NE Gateway District Redevelopment NW Rubber Site, a mixed-use development project, including over 100+ dwelling units, both affordable

and market rate housing on 3.5 acres that is already in the design phase.

The City is committing \$3,500,000.00 in Urban Renewal Funds and \$504,000.00 in other funds for the Alpine Ave Street improvement project.

The 2025-2027 Legislative Request: \$995,700 *(19.91% of the total project cost)*

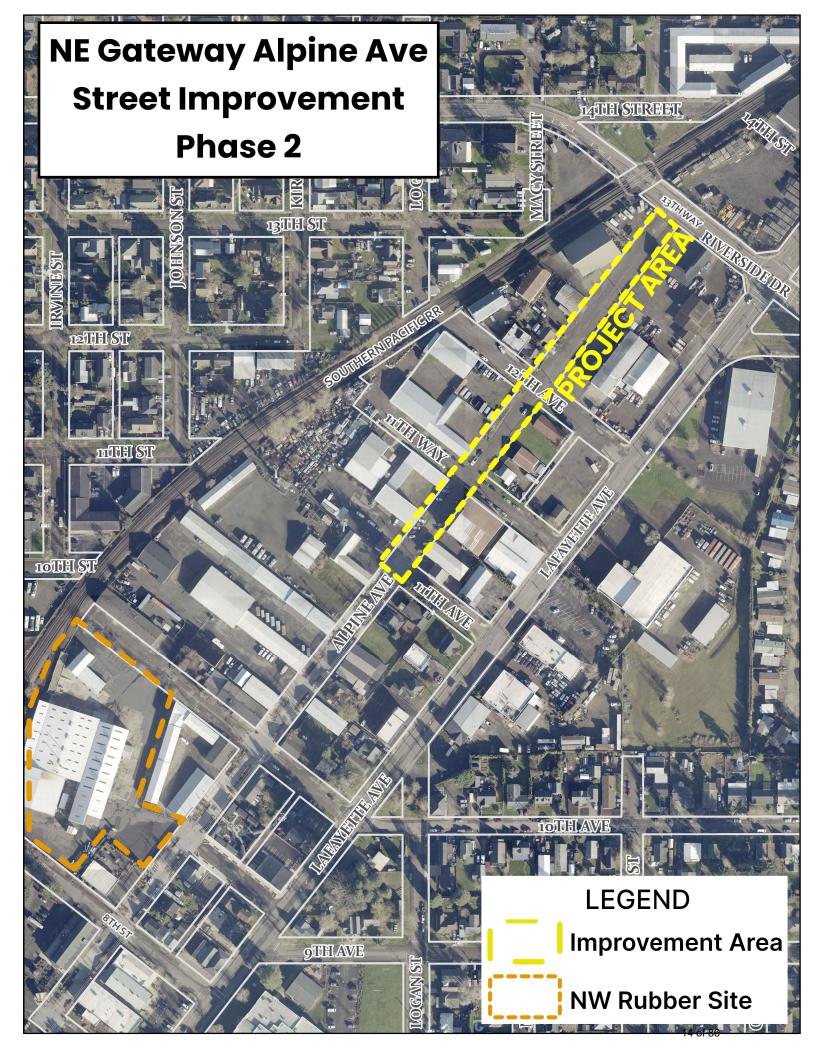
TOTAL PROJECT \$4,995,700
Urban Renewal \$3,500,000
Other \$504,000
Request \$995,700

NE Gateway District Redevelopment – NW Rubber Site



The Urban Renewal Agency acquired this 3.5 acre industrial site to reposition to a developer for a mixed-use residential and commercial development.

City of McMinnville 220 NE Second Street McMinnville, Oregon 97128 Heather Richards
Heather.Richards@mcminnnvilleoregon.gov
971.287.8322



Innovation Campus Project – McMinnville's Next Generation Employment Hub on 200+ Acres

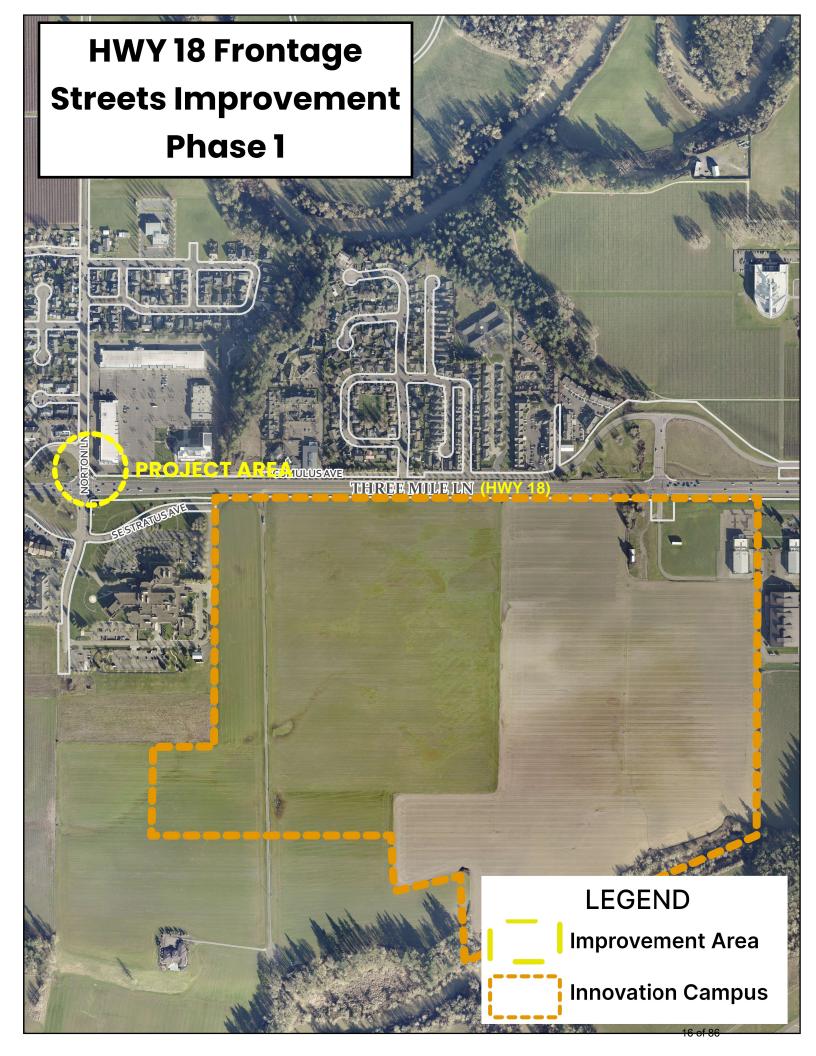
The City is currently Master Planning over 200 acres of vacant industrial land on Highway 18 into a high-density innovation campus, and identifying the public infrastructure needed to support the project. The Hwy 18 Frontage Streets will be critical connectors to the employment hub.



The 2025-2027 Legislative Request: \$750,000.00

PRIORITY #2 PROJECT

City of McMinnville Hwy 18 Frontage Streets Improvement Phase 1 is a critical connector for the development of the Innovation Campus Site (200+ acre industrial site) and projecting throughput on Highway 18. Phase 1 is the design and engineering of the intersection of Cumulus and Norton Lane. In 2017, the City partnered with ODOT, Region 2, on a Transportation Growth Management (TGM) funded Three Mile Lane Area Plan, to understand how to facilitate the development of the frontage property on Highway 18 that is within the city limits and protect the functionality of Highway 18. A local frontage road system is the essential component of the development strategy and is reliant upon the complex design and engineering of frontage road connections at Cumulus and Norton Lane. The necessary next step is the design of this improvement. And due to the complexity of the design, it is beyond the city's capacity. This project is ready to proceed with design with the necessary funding to hire a transportation engineering firm to design the project.



ENTERED INTO THE RECORD
DATE RECEIVED: 09.11.2025
SUBMITTED BY: Erin Lawler
SUBJECT: Public Comment

From: Mayor Kim Morris
To: Claudia Cisneros

Subject: Fw: Removal of City Council member Sal Peralta **Date:** Monday, September 15, 2025 6:30:40 PM

FYI

Get Outlook for iOS

From: Erin Lawler

Sent: Thursday, September 11, 2025 9:27 AM

To: Mayor Kim Morris < Kim. Morris@mcminnvilleoregon.gov >; Sal Peralta

<Sal.Peralta@mcminnvilleoregon.gov>; Chris Chenoweth

<Chris.Chenoweth@mcminnvilleoregon.gov>; Daniel Tucholsky

<Daniel.Tucholsky@mcminnvilleoregon.gov>; Zack Geary

<Zack.Geary@mcminnvilleoregon.gov>; Jessica Payne

<Jessica.Payne@mcminnvilleoregon.gov>; Scott Cunningham

<Scott.Cunningham@mcminnvilleoregon.gov>; johnstonk@yamhillcounty.gov

<johnstonk@yamhillcounty.gov>; Mary Starrett <starrettm@yamhillcounty.gov>;

kingb@yamhillcounty.gov < kingb@yamhillcounty.gov>

Subject: Removal of City Council member Sal Peralta

This message originated outside of the City of McMinnville.

Good morning Mayor Morris, county commissioners, and and members of the city council,

I am emailing today to request the immediate removal of city council member Sal Peralta. His behavior is reprehensible.

The attached imagine is one of many examples of Sal's unprofessional and irresponsible conduct.

I am asking you to act swiftly in holding each of our leaders to the highest standard in their words and actions.

The seats at the table of our community's leadership should be reserved only for those with the highest commitment to serving and protecting ALL.

Sal's comments display a sick, deranged, dangerous mindset that has no place in leadership.

He should be removed from his seat effective immediately.



Comment

Mylee Smith I hope things do change

1h Like Reply



Sal Peralta

Mylee Smith He's a Christian motivational speaker the same way the Klan is a Christian Fraternal organization. He has no relationship to a gospel-centered bible. His entire schtick is the opposite of Jesus' ministry — to persuade people like you to dislike, fear and hate people you perceive to be different from you — liberals, immigrants, trans people, etc. I don't wish harm on anyone but when you make a living out of shitting on groups of other people every single day, don't be surprised when some of the hate comes back to you.

1h Like Reply





Replying to yourself · Cancel

DATE RECEIVED: 09.15.2025
SUBMITTED BY: Melinda Richards
SUBJECT: Public Comment

From: Melinda Chase
To: City Recorder Team

Subject: Resignation of Sal Peralta ordered by the People **Date:** Monday, September 15, 2025 9:24:16 PM

This message originated outside of the City of McMinnville.

Hello,

I have been following many posts on Facebook since the horrible day Charlie Kirk was murdered. Most of these posts were in support and prayers for Charlie Kirk wife and children and for the students who had to witness this horrible unnecessary tragedy. Then out of left field come Sal Peralta post in which he states in his own round about way that Charlie Kirk got what he deserved. That he is ok with human life being taken because Charlie Kirk was a bad KKK man and so on. My problem with this is not that he used his right to freedom of speech. My problem is that as a public officials in the town I grew up in where my children have grown up and are now starting their families they have a man in office so full of hate he is ok a human life was lost. Sal Peralta has twisted the truth about who Charlie Kirk was and what he did for a living and still continues to mock his passing even after he has been called out by members of the community on Facebook. Some of the people put Sal Peralta in office but now the people want him out of office. We want a formal apology to his wife for the nasty words he has spoken about Charlie Kirk and to follow that up his resignation. Sal Peralta must go he is a stain of evil on his position, the City of McMinnville and the county of Yamhill. Please just make this as easy as possible and remove him from office.

Sincerely, Melinda Richards

Yahoo Mail: Search, Organize, Conquer

DATE RECEIVED: 09.16.2025
SUBMITTED BY: Amanda
SUBJECT: Public Comment

From: Mandy F

To: Mayor Kim Morris; Sal Peralta; Chris Chenoweth; Daniel Tucholsky; Zack Geary; Jessica Payne; Scott

Cunningham; Adam D. Garvin; Claudia Cisneros

Subject: In response to Chaz Gibbons statements towards Sal on the McMinnville Community Task Force Page

Date: Tuesday, September 16, 2025 12:01:49 PM

This message originated outside of the City of McMinnville.

The fact that Charlie Kirk was assassinated for speaking feely and engaging in discord is the main reason I mourn his death. That is exactly what our country was founded on, freedom of speech without fear of government involvement. One of the reasons I love our city council so much is because it's a colorful mixture of broken people coming from all walks of life. If we knew everything that was done in the shadows and what people say behind closed doors we probably wouldn't have any city council at all, with a witch hunt like this. In my opinion and it's just an opinion Sal is a great leader and he showed everyone his hand. The question you have to ask yourself is are his words so absolutely offensive that he needs to resign? Really? I don't see him rejoicing over Kirk's death and that's what the Cornelius counselor had done. Sal stated an opinion that actually represents how a vast majority of McMinnvillites feel so he is actually doing what he was put on the council to do and that is represent his people. I've already written to Sal what I believe about his words (that they have power and can change a whole landscape) but he doesn't need to be fired, in my opinion.

--

Sincerely, Amanda

DATE RECEIVED: 09.16.2025
SUBMITTED BY: Stacey Mayhew
SUBJECT: Public Comment

From: Stacey Mayhew

To: Mayor Kim Morris; Sal Peralta; Chris Chenoweth; Daniel Tucholsky; Zack Geary; Jessica Payne; Scott

Cunningham; Adam Garvin; Claudia Cisneros

Subject: Council President Sal Peralta

Date: Tuesday, September 16, 2025 2:17:42 PM

This message originated outside of the City of McMinnville.

Madam Mayor and Council members,

It is long past time for all Americans to confront the fact that violence and murder are the tragic consequences of demonizing those with whom you disagree. Council President, Sal Peralta, has engaged in this rhetoric several times now on social media, the latest instance being the assasination of public figure Charlie Kirk. Council President Peralta has compared his constituents who disagree with his views as Klansman, hiding behind their white masks. When you dehumanize those who you disagree with politically, you can encourage those who might be easily swayed to commit violence. I am so disappointed that Mr. Peralta represents my family in Ward 1 but I am more concerned that he represents all of McMinnville as the council president. Mr. Peralta is the only council member who took the opportunity to meet tragedy with disrespect and disdain. We deserve better from an appointed leader. My family deserves better.

I would like to see Mr. Peralta resign his position as city councilor, as the councilor in the city of Cornelius did after similar comments. However, I do not believe that his questionable character will allow him to do so.

Councilor Payne, I would like to see you step up and take on the very important mantle of councilor president. One of the many reasons I voted for Mayor Morris is that she has the desire and ability to listen to all sides, to champion unity above divisiveness and her goal is to bring the city of McMinnville and her citizens into a better and brighter future. She has shown a willingness to work with all citizens of McMinnville, regardless of belief, background or political opinion. This is what McMinnville deserves and I believe that you will do the same as council president. I believe you will show sound judgement in the absence of our mayor. I believe, like her, you will champion unity in a world, a state and a city divided. Please consider stepping into this role for the betterment of McMinnville.

When people refuse to turn the temperature down, we have to do it for them.

Murder is not a political platform and we should not be represented by people who glorify or make excuses for political assassinations. We need sunlight, unity, kindness, facts and compassion.

Thank you for your time and attention to this matter, Stacey Mayhew Ward 1 McMinnville, Oregon

1 of 1 21 of 86

ENTERED INTO THE RECORD
DATE RECEIVED:
SUBMITTED BY:
SUBJECT:

ENTERED INTO THE RECORD

From: Mayor Kim Morris
To: Claudia Cisneros

Subject: FW: Sal Peralta and his unacceptable words about Charlie Kirk"s assassination

Date: Tuesday, September 16, 2025 3:46:43 PM

Attachments: image001.png

FYI



Mayor Kim Morris

Kim.Morris@mcminnvilleoregon.gov

DATE RECEIVED: 09.16.2025
SUBMITTED BY: Cindy Jackson
SUBJECT: Public Comment

From: Cindy Jackson

Sent: Tuesday, September 16, 2025 2:43 PM

To: Mayor Kim Morris < Kim. Morris@mcminnvilleoregon.gov>; Sal Peralta

<Sal.Peralta@mcminnvilleoregon.gov>; Chris Chenoweth

<Chris.Chenoweth@mcminnvilleoregon.gov>; Daniel Tucholsky

<Daniel.Tucholsky@mcminnvilleoregon.gov>; Zack Geary <Zack.Geary@mcminnvilleoregon.gov>;

Jessica Payne <Jessica.Payne@mcminnvilleoregon.gov>; Scott Cunningham

<Scott.Cunningham@mcminnvilleoregon.gov>; adam.d.garvin@mcminnvilleoregon.gov;

<Claudia.Cisneros@mcminvilleoregon.gov>

Cc: Cindy jackson

Subject: Sal Peralta and his unacceptable words about Charlie Kirk's assassination

This message originated outside of the City of McMinnville.

To McMinnville City Leaders,

I can't tell you how disappointed and upset I am over Sal Peralta's words about Charlie Kirk's assignation. While I am a big believer in free speech, Sal's words went too far and were uncalled for, especially coming from a "city leader". I've waited a few days to write to you, wanting my anger to subside and to take the path Charlie Kirk might approve of. To step up, speak up, but to do so in a positive and meaningful way.

Sal Peralta should not be allowed to remain a City Councilor. His actions and choice of words are divisive and hurtful to many in our Community, County and Country. Please do what you can to have him step down or be removed from his position.

Thank you for your time.

Cindy Jackson

McMinnville, OR 97128

2 of 2



City of McMinnville Public Works Department 231 NE Fifth Street McMinnville, OR 97128 (503) 434-7312

www.mcminnvilleoregon.gov

STAFF REPORT

DATE: September 23, 2025

TO: Adam Garvin, City Manager

FROM: Geoff Hunsaker, Public Works Director

SUBJECT: ODOT Intergovernmental Agreement No. 73000-00039034 – ADA Curb Ramp

Improvements

Report in Brief:

This action is consideration of a resolution authorizing approval of an Intergovernmental Agreement (IGA) between the City of McMinnville and the Oregon Department of Transportation (ODOT) for the design and construction of Americans with Disabilities Act (ADA)-compliant curb ramp improvements along OR99W, OR18, and OR18 Frontage Road within McMinnville city limits

Background:

As part of ODOT's statewide ADA Curb Ramp Improvement Program, ODOT is remediating curb ramps on state highways to bring them into compliance with the Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1973. Within McMinnville, the project includes ADA curb ramp construction and remediation along:

- OR99W (NE Baker and NE Adams Streets) between milepoints 36.36 and 39.22
- OR18 between milepoints 46.41 and 47.41
- OR18 Frontage Road between milepoints 46.26 and 47.20

The project is part of the 2024–2027 Statewide Transportation Improvement Program (STIP), Key No. 22554, adopted by the Oregon Transportation Commission in July 2023.

Discussion:

ODOT will take the lead on all aspects of the project, including design, permitting, right-of-way acquisition, and construction of the ADA curb ramp improvements. The work will take place along OR99W, OR18, and the OR18 Frontage Road, and will include upgrades to curb ramps and related facilities to bring them into compliance with federal ADA requirements. As part of the curb ramp construction, ODOT may also make adjustments to traffic signals, rectangular

rapid flashing beacons (RRFBs), drainage, curbs, utilities, and illumination systems in order to complete the improvements to current standards.

The total project is estimated at \$23,172,127 and will be financed entirely by ODOT, meaning there will be no construction costs for the City. Once the work is complete, however, the City of McMinnville will assume responsibility for maintaining striping in ODOT right-of-way associated with the OR 99W Active Transportation Concept Plan and the new improvements located within City right-of-way. These responsibilities will include maintenance of landscaping, stormwater features, sidewalks, curbs, RRFBs, and illumination systems. In addition, the City will be responsible for 100 percent of the power costs associated with the RRFBs and illumination installed as part of the project.

This agreement ensures that ADA accessibility along McMinnville's state highways is improved at no direct construction cost to the City, while also establishing clear long-term responsibilities for maintenance and operations.

Fiscal Impacts

There is no direct construction cost to the City of McMinnville. Long-term fiscal impacts include ongoing maintenance and power costs associated with new ADA curb ramps, RRFBs, and related improvements.

Attachments:

- 1. Resolution 2025-52
 - a. EXHIBITS A: ODOT Intergovernmental Agreement No. 73000-00039034 (ADA Curb Ramp Improvements)

Recommendation:

Staff recommends that the City Council adopt the attached resolution authorizing the City Manager to execute Intergovernmental Agreement No. 73000-00039034 with ODOT for ADA curb ramp improvements within McMinnville city limits.

RESOLUTION NO. 2025-52

A Resolution authorizing the approval of an Intergovernmental Agreement between the City of McMinnville and the Oregon Department of Transportation (ODOT) for ADA Curb Ramp Improvements along OR99W, OR18, and OR18 Frontage Road, Agreement No. 73000-00039034.

RECITALS:

Whereas, the State of Oregon, acting by and through its Department of Transportation (ODOT), is undertaking a statewide program to improve curb ramps to meet the standards of the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973; and

Whereas, the City of McMinnville and ODOT desire to enter into an Intergovernmental Agreement to establish responsibilities for the construction and long-term maintenance of curb ramp improvements within McMinnville city limits; and

Whereas, the project will improve ADA accessibility along OR99W, OR18, and OR18 Frontage Road, with ODOT responsible for all design, right-of-way acquisition, and construction activities; and

Whereas, the total estimated project cost is \$23,172,127.00, which will be financed entirely by ODOT at no direct construction cost to the City; and

Whereas, upon completion of the project, the City will assume responsibility for the maintenance of striping associated with the OR 99W Active Transportation Concept Plan within ODOT right-of-way, project improvements located within City right-of-way, as well as 100% of the power costs associated with rectangular rapid flashing beacons (RRFBs) and illumination constructed as part of the project.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

- 1. The City Manager is hereby authorized and directed to execute the Intergovernmental Agreement with ODOT, attached hereto as **Exhibit A**.
- 2. This resolution shall take effect immediately upon passage and shall continue in full force and effect until modified, revoked, or replaced.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 23rd day of September 2025 by the following votes:

Ayes:		
Nays:		
Approved this <u>23rd</u> day of Sep	tember 2025.	
MAYOR		
Approved as to form:	Attest:	
City Attorney	City Recorder	

EXHIBITS:

A. ODOT Intergovernmental Agreement No. 73000-00039034 (ADA Curb Ramp Improvements)

Misc. Contracts and Agreements Agreement No. 73000-00039034

A166-G091024

INTERGOVERNMENTAL AGREEMENT Americans with Disabilities Act Curb Ramp Project Agreement

OR99W/OR18 Curb Ramps (McMinnville)
City of McMinnville

THIS AGREEMENT is made and entered into by and between the STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "ODOT" and "State;" and THE CITY OF MCMINNVILLE, acting by and through its elected officials, hereinafter referred to as "Agency," both herein referred to individually as "Party" and collectively as "Parties."

RECITALS

- 1. Pacific Highway West, Highway 91 (OR99W), Salmon River Highway, Highway 39 (OR18), and McMinnville Spur, Highway 483 (OR18 Frontage Road 483) are part of the state highway system under the jurisdiction and control of the Oregon Transportation Commission (OTC). Within the limits of the City of McMinnville; OR99W is known as NE Baker Street and NE Adams Street. 17th Street, 15th Street, 14th Street, 13th Street, 12th Street, 11th Street, 10th Street, 9th Street, 8th Street, 7th Street, 6th Street, 5th Street, 4th Street, 3rd Street, 2nd Street, 1st Street, Handley Street, SE Washington Street, SE Lincoln, SE Cowls, are part of the city street system under the jurisdiction and control of Agency.
- 2. By the authority granted in Oregon Revised Statutes (ORS) 190.110, 366.572, and 366.576, State may enter into cooperative agreements with counties, cities, and units of local governments for the performance of work on certain types of improvement projects with the allocation of costs on terms and conditions mutually agreeable to the contracting parties.
- 3. State, by ORS 366.220, is vested with complete jurisdiction and control over the roadways of other jurisdictions taken for state highway purposes. The Parties initially agree that by the authority granted by ORS 373.020, the jurisdiction extends from curb to curb, or, if there is no regular established curb, then control extends over such portion of the right of way as may be utilized by State for highway purposes. Responsibility for and jurisdiction over all other portions of a city street remains with Agency. The Parties further agree to amend this Agreement if the jurisdiction stated in this recital is altered or determined to be incorrect.
- 4. By the authority granted in ORS <u>810.080</u> State has the authority to establish marked pedestrian crosswalks on its highway facilities.
- 5. By the authority granted in ORS 810.200-810.210, State is authorized to determine the character or type of traffic control devices to be used in the State of Oregon, and each road authority shall place, control, and maintain traffic control devices upon its own highways at places where the road authority deems necessary for the safe and

expeditious control of traffic; to carry out the provisions of the vehicle code or local traffic ordinances; or to regulate, warn, or guide traffic. If the project involves placement of a traffic control device on a state highway or state right of way, no traffic control devices shall be erected, maintained, or operated by any authority other than State, except with State's written approval. Notwithstanding the foregoing, all traffic signal work on this Project must conform to current State standards and specifications established under ORS 810.200.

- 6. Traffic control devices that are part of the Project will conform to current State standards and specifications, including but not limited to the Manual on Uniform Traffic Control Devices (MUTCD). Oregon Administrative Rules (OAR) Chapter 734, Division 55, governs the location, installation, and maintenance of signs, miscellaneous facilities, and miscellaneous operations on the state highway right of way.
- 7. In order for State to ensure that curb ramps along the state highway system are in compliance with the current standards of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 as amended (together "ADA"), State intends to remediate or construct curb ramps. These ODOT projects require agreements with local public agencies throughout the state for construction of the curb ramp projects. This Agreement identifies the Parties' respective responsibilities related to construction and maintenance of these projects.
- 8. One or more existing marked crosswalks, pedestrian push-buttons, or rectangular rapid flashing beacons (RRFB) will be replaced, or location adjusted, according to project plans. All maintenance responsibilities for these elements remain as assigned under Agreement No. 20563, 22259, and 25558.

NOW THEREFORE, the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

TERMS OF AGREEMENT

1. Under such authority, State and Agency agree that State shall design and construct ADA-compliant curb ramp improvements at various locations along OR99W from mile point 36.36 to 39.22, with the exception of the SE corner of 4th Street at Baker Street (OR99W), OR18 from mile point 46.41 to 47.41, and OR18 Frontage from mile point 46.26 to 47.20, hereinafter referred to as "Project." The Project includes ADA curb ramp construction and remediation to meet ADA standards. Construction and remediation may result in adjustments to traffic signals, RRFB's, drainage, curb lines, utilities, and other elements within the curb ramp improvement area. The location of the Project is approximately as shown on the sketch map attached hereto, marked Exhibit A, and by this reference made a part hereof. Additional maintenance responsibilities are identified in Exhibit B, attached hereto and by this reference made a part hereof.

- 2. The Project will be financed entirely by ODOT at an estimated cost of \$23,172,127.00. The estimate for the total Project cost is subject to change at ODOT's discretion.
- 3. This Agreement becomes effective on the date all required signatures are obtained (Effective Date) and shall remain in effect for the purpose of ongoing maintenance and power responsibilities for the useful life of the facilities constructed as part of the Project with the exception of General Provisions, Paragraph 1.c., which survives termination without limitation. The useful life is defined as twenty (20) calendar years from the date Second Notification is issued by State. The Project shall be completed within 3 calendar years following the Effective Date of this Agreement.
- 4. State is currently working on ADA curb ramp remediation within Agency limits along 99W. Agency wishes to design and construct curb ramp remediation on the SE corner of 4th Street and Baker Street that, at Agency's request, requires avoiding the removal of a large tree within Agency right of way. State and Agency shall enter into a separate agreement for the remediation of said intersection.
- 5. State and Agency agree to enter into a Memorandum of Understanding by which the Parties will work together to confirm the ownership and jurisdiction of property located within the OR99W right of way corridor, upon execution of this Agreement.

AGENCY OBLIGATIONS

- 1. Agency shall review State's Project plans prior to construction of the Project.
- 2. Agency grants State the right to enter onto Agency's right of way and other Agencyowned property as necessary for the performance of this Agreement.
- 3. Agency agrees to State acquiring all right of way needed for construction of the Project. Upon completion of the Project, and in consideration of the improvements constructed as part of the Project, Agency agrees to accept any property transferred by the State that is no longer needed for the construction of the Project. If said property is no longer needed by Agency for public road purposes, it shall revert to ODOT.
- 4. Following Project completion, Agency shall be responsible for and agrees to maintain the Project improvements within Agency right of way and other Agency-owned property at its own expense, including, but not limited to, landscaping, all green paint surfaces, all surface and sub-surface features such as storm water systems, curbs, gutters, sidewalks, sanitary sewer, water lines, RRFBs, illumination and all other features constructed, reconstructed, or moved as part of the Project that are within Agency right of way or other Agency-owned property. Any maintenance responsibilities that are not part of this Agreement that are currently in effect shall remain unchanged.
- 5. Agency shall contact State's District 3 Permits Office seven (7) working days prior to the commencement of maintenance activities that impact travel lanes on the state highway. Agency may not implement lane restrictions on the state highway without

prior approval of such restrictions from State's District 3 Manager, or designee. Any deviations from authorized lane restrictions must be requested and approved by State's District 3 Manager in advance. Additional requirements may be added if State observes traffic congestion or if State determines that conditions warrant a change.

- 6. Agency shall be responsible for, and pay to the power company, 100 percent (100%) of the power costs for the RRFBs and illumination constructed as part of the Project. Agency shall have the power company send bills directly to Agency.
- 7. If subcontracting is approved by ODOT, Agency shall include the following in any contract or subcontract Agency enters into for the Project:
 - a. Agency shall require its contractor(s) and subcontractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon, Oregon Transportation Commission and its members, Department of Transportation and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260 (Claims), to the extent such Claims are caused, or alleged to be caused by the negligent or willful acts or omissions of Agency's contractor or any of the officers, agents, employees or subcontractors of the contractor. It is the specific intention of the Parties that State shall, in all instances, except to the extent Claims arise from the negligent or willful acts or omissions of State, be indemnified from and against all Claims caused or alleged to be caused by the contractor or subcontractor.
 - b. Any such indemnification shall also provide that neither Agency's contractor or subcontractor nor any attorney engaged by Agency's contractor or subcontractor shall defend any claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State of Oregon may, at any time at its election assume its own defense and settlement in the event that it determines that Agency's contractor or subcontractor is prohibited from defending the State of Oregon, or that Agency's contractor or subcontractor is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue or that it is in the best interests of the State of Oregon to do so. The State of Oregon reserves all rights to pursue claims it may have against Agency's contractor or subcontractor if the State of Oregon elects to assume its own defense.
- 8. Agency shall not enter into any subcontracts for any of the work scheduled under this Agreement without obtaining prior written approval from State.
- 9. Agency delegates, and State accepts, Agency's authority pursuant to ORS 758.010, ORS 758.025 and all relevant common law, statutes, ordinances, permits, and

agreement terms, to cause to be relocated or reconstructed, all privately and publicly owned utility conduits, lines, poles, mains, pipes, and all other such facilities of every kind and nature where such relocation or reconstruction is made necessary by the plans of the Project in order to conform the utilities and other facilities with the plans and the ultimate requirements for the portion of the Project upon lands within Agency's jurisdiction.

- 10. Agency shall be exclusively responsible for all costs and expenses related to its employment of individuals to perform work under this Agreement including, but not limited to, retirement contributions, workers compensation, unemployment taxes, and state and federal income tax withholdings.
- 11. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members, or representatives, and to legally bind Agency.
- 12. Agency's Project Manager for this Project is James Lofton, City Engineer, City of McMinnville, 231 NE 5th Street, McMinnville, Oregon 97128; telephone: (503) 474-5119; email: James.Lofton@mcminvilleoregon.gov, or assigned designee upon individual's absence. Agency shall notify the other Party in writing of any contact information changes during the term of this Agreement.

STATE OBLIGATIONS

- 1. State shall conduct the necessary field surveys, environmental studies, traffic investigations, preliminary engineering, and design work required to produce and provide final plans, specifications, and cost estimates for the Project; identify and obtain all required permits; perform all construction engineering, including all required materials testing and quality documentation; prepare all bid and contract documents; advertise for construction bid proposals; award all contracts; pay all contractor costs; and provide technical inspection, project management services, and other necessary functions for sole administration of the construction contract entered into for this Project.
- 2. State shall provide Project plans to Agency for review prior to construction of the Project.
- State shall allow Agency access to State's right of way to perform maintenance obligations on constructed Project improvements specified in Agency Obligations, Paragraph 4.
- 4. State shall conduct all right of way activities in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended; ORS Chapter 35; Federal-Aid Policy Guide; Code of Federal Regulations (CFR), including but not limited to Title 23 CFR Part 710 and Title 49 CFR Part 24; and the ODOT Right of Way Manual.

- 5. Upon Project completion, State shall transfer to Agency, and Agency shall accept, any ownership interests State may have obtained for the Project on Agency's facilities that State has determined are no longer needed for the construction of the Project. The method of conveyance will be determined by the Parties at the time of transfer and will be coordinated by State's Region Right of Way Manager. If said property is no longer needed by Agency for public road purposes, it shall revert to ODOT.
- 6. State, or its consultant, shall cause to be relocated or reconstructed, all privately or publicly owned utility conduits, lines, poles, mains, pipes, and all other such facilities of every kind and nature where such relocation or reconstruction is made necessary by the plans of the Project in order to conform the utilities and other facilities with the plans and the ultimate requirements for the portions of the Project which may interfere with the Project improvements.
- 7. State certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within State's current appropriation or limitation of the current biennial budget.
- 8. State's Project Manager for this Project is Ian Roholt, Resident Engineer Consultant Projects, 3070 SW Philomath Boulevard, Corvallis, Oregon 97333; telephone: (541) 945-9168; email: ian.roholt@odot.oregon.gov, or assigned designee upon individual's absence. State shall notify the other Party in writing of any contact information changes during the term of this Agreement.

GENERAL PROVISIONS

1. Americans with Disabilities Act Compliance:

- a. When the Project scope includes work on sidewalks, curb ramps, or pedestrianactivated signals, or triggers an obligation to address curb ramps or pedestrian signals, the Parties shall:
 - Utilize ODOT standards to assess and ensure Project compliance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 as amended (together, "ADA"), including ensuring that all sidewalks, curb ramps, and pedestrian-activated signals meet current ODOT Highway Design Manual standards;
 - ii. Follow ODOT's processes for design, construction, or alteration of sidewalks, curb ramps, and pedestrian-activated signals, including using the ODOT Highway Design Manual, ODOT Design Exception process, ODOT Standard Drawings, ODOT Construction Specifications, providing a temporary pedestrian accessible route plan and current ODOT Curb Ramp Inspection Form;
 - iii. At Project completion, send a completed ODOT Curb Ramp Inspection Form 734-5020 to the address on the form as well as to State's Project Manager for

each curb ramp constructed or altered as part of the Project. The completed form is the documentation required to show that each curb ramp meets ODOT standards and is ADA compliant. ODOT's fillable Curb Ramp Inspection Form and instructions are available at the following address:

https://www.oregon.gov/ODOT/Engineering/Pages/Accessibility.aspx

- b. Agency shall ensure that any portions of the Project under Agency's maintenance jurisdiction are maintained in compliance with the ADA throughout the useful life of the Project. This includes, but is not limited to, Agency ensuring that:
 - i. Pedestrian access is maintained as required by the ADA,
 - Any complaints received by Agency identifying sidewalk, curb ramp, or pedestrian-activated signal safety or access issues are promptly evaluated and addressed,
 - iii. Agency, or abutting property owner, pursuant to local code provisions, performs any repair or removal of obstructions needed to maintain the facility in compliance with the ADA requirements that were in effect at the time the facility was constructed or altered,
 - iv. Any future alteration work on the Project or Project features during the useful life of the Project complies with the ADA requirements in effect at the time the future alteration work is performed, and
 - v. Applicable permitting and regulatory actions are consistent with ADA requirements.
- c. Maintenance obligations in this section shall survive termination of this Agreement.
- 2. Utility relocation or reconstruction may or may not be an eligible Project expense according to the following standard:
 - a. The expense is an eligible expense if the owner of the utility facility possesses a property right for its location on the public right of way.
 - b. The expense is not an eligible expense if the owner of the utility facility does not possess a property right for its location, but the facility exists on the public right of way solely under the permission of Agency or other road authority, whether that permission is expressed or implied, and whether written or oral.
- 3. This Agreement may be terminated by mutual written consent of both Parties.
- 4. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:

- a. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
- b. If Agency fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger the performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.
- c. If State fails to receive funding, appropriations, limitations, or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for the performance of this Agreement.
- d. If federal or state laws, regulations, or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or State is prohibited from paying for such work from the planned funding source.
- 5. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
- 6. If any third party makes any claim or brings any action, suit, or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Agency with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense, and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
- 7. With respect to a Third Party Claim for which State is jointly liable with Agency (or would be if joined in the Third Party Claim), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of State on the one hand and of Agency on the other hand in connection with the events which resulted in such expenses, judgments, fines, or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.

- 8. With respect to a Third Party Claim for which Agency is jointly liable with State (or would be if joined in the Third Party Claim), Agency shall contribute to the amount of expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines, or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.
- 9. The Parties shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS 279C.505, 279C.515, 279C.520, 279C.530 and 279B.270 incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, the Parties expressly agree to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
- 10. All employers that employ subject workers who work under this Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Each Party shall ensure that each of its contractors complies with these requirements.
- 11. The Parties acknowledge and agree that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after termination or expiration of this Agreement. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by the requesting Party.
- 12. If Agency fails to maintain facilities in accordance with the terms of this Agreement, State, at its option, may maintain the facility and bill Agency, seek an injunction to enforce the duties and obligations of this Agreement, or take any other action allowed by law.

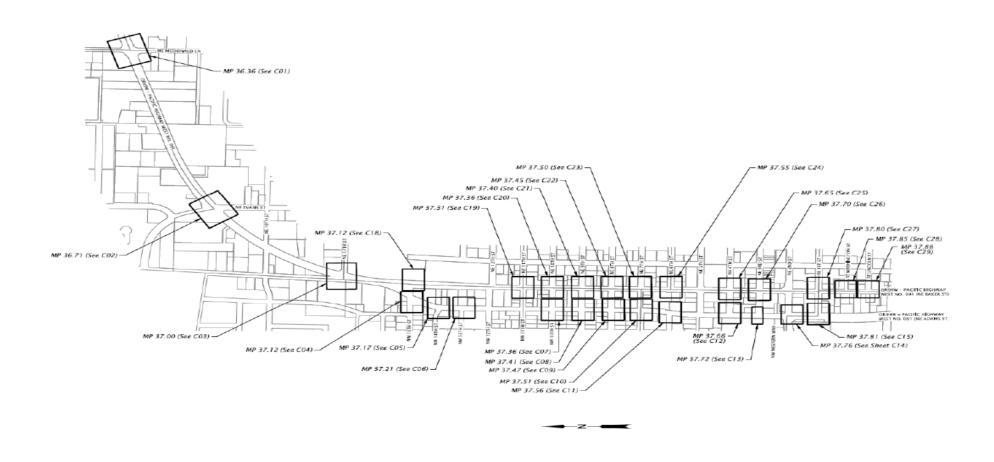
- 13. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- 14. Agency and State are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement. This provision survives expiration or termination of this Agreement.
- 15. The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid. This provision survives expiration or termination of this Agreement.
- 16. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
- 17. This Agreement and attached Exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification, or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision.
- 18. Electronic Signatures. The Parties agree that signatures showing on PDF documents, including but not limited to PDF copies of the Agreement and amendments, submitted or exchanged via email are "Electronic Signatures" under ORS Chapter 84, bind the signing Party, and are intended to be and can be relied upon by the Parties. State reserves the right at any time to require the submission of the hard copy originals of any documents.

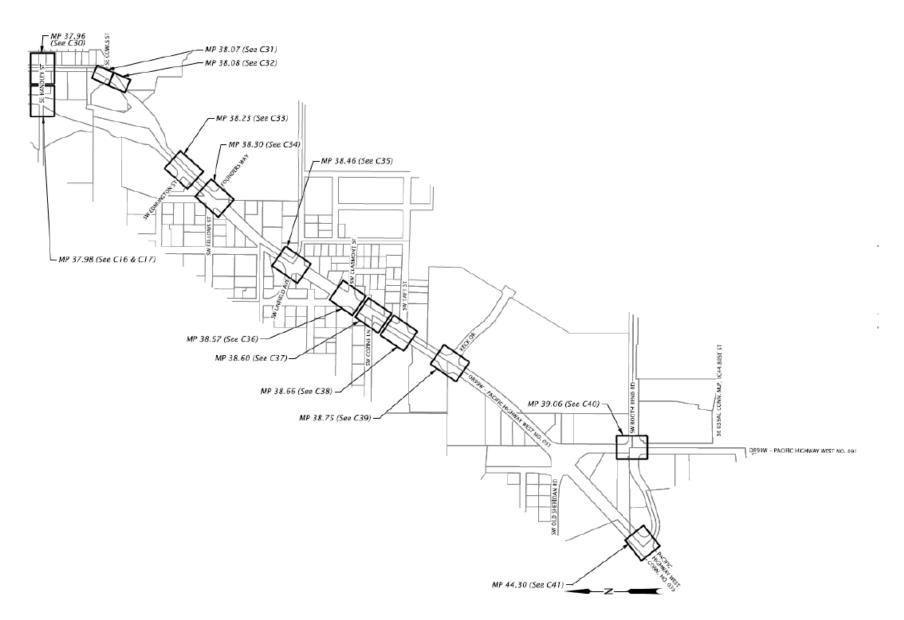
THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

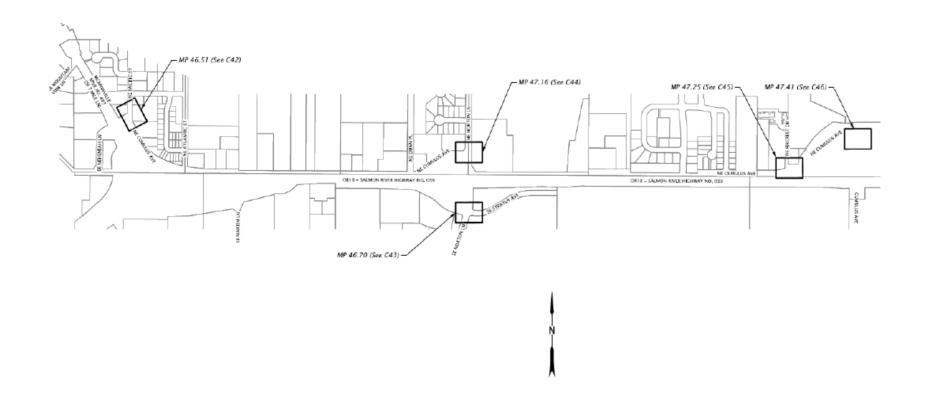
This Project is in the 2024-2027 STIP, (Key No. 22554) that was adopted by the OTC on July 13, 2023 (or subsequently by amendment to the STIP).

CITY OF MCMINNVILLE , by and through its designated officials	STATE OF OREGON , by and through its Department of Transportation
Ву	By Region 2 Manager
Date	
By	Date
Date	APPROVAL RECOMMENDED
LEGAL REVIEW APPROVAL	ByODOT ADA Program Director
(If required in Agency's process)	Date
ByAgency's Counsel	_
Date	By State Traffic Engineer
Agency Contact:	Date
James Lofton, City Engineer City of McMinnville	Ву
231 NE 5 th Street McMinnville, Oregon 97128	District 3 Manager
james.lofton@mcminnvilleoregon.gov	Date
State Contact: lan Roholt, P.E.	APPROVED AS TO LEGAL SUFFICIENCY
Resident Engineer-Consultant Projects ODOT Region 2, Area 4	By Stacy Posegate, via email
3070 SW Philomath Boulevard	Assistant Attorney General
Corvallis, Oregon 97333 (541) 745-9168	Date September 5, 2025
ian.roholt@odot.oregon.gov	email retained in file

EXHIBIT AProject Location Map

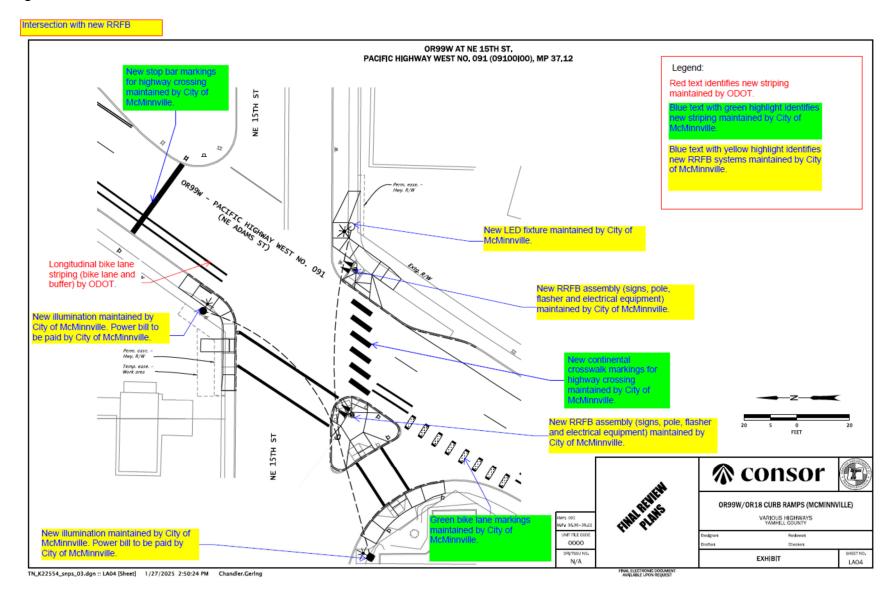


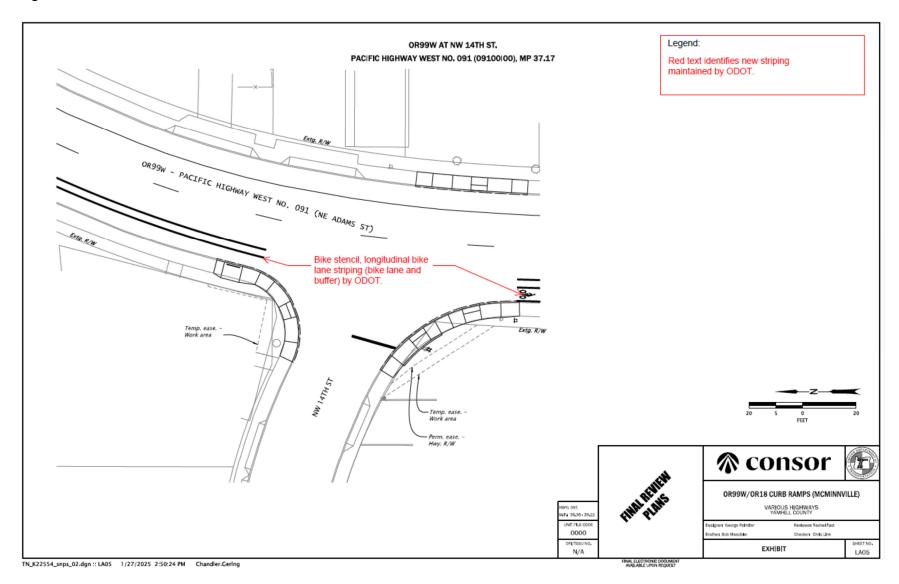


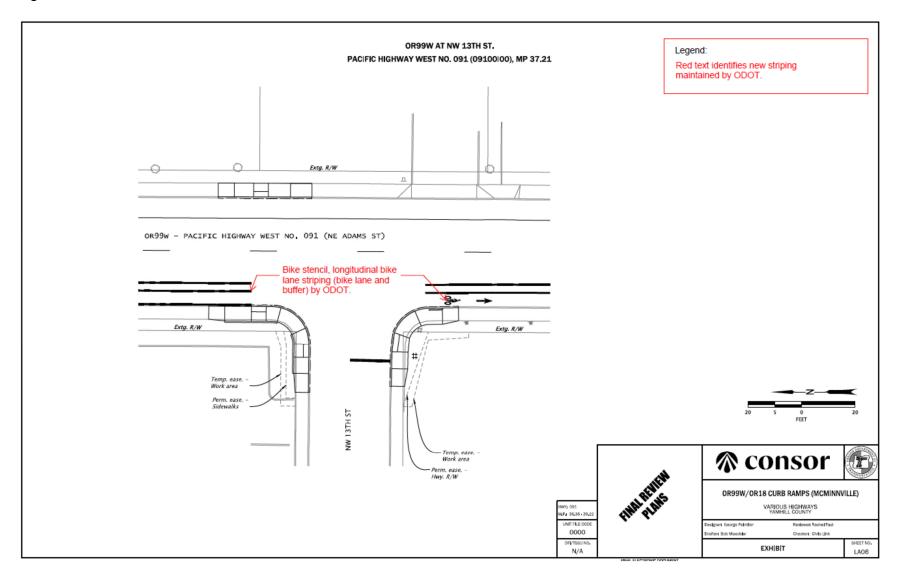


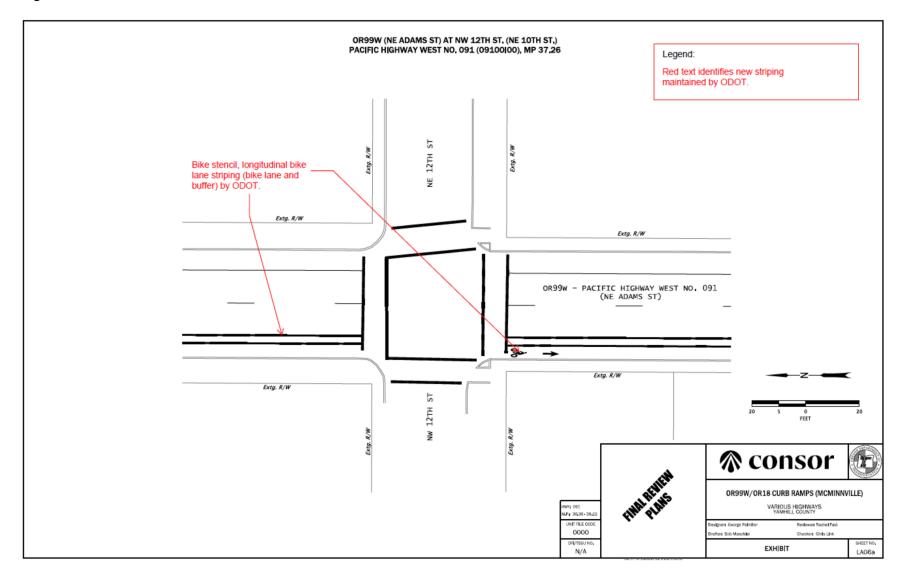
OR99W AT N BAKER ST. (NE 17TH ST.) Legend: PACIFIC HIGHWAY WEST NO. 091 (09100|00), MP 37.00 Red text identifies new striping - Temp. ease. -Work area maintained by ODOT. new striping maintained by City of /IcMinnville. Bike stencils, longitudinal bike lane striping (bike lane and buffer) by ODOT. OR99W - PACIFIC HIGHWAY WEST NO. 091 Green bike lane NE BAKER ST **m** consor Extg. R/W OR99W/OR18 CURB RAMPS (MCMINNVILLE) HWY: 091 M.P. 3636 392 VARIOUS HIGHWAYS YAMHILL COUNTY UNIT FILE CODE Designen George Palmiter 0000 Srafteri Bob Maechler EXH|B|T N/A LA03

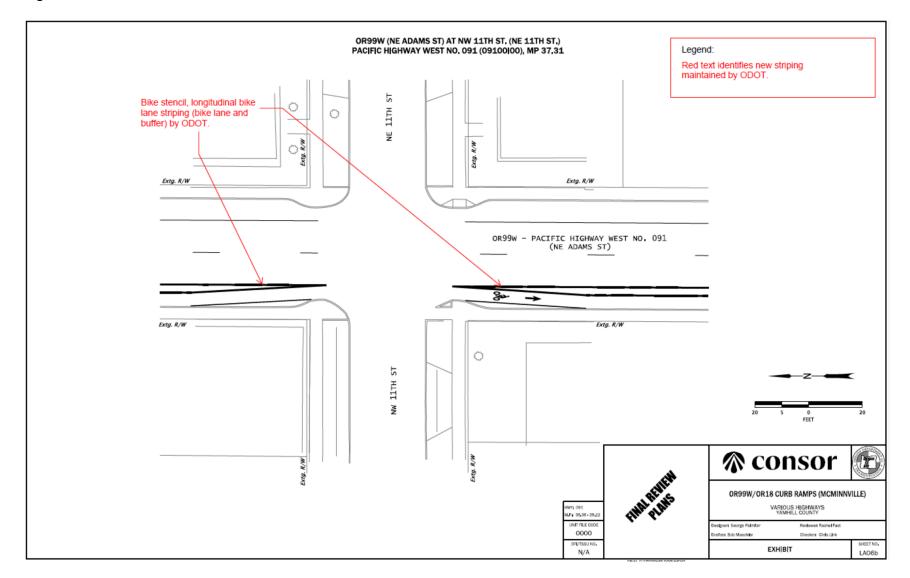
EXHIBIT B Maintenance Responsibilities

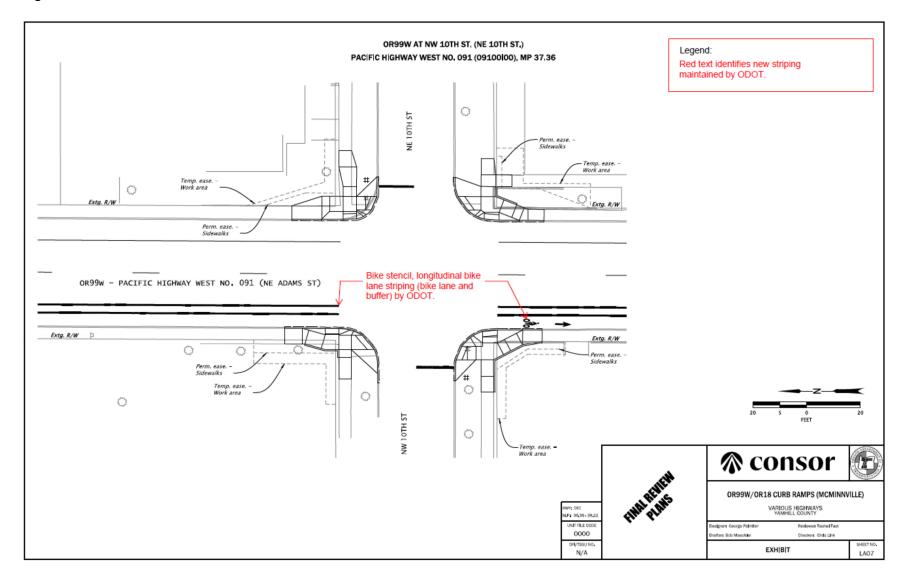


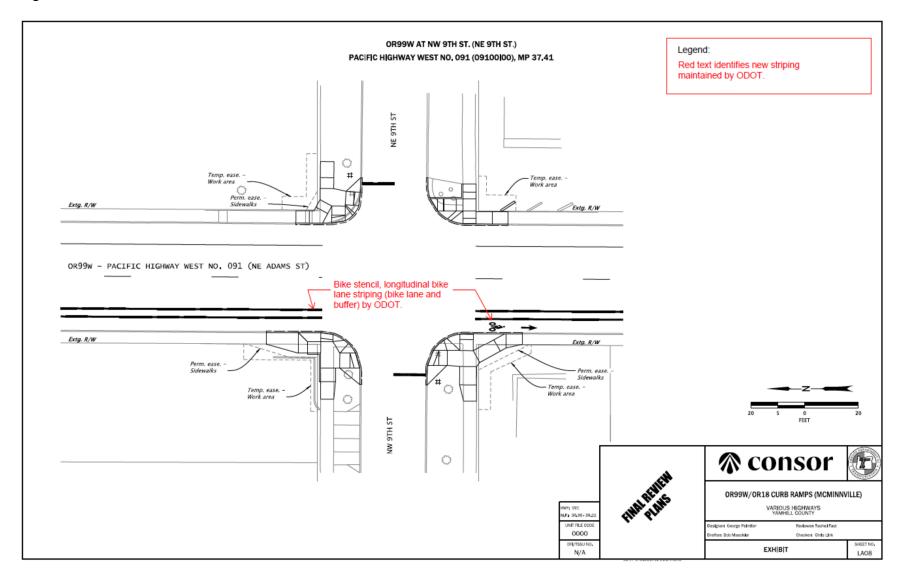


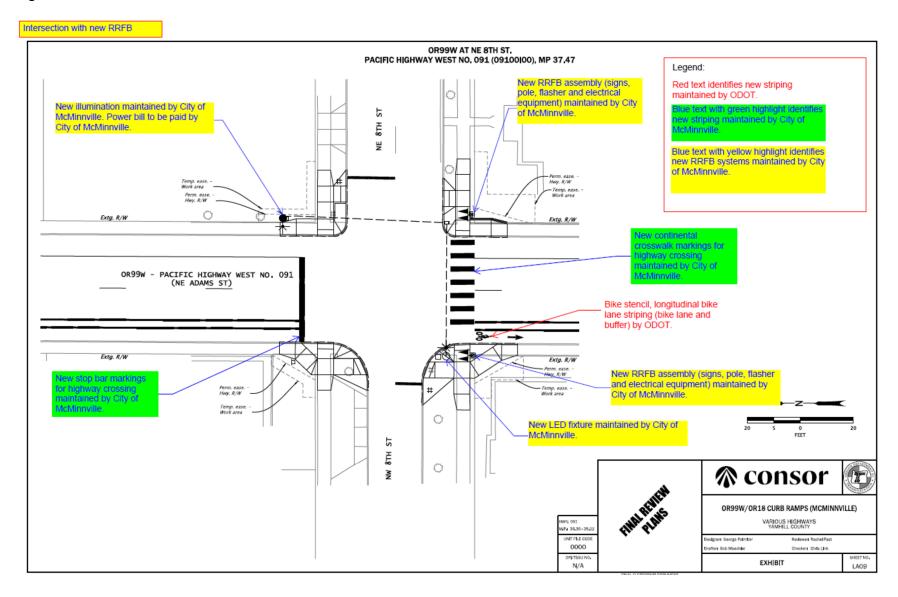


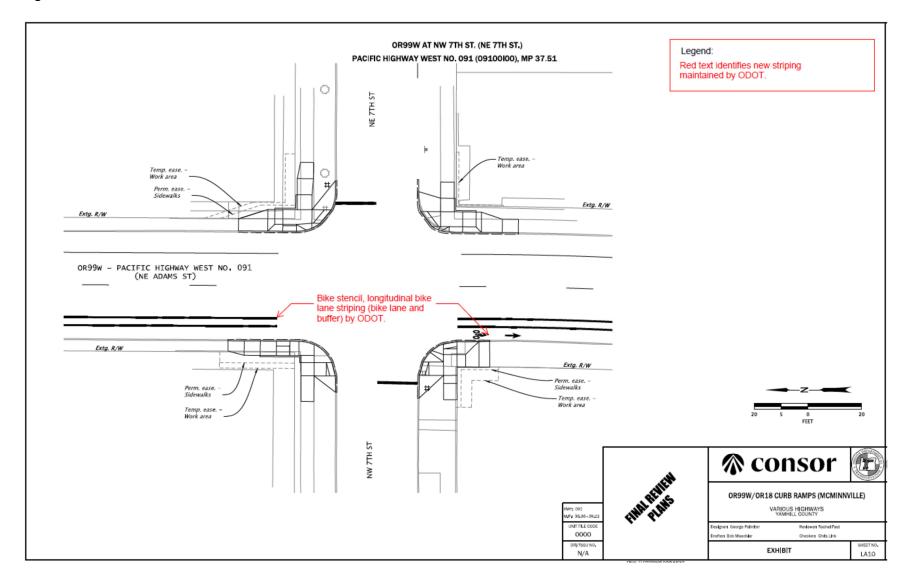


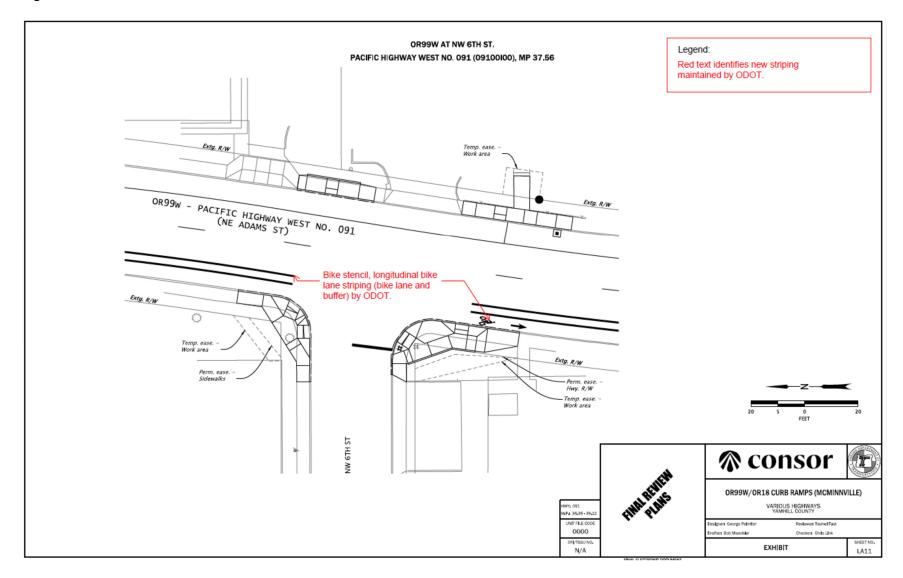


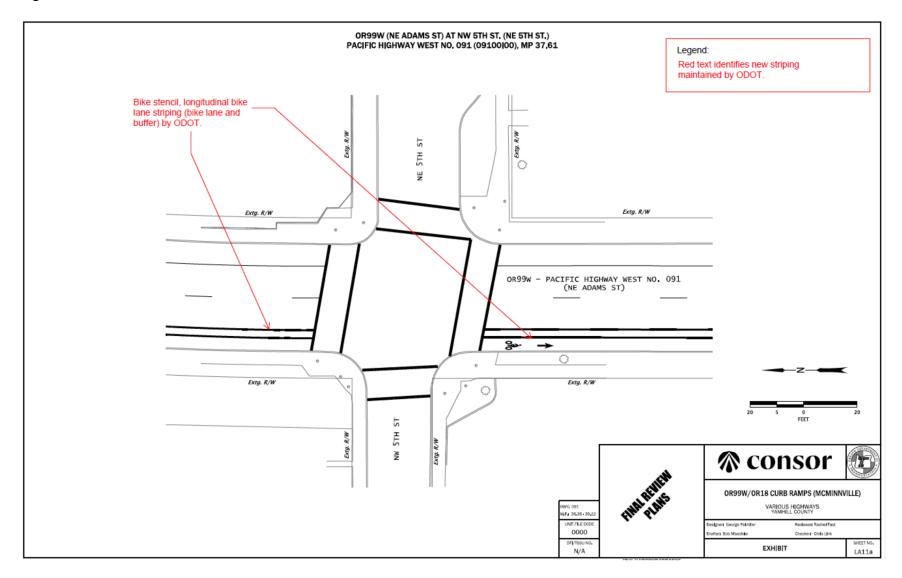


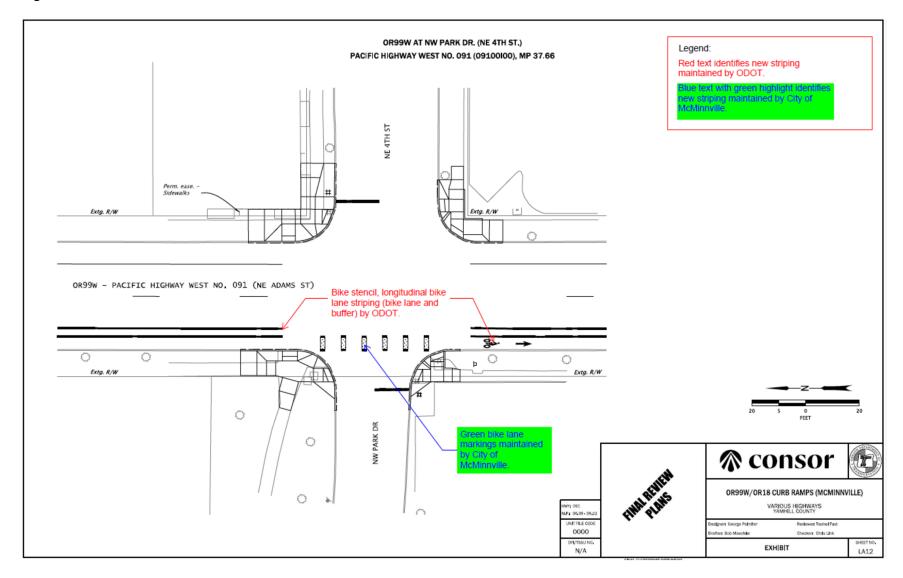


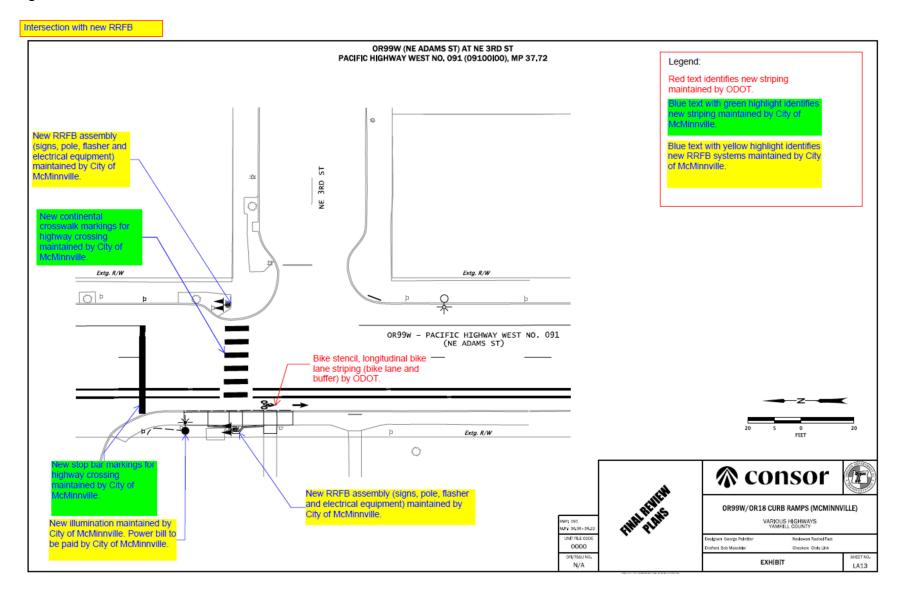


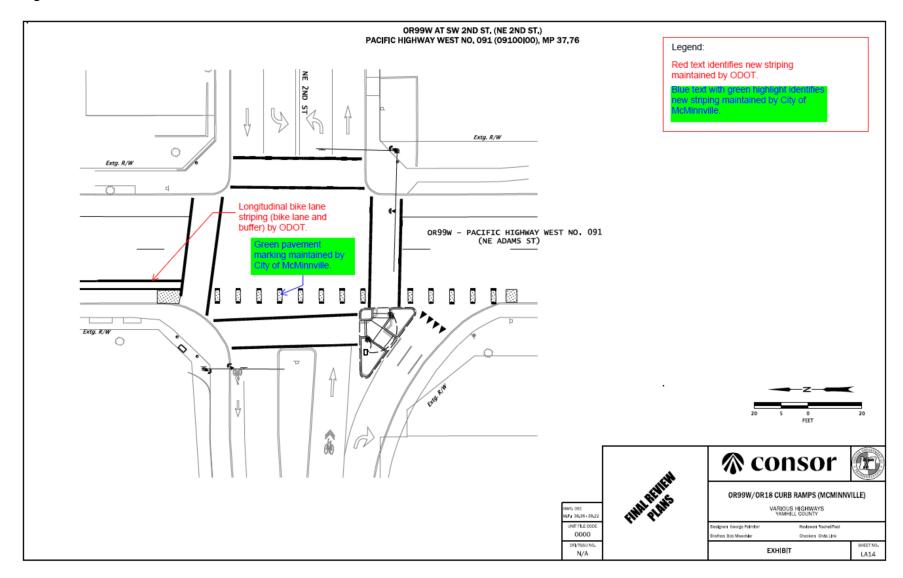


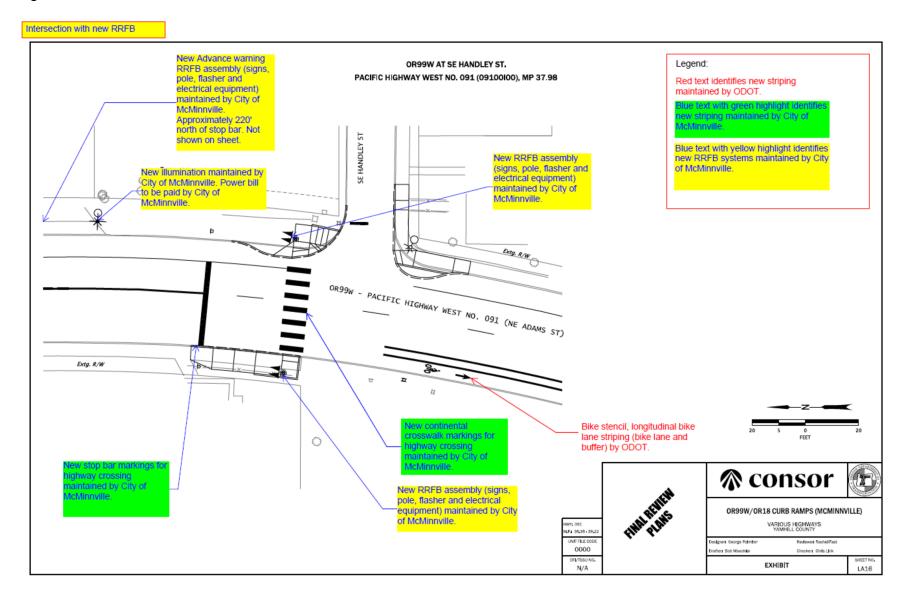


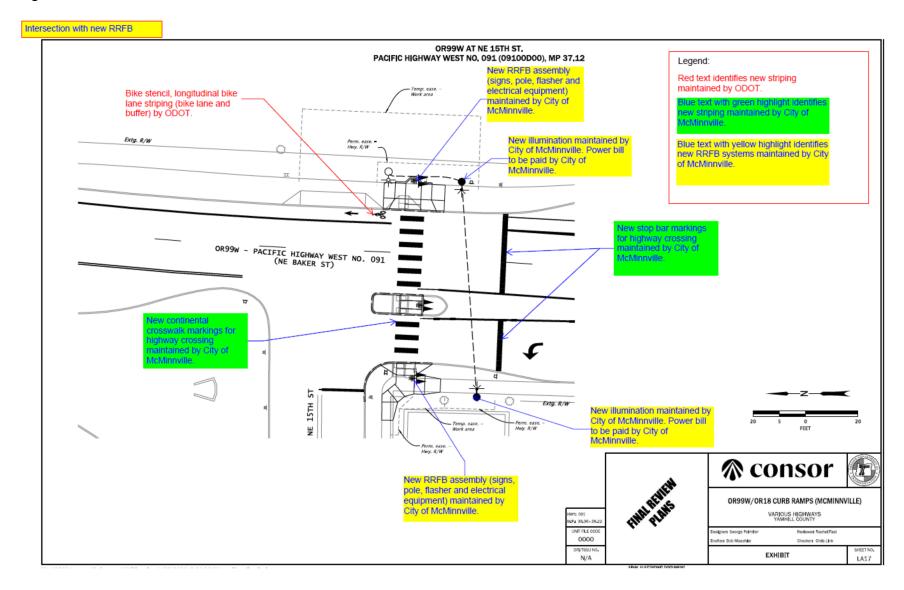


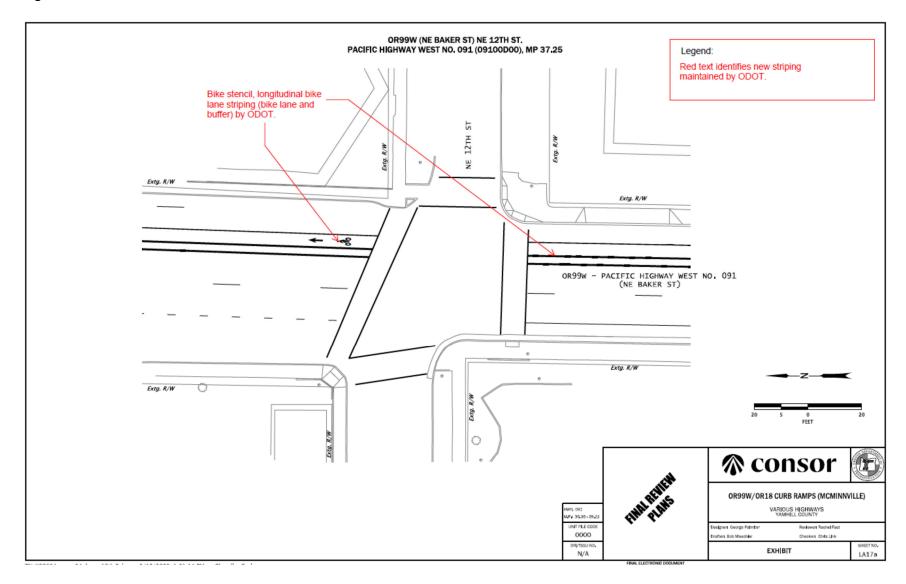


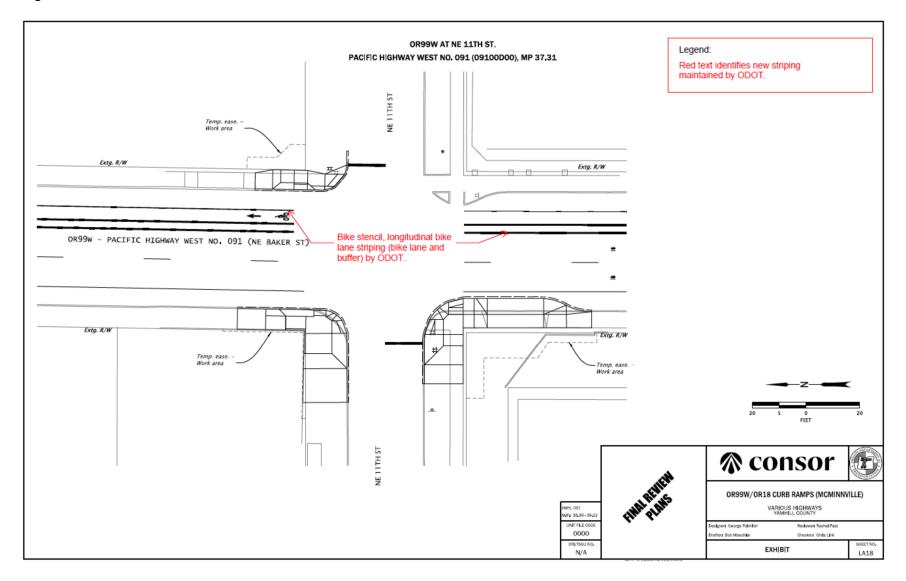


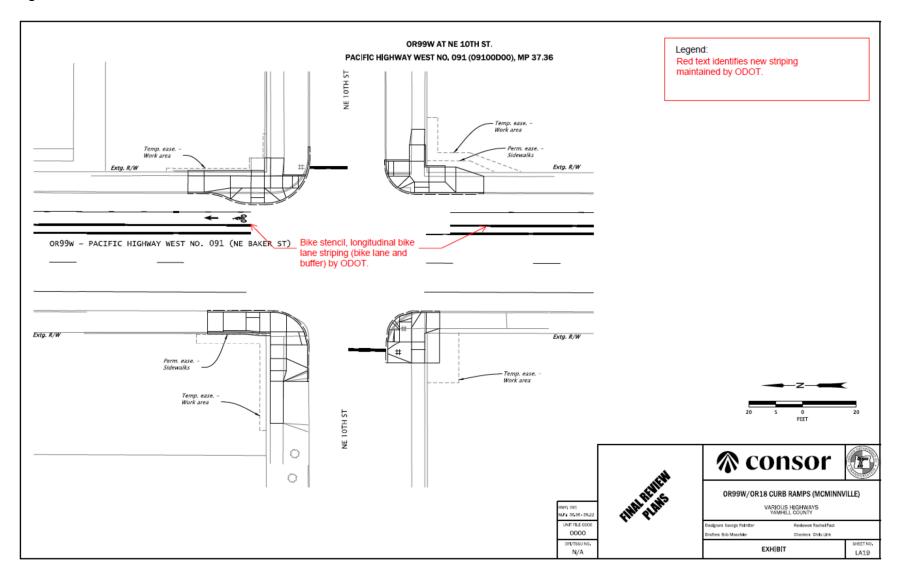


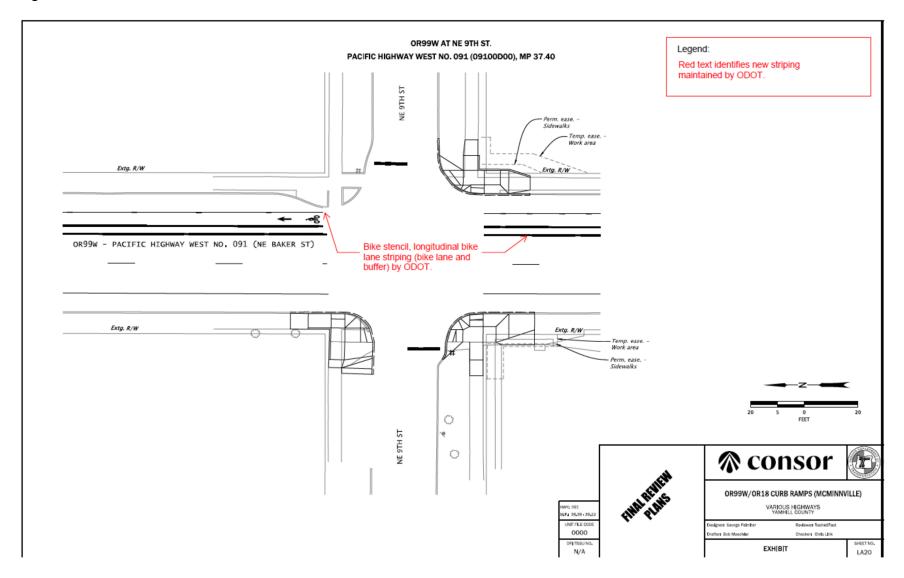


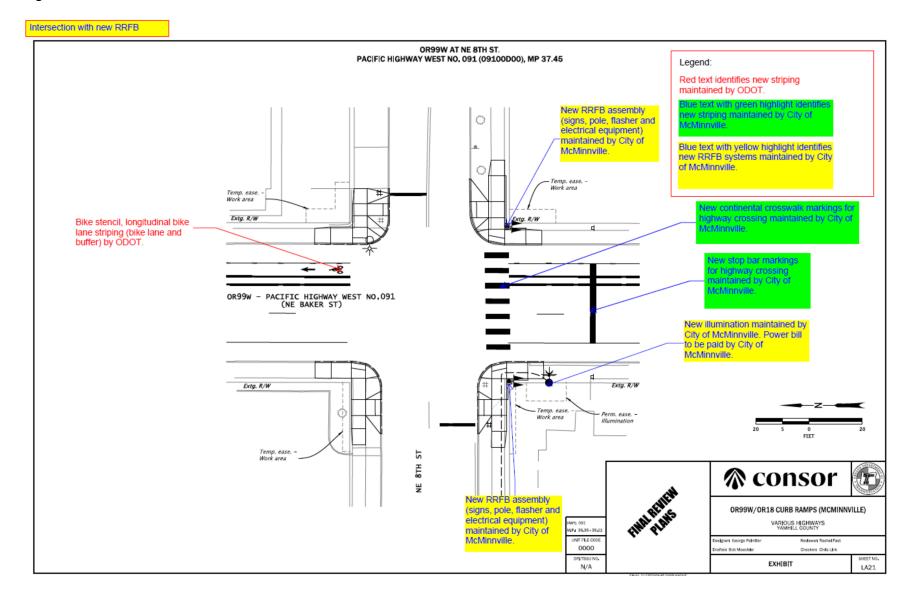


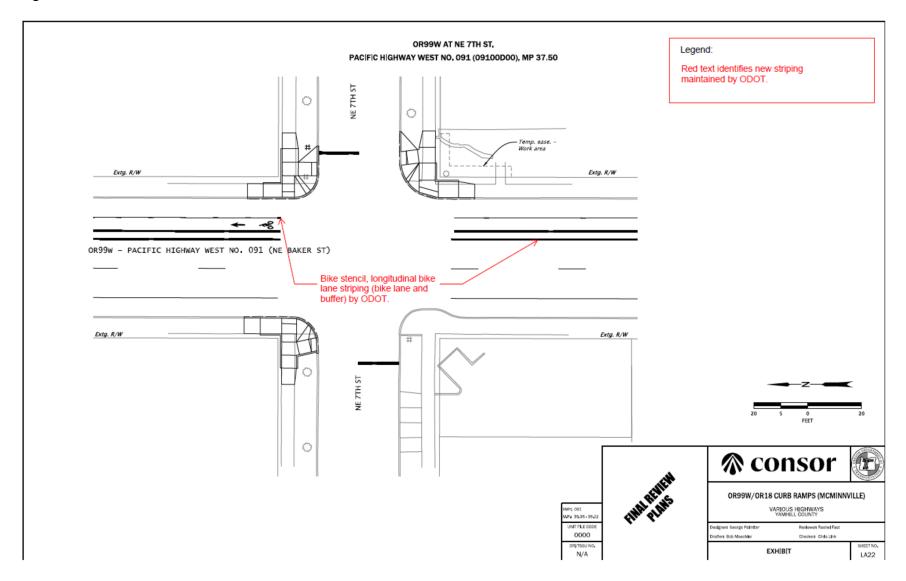


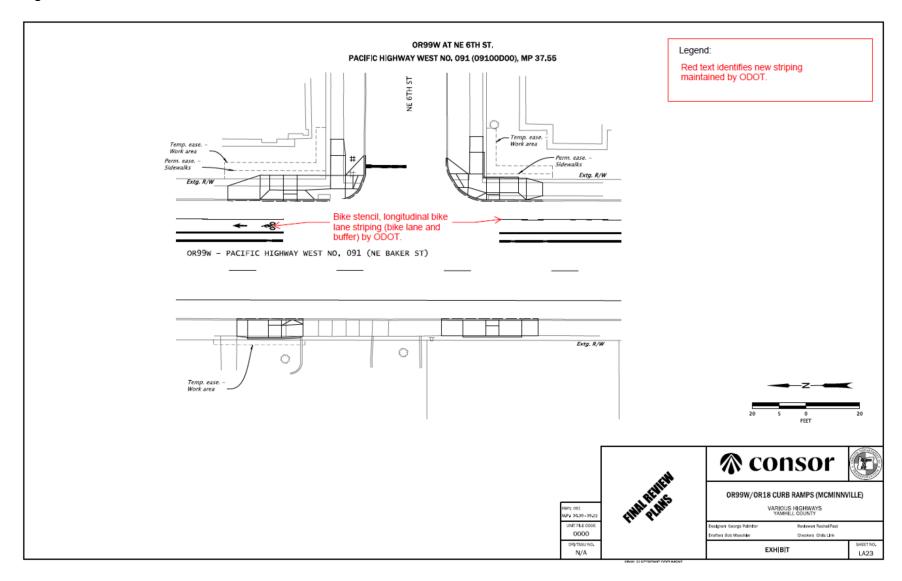


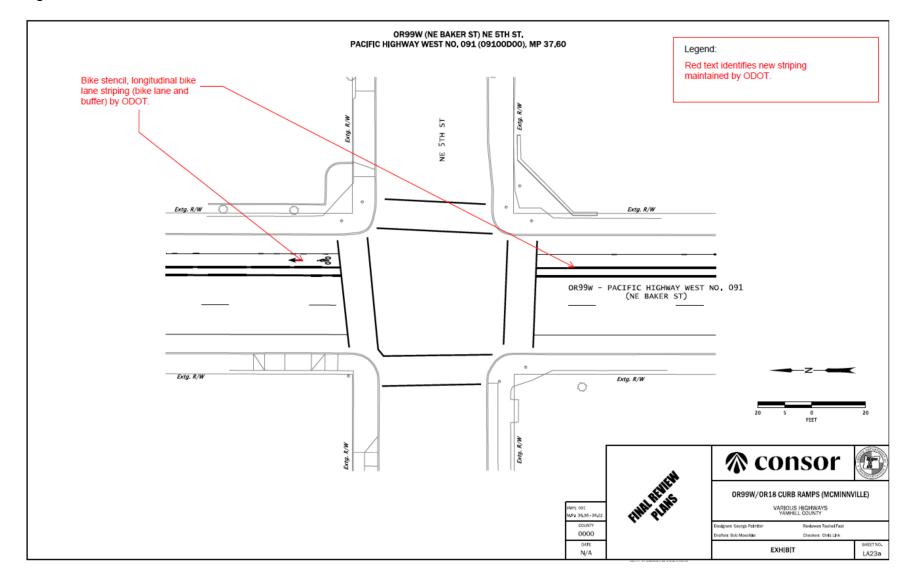


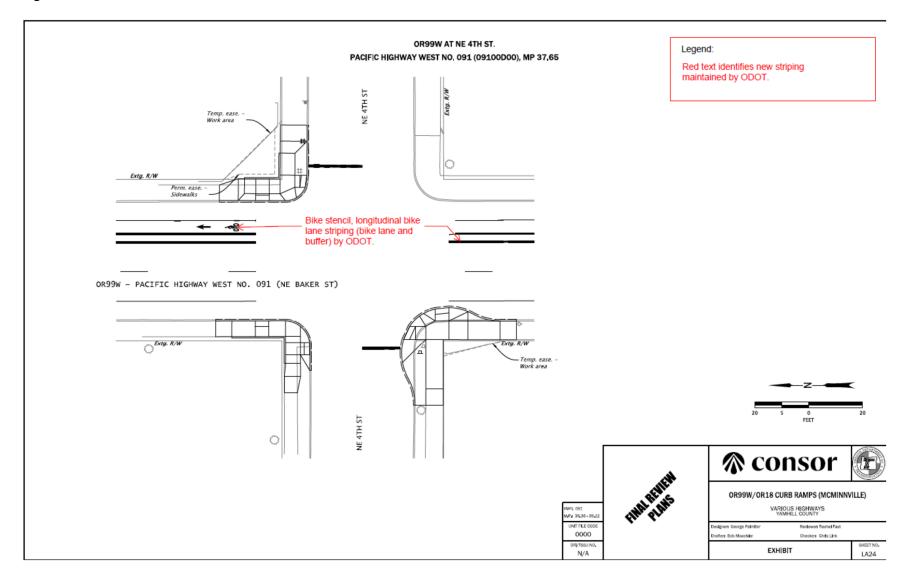


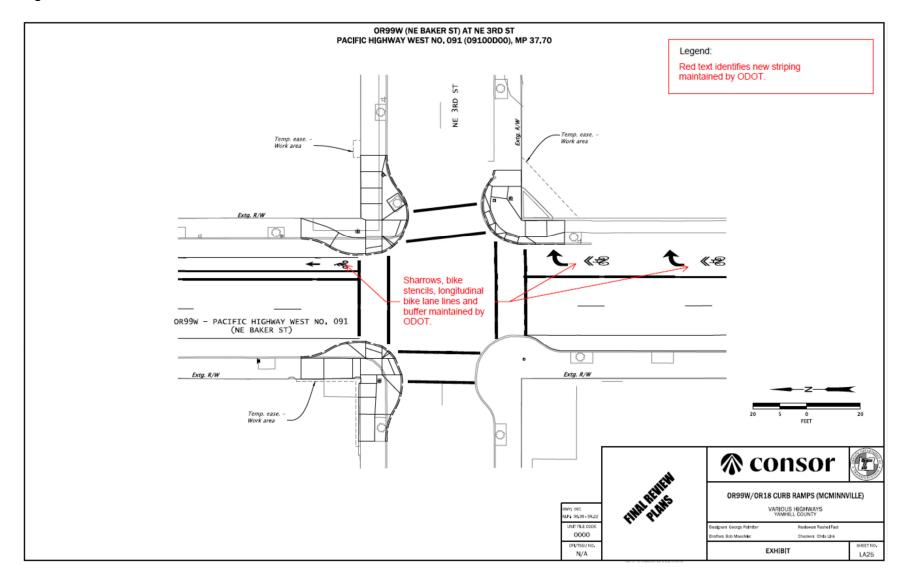


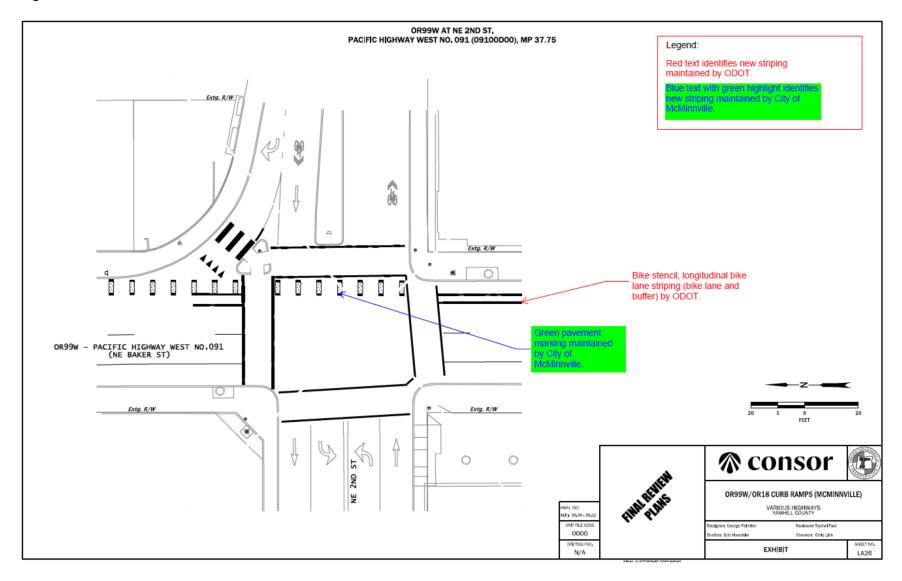


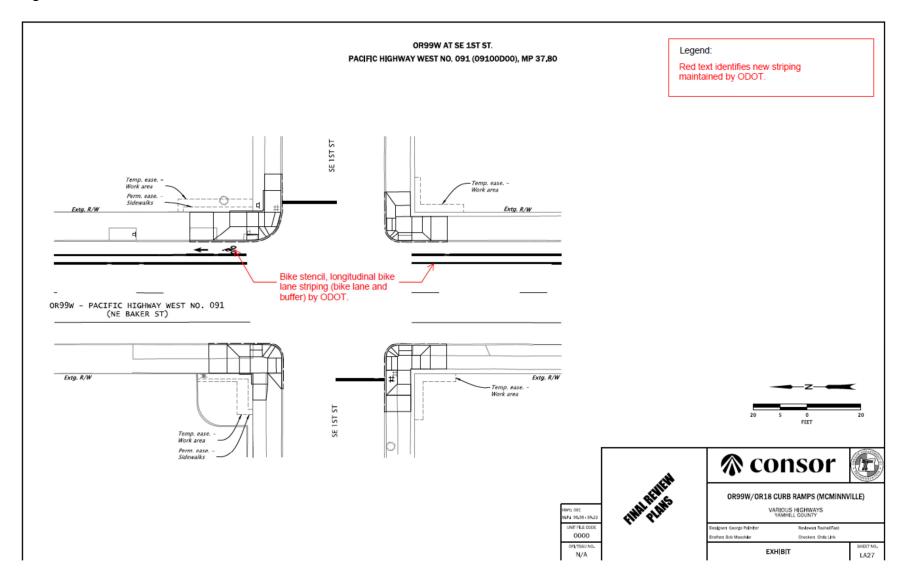


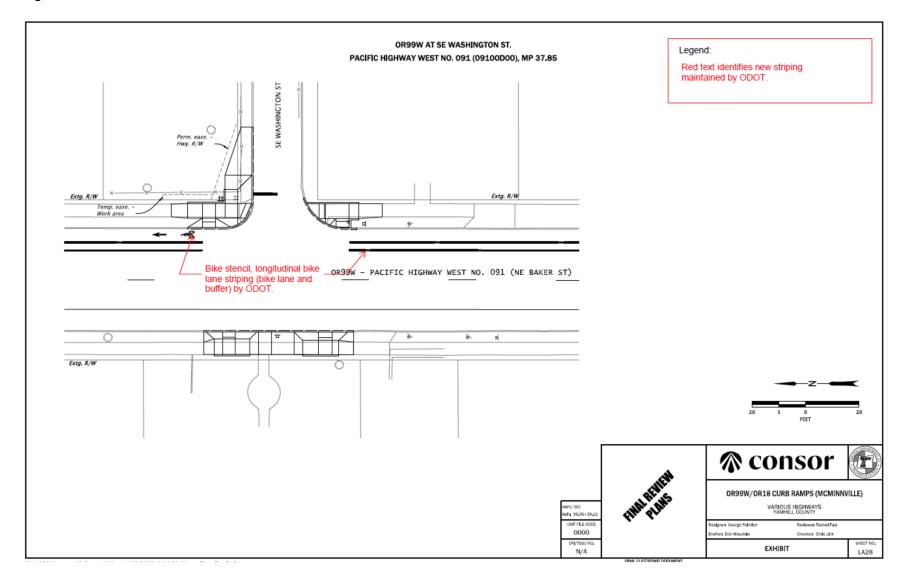


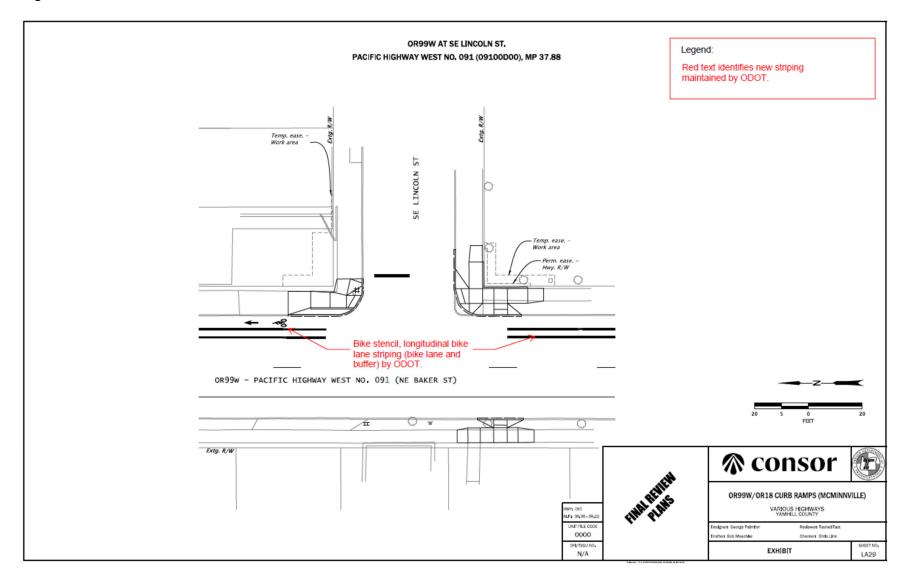


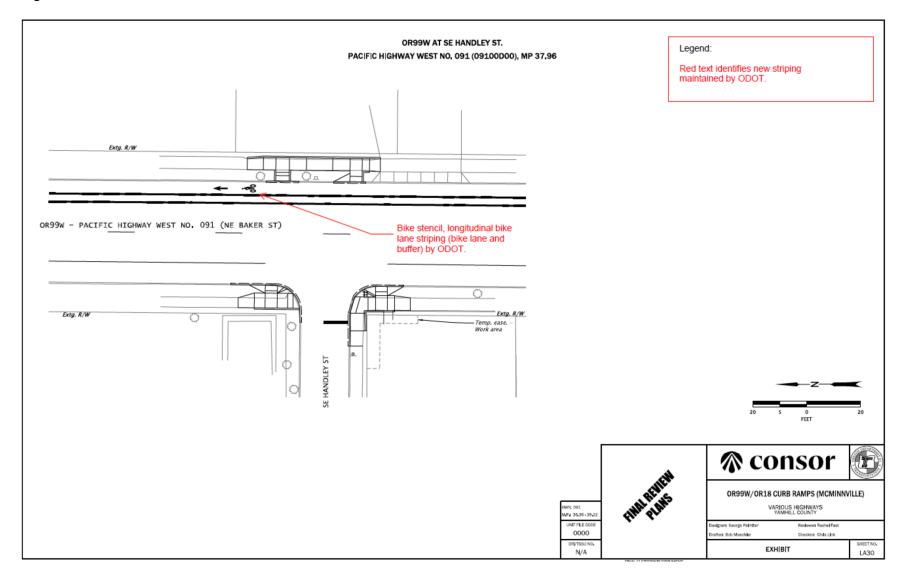


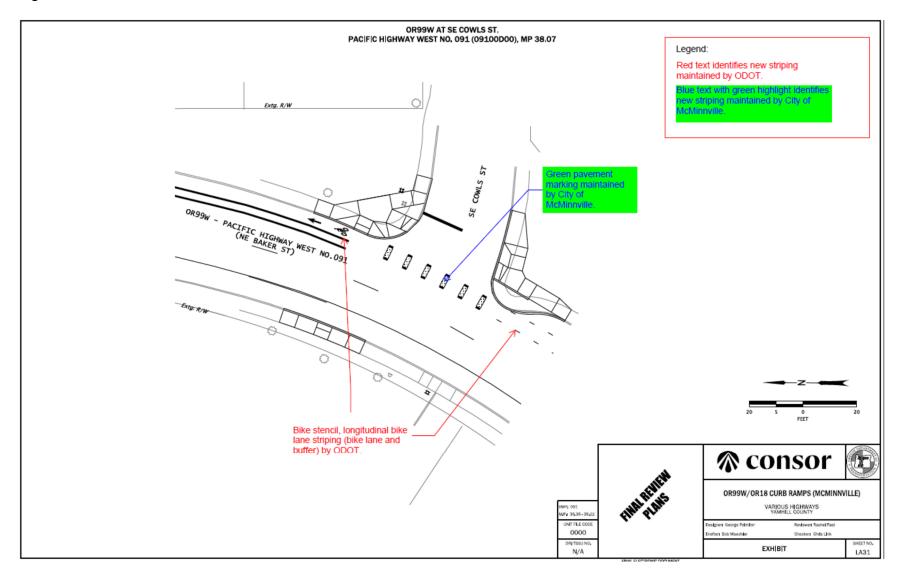




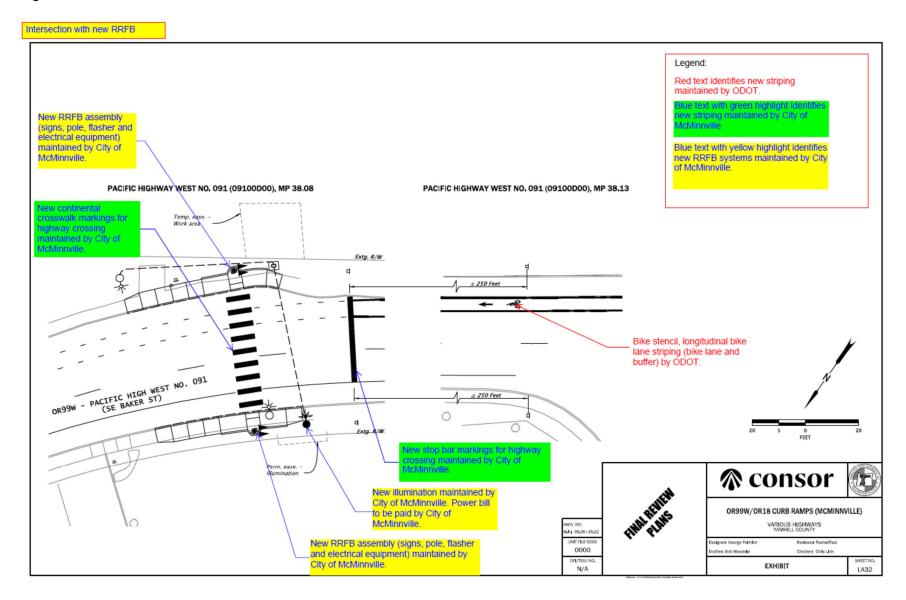








City of McMinnville/ODOT Agreement No. 73000-00039034





City of McMinnville
Public Works Department
3500 NE Clearwater Drive
McMinnville, OR 97128
(503) 434-7313
www.mcminnvilleoregon.gov

STAFF REPORT

DATE: September 23, 2025

TO: Adam Garvin, Interim City Manager

CC: Geoffrey Hunsaker, Public Works Director FROM: Leland Koester, Wastewater Services Manager

SUBJECT: WRF Farmland Lease

Report in Brief:

This action is the consideration of a new WRF Farm lease with Creekside Valley Farms, LLC for the farming of approximately 61.2 acres of property on City owned land near the McMinnville Water Reclamation Facility.

Background:

The City of McMinnville owns and operates the Water Reclamation Facility located in Yamhill County, Oregon. Undeveloped land outside of near-term facility expansion areas has been leased for dry agricultural farming purposes for many years. There are currently four (4) separate parcels leased for farming that range in size from 3.4 to 31.0 acres, and total approximately 61.2 acres (see Attachment 1). The current farm lease for these parcels expired on August 31, 2024. Creekside Valley Farms had the option to renew the lease in 2024 and 2025, but they and City staff did not note that the lease had expired. Creekside Valley Farms paid the land lease in 2024 and has submitted payment for 2025.

Discussion:

The original lease duration was for 5 years and could be extended for five (5) additional one year renewal terms upon mutual agreement of the Lessor and the Lessee.

In July 2025, the City contacted Creekside about the expired lease and was given verbal notice that they wish to continue the lease.

The City has two options to move forward with leasing.

- 1. Approve a new lease agreement with Creekside Valley Farms at the current rate of \$204.25.
- Deny the new lease agreement with Creekside Valley Farms and solicit bids for a new agreement. In 2019, Creekside's proposal was the highest bid received at \$204.25 per acre.

Creekside Valley Farms has fulfilled all requirements for maintaining the leased land as per the contract requirements for the last 7 years with no issues.

Attachments:

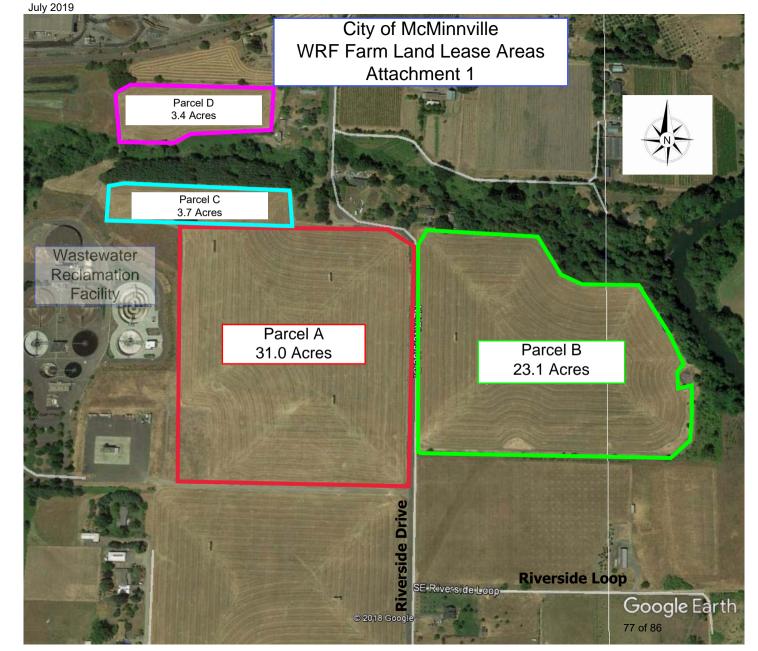
- 1. Farmland Lease Parcel Map
- 2. Lease Contract
- 3. Resolution No. 2025-53

Fiscal Impact:

The proposal included a rate of \$204.25 per acre per year (\$12,500 per year). The total financial compensation over the initial five-year lease period will be \$62,500. With each additional lease renewal being another \$12,500 per year. Totaling a maximum of \$125,000 over the entire lease agreement.

Recommendation:

Staff recommend City Council approve a new lease with Creekside Valley Farms LLC for the farming of approximately 61.2 acres of City owned property at the proposed rate of \$12,500 per year.



LEASE OF REAL PROPERTY BY AND BETWEEN CITY OF McMINNVILLE, OREGON AND CREEKSIDE VALLEY FARMS, LLC

This lease is made and entered into on <u>September 23, 2025</u>, by and between City of McMinnville, a municipal corporation of the State of Oregon (Lessor), and Creekside Valley Farms, LLC (Lessee).

- 1. **Premises:** In consideration of the covenants and agreements contained in this lease, Lessor leases to Lessee the following parcels as shown in Exhibit A: Parcel A, consisting of approximately thirty-one (31.0) acres; Parcel B, consisting of approximately twenty three and one tenth (23.1) acres; Parcel C, consisting of approximately three and seven tenths (3.7) acres; and Parcel D, consisting of approximately three and four tenths (3.4) acres. Exhibit A is attached to this lease and incorporated by this reference. These parcels are located in Yamhill County, Oregon.
- 2. Period of the Lease: The lease on the Premises shall commence upon execution of this document and, unless terminated pursuant to Sections 8, 13, or 16 of this lease, shall continue through August 31, 2030, expiring on September 1, 2030. Lessee covenants with Lessor that, unless Lessee and Lessor have agreed to extend the lease, at the expiration of the lease term or upon any termination of this lease, Lessee will quit and deliver the Premises and all future erections, improvements, or additions to or upon the Premises, to Lessor, peaceably and in as good an order and condition as the Premises are now or may in the future be put by Lessor. Loss by fire, flood, unavoidable casualty, and reasonable use and wear of the Premises is excepted.
- **3. Consideration:** Lessee agrees to pay Lessor, as rent for the premises, the sum of \$\frac{12,500.00}{2}\$ for each lease year. The lease year shall commence on September 1st and shall end on the 31st day of the following August. The payment for the first year of the lease is due within 30 days after execution of this lease. Subsequent payments for the yearly lease shall be in cash, paid in advance and is due on August 1st of each year. Payments shall be made to the City of McMinnville and be mailed or delivered to City of McMinnville, Attn: Finance Department, 230 NE 2nd Street, McMinnville, OR 97128. Lessee will include with the payment a statement that the payment relates to the "WRF Farm Lease."

Any lease payment required of Lessee that is not paid within ten days of the due date shall bear interest at the rate of the maximum rate of interest permitted by law (at the time of the signing of this agreement, 9% per annum) from the due date until paid.

4. Expenses Caused by Lease Termination: Lessor shall not be liable for any expense incurred by Lessee in producing crops, except upon termination of lease by Lessor for Lessor's beneficial use of the premises. Lessee shall be entitled to out of pocket expenses, labor and equipment costs but shall not be entitled to any future

profits from crops should Lessor terminate the lease. Lessor agrees not to terminate the lease during the normal crop growing season unless required to do so in order to meet wastewater facility expansion needs; regulatory requirements on discharge of wastewater effluent or biosolids from the City's Water Reclamation Facility; or other future Lessor needs. In no event shall the Lessee be entitled to any expenses or potential profits beyond the current lease year relative to crops with multi-year production.

- **5. Taxes:** Lessor agrees to pay, on or before November 15 each tax year, all taxes due on the Premises. Lessee shall pay, as due, all taxes on its personal property located on the Premises
- **6. Encumbrances:** Should there ever be a mortgage or other encumbrance on the Premises, Lessor agrees to keep the encumbrance in good standing at all times, to make all payments when due, and not to suffer or permit payments to be or become in default.
- **7. Relationship of the Parties:** The Lessor and Lessee agree that under no circumstances shall this lease be construed as giving rise to a partnership between them, and neither Lessor nor Lessee shall be liable for the debts or obligations of the other.
- **8. Lease Term Extensions:** The lease may, upon mutual agreement of the Lessor and the Lessee, be extended for five (5) additional renewal terms of one year each after termination. Lessee shall provide written notification to the Lessor, at least thirty (30) days prior to the expiration of the lease, that Lessee wishes to extend the lease. The parties will, at that time, renegotiate the lease price and the comprehensive general liability insurance coverage amount. If a mutually acceptable price and coverage amount can not be agreed upon, the extension of the lease will fail.
- **9. Notices Directed to:** Notices required or permitted under this lease shall be directed to:

Lessor:

City of McMinnville Attn: Wastewater Manager 3500 NE Clearwater Drive McMinnville, OR 97128 (503) 434-7313 (503) 434-7438 (Fax) Lessee:

Creekside Valley Farms, LLC Attn: Paul Kuehne PO Box 99 Lafayette, OR 97127 (503) 437-4833

10. Use of the Premises: The Premises will not be used in any way prohibited by law or governmental regulation. In this event the lease will automatically terminate immediately.

In connection with the use of the Premises, Lessee will conform to all applicable laws and regulation of any public authority affecting the premises and the use, and correct, at Lessee's own expense, any failure of compliance created through Lessee's fault or by reason of Lessee's use. Lessee shall refrain from any activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent Lessor from taking advantage of any available reduction in insurance rates unless Lessee pays the additional cost. Lessee shall refrain from any use that would be reasonably offensive to owners or tenants or users of neighboring premise or that would tend to create a nuisance.

Lessee shall not cause or permit any hazardous substances or contaminants to be spilled, leaked, disposed of, or otherwise released on the Premises without strict environmental controls satisfactory to Lessor. Lessee shall comply with all environmental laws (including federal, state, and local laws, and any judicial or other governmental orders pertaining to the protection of health, safety, or the environment) and exercise the highest degree of care in handling hazardous substances or contaminants and shall take all practicable measures to minimize the quantity and toxicity of hazardous substances on the Premises. Upon the expiration or termination of this agreement, Lessee shall remove all hazardous substances or contaminants from the Premises.

11. Special Conditions of Use: The Lessee further agrees to:

- (a) Farm and cultivate the premises in a judicious manner; to keep the fences, hedges, buildings and improvements thereon in as good condition and repair as the same are now or may be put in by either party hereto, ordinary wear and tear and damage by fire, flood, unavoidable casualty and the elements alone excepted;
- (b) Not allow noxious weeds to go to seed on the premises, but to destroy the same, and to keep out the weeds and grass on roads within and adjoining the premises;
- (c) Haul out and spread on fields to be agreed on at least once per year all manure and compost produced on the premises;
- (d) Not burn any straw or crop residues except as permitted by law, and then only with Lessor's permission;
- (e) Follow standard treatment for diseases of all seed sown on the premises and to pay the cost thereof;
- (f) Take proper care of all trees, vines and shrubs and to prevent injury to same and, except when needed for fences, not to cut down any live trees except with Lessor's permission;
- (g) Keep all ditches clean, open and free from brush and growth;

- (h) Allow no stock on the premises except the stock of Lessee;
- (j) Not plow pastures or meadow-land without Lessor consent;
- (k) Not allow damage or waste to Lessor's property;
- (I) At all times keep livestock, equipment and crops on the premises insured up to their fair value against loss or damage by fire with extended coverage, naming Lessor as an additional insured party;
- (m) Pay all expenses of delivering crops to market;
- (n) Not permit the production or sale on the premises of any alcoholic beverages;
- (o) Not assign this lease, nor sublet or permit any person(s) other than members of Lessee's family and employees to occupy the same without consent of Lessor being first obtained in writing; and
- (p) Plant only annual crops, or perennial crops that would allow the application of biosolids and abstain from planting any crop that could prohibit the application of biosolids.
- **12. Access:** Lessor also grants vehicular and pedestrian egress and ingress across adjacent Lessor owned properties at 3500 NE Clearwater Drive, McMinnville Oregon. Lessee is required to coordinate with the lessee(s) of the adjacent properties (if any) and minimize the disruption or damage caused. Any cost associated with damage or alteration to adjacent properties related to this lease will be paid by the Lessee.
- **13. Maintenance:** Lessee shall have full responsibility for maintenance of the Premises. Lessee shall keep the Premises clean and in good appearance. Lessee shall make no physical alterations without permission of the Lessor.
- **14. Indemnification:** Lessee shall indemnify and defend Lessor from any claim, loss, or liability arising out of or related to any activity of Lessee on the Premises or any condition of the Premises in the possession or under the control of Lessee. Lessor shall have no liability to Lessee for any injury, loss, or damage caused by third parties, or by any condition of the Premises except to the extent caused by Lessor's negligence or breach of duty under this agreement.
- **15. Damage to or Destruction of the Premises:** If the Premises are partially damaged, they shall be repaired as soon as practicable at Lessor's expense. If the Premises are destroyed or damaged to the extent that the cost of repair exceeds 25% of the value of the Premises before the destruction or damage, either party may elect to terminate this lease as of the date of the destruction or damage by written notice to the other party not more than thirty (30) days following the date of the destruction or damage. In such circumstances, the rights and obligations of the parties will cease as

of the date of the termination and Lessee shall be entitled to reimbursement of any prepaid lease amount, prorated. If neither party elects to terminate, Lessor shall, as soon as practicable, restore the Premises to substantially the same condition as before the destruction or damage. Lessee shall be reimbursed a pro rated amount of lease payments for any period during which the Premises are not usable.

- **16. Warranties:** Lessor warrants that it is the owner of the Premises and has the right to lease them free of all encumbrances. Lessor will defend Lessee's right to quite enjoyment of the Premises from the lawful claims of all persons during the lease term.
- 17. Assignment, Mortgage, Subleases: No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the Premises be conferred on any third person by any other means, without prior written consent of Lessor. This provision shall apply to all transfers by operation of law, including a transfer of a majority voting interest in stock or partnership interest of Lessee. No consent in one instance shall prevent the provision from applying to a subsequent instance. Lessor may withhold or condition such consent in its sole and arbitrary discretion. Lessor shall consent to a transaction covered by this provision when withholding such consent would be unreasonable in the circumstances. Lessor shall not unreasonably delay consent.
- **18. Termination of Lease by Agreement:** If the Lessee desires to terminate this lease agreement a request must be submitted in writing to the Lessor within thirty (30) days of the intended termination date. If the request for early termination of the lease agreement is granted the Lessee will quit and deliver the Premises to the Lessor by the agreed upon termination date, peaceably and in as good an order and condition as the Premises are now or may in the future be put by Lessor.
- 19. Default and Remedies: The following events shall constitute default:

Failure of Lessee to pay any lease payments within thirty (30) days after written notice that such payment is due.

Failure of Lessee to comply with any term or condition or fulfill any obligation of this agreement (other than the payment of lease payments) within twenty (20) days after written notice from the Lessor specifying the nature of the default with reasonably particularity. If the default is of a nature that cannot be completely corrected within twenty (20) days, this provision shall be complied with if Lessee commences correction within twenty (20) days (or as soon as practicable) and proceeds with reasonable diligence and in good faith.

Insolvency of the Lessee, an assignment by Lessee for the benefit of creditors, filing by Lessee of a voluntary petition of bankruptcy, an adjudication that Lessee is bankrupt or the appointment of a receiver for the properties of Lessee, filing of any involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within thirty (30) days after filing, attachment of or the levying of execution on the leasehold

interest and failure of Lessee to secure discharge of the attachment or release of the levy of execution with ten (10) days.

Failure of the Lessee to occupy the Premises for the purposes permitted under this agreement for the period of one (1) year.

In the event of a default, this agreement may be terminated at the option of the Lessor by written notice to Lessee. Whether or not the lease is terminated by the election of Lessor, Lessor shall be entitled to recover damages from Lessee for the default and Lessor may re-enter, take possession of the Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender. Following re-entry or abandonment, Lessor may re-let the Premises, or any part thereof, but Lessor shall not be required to re-let.

In the event of termination or re-taking of possession following default, Lessor shall be entitled to recover immediately, without waiting until the due date of any future lease payment or until the date fixed for expiration of the lease, the following amounts as damages:

The loss of lease payments from the date of default until a new tenant is, or with the exercise of reasonable efforts could have been, secured and paying.

The reasonable costs of re-entry and re-letting, including without limitation the cost of any cleanup, removal of Lessee's property and fixtures, and any other costs or expenses incurred through Lessee's default.

Any excess of the value of the rent and all of Lessee's other obligations under this agreement over the reasonable expected return from the Premises for the period commencing on the earlier of the date of trial or the date the premises are re-let, and continuing through the end of the term.

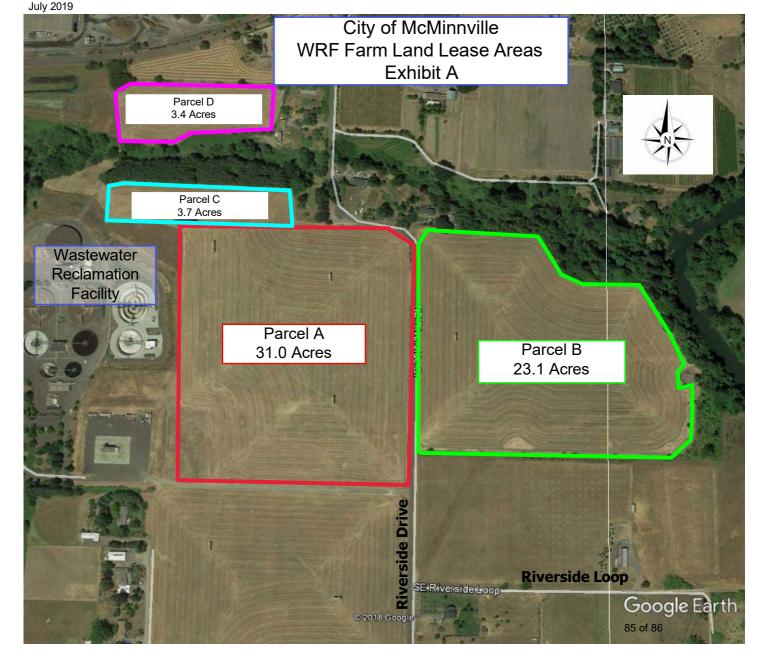
Lessor may sue periodically to recover the damages during the period corresponding to the remainder of the lease term, and no action for damages shall bar a later action for damages subsequently accruing.

The above remedies are in addition to and shall not exclude any other remedy available to Lessor under applicable law.

The limitations on remedies shall not preclude either party from seeking or obtaining injunctive relief or from seeking recovery against the other under any contractual indemnity set out in this agreement or for causing physical damage or injury to persons or property.

- **20. Strict Performance:** Waiver by either party of strict performance of any provision of this agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.
- **21. Attorney Fees:** If suit or action is instituted in connection with any controversy arising out of this agreement, the prevailing party shall be entitled to recover, in addition to costs, such sums as the court may adjudge reasonable as attorney fees at trail, on petition for review, and on appeal.
- **22. Successors and Assigns:** Subject to the above-stated limitations on transfer of Lessee's interest, this agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.
- 23. Recording: This agreement shall be recorded at the expense of Lessor.
- **24.** Lessor's Rights: Lessor shall have the right to enter upon the Premises at any time to determine Lessee's compliance with the terms of this agreement, and, in addition, shall have the right, at any time during the last year of the term of the lease, to place and maintain upon the Premises notices for leasing or selling the Premises.
- **25. Time of the Essence:** Time is of the essence of the performance of each of Lessee's obligations under this agreement.
- **26. Arbitration:** If any dispute arises between the parties, either party may request arbitration and appoint as an arbitrator an independent real estate appraiser having knowledge of leased properties comparable to the premises. The other party shall also choose an arbitrator with such qualifications, and the two arbitrators shall choose a third. If the choice of the second or third arbitrator is not made within ten (10) days of the choosing of the prior arbitrator, then either party may apply to the presiding judge for the judicial district where the premises are located to appoint the required arbitrator. The arbitrators shall proceed according to the Oregon statutes governing arbitration, and the award of the arbitrators shall have the effect therein provided. The arbitration shall take place in Yamhill County. Costs of the arbitration shall be shared equally by the parties, but each party shall pay its own attorney fees incurred in connection with the arbitration.

Paul Kuehne Owner-Creekside Valley Farms, LLC	Adam Garvin City Manager
Date	Date
	Approved as to Form



RESOLUTION NO. 2025-53

A Resolution authorizing the lease of City-owned real property at the Water Reclamation Facility to Creekside Valley Farms, LLC pursuant to ORS 271.310.

RECITALS:

Whereas, the City owns four (4) parcels totaling approximately sixty-one and two tenths (61.2) acres of real property which is currently part of the City of McMinnville Water Reclamation Facility property at 3500 NE Clearwater Drive, and

Whereas, the property has been farmed in the past and is currently in farm use, and

Whereas, the property is not currently needed for Wastewater Services' operations, and

Whereas, accordingly, the City wishes to continue leasing the property for farm use, so that future use for wastewater treatment and other City needs are protected in the lease, and

Whereas, leasing the property to Creekside Valley Farms, LLC will allow the property to be used for agricultural production (its best current use), which is in public interest, and

Whereas, Staff recommends a five-year lease with up to five (5) subsequent one-year extensions, for a total possible period of ten (10) years, which will expire on September 1, 2035, and

Whereas, consideration for the lease of this property is an annual cash payment to the City of \$12,500.00 (\$204.25 per acre/year). The City will pay the real property taxes on this property because it is not a distinct tax parcel and taxes are minimal.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

- 1. That a five-year lease with up to five (5) one-year extensions to Creekside Valley Farms LLC for farming purposes is hereby approved.
- 2. That the City Manager is authorized to sign the lease agreement.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 23rd day of September 2025 by the following votes:

Ayes:		
Nays:		
Approved this 23rd day of Sep	tember 2025.	
MAYOR		
Approved as to form:	Attest:	
City Attorney	City Recorder	