



# CITY COUNCIL MEETING

Monday, May 18, 2026 at 5:30 PM  
Sandy City Hall and via Zoom

## MINUTES

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### OPEN HOUSE – 5:30 PM

1. Open House: Wastewater Facility Plan Amendment

The City held a community open house event from 5:30 – 7:00 PM to allow the public an opportunity to learn more about the 2026 Wastewater Facility Plan Amendment, and in particular the City’s new recommended groundwater discharge solution. The draft plan, along with a program summary document and a groundwater overview fact sheet, were provided for attendees and were included in the staff report for the event, along with presentation slides.

Attendees received the slide presentation from the Public Works Director, viewed informative poster boards (which are attached to these minutes), and had a chance to speak with the City’s lead project engineer, Heather Stephens with Stantec.

Video of the event can be accessed on the City’s website here:

<https://www.ci.sandy.or.us/citycouncil/page/city-council-meeting-221>

### REGULAR MEETING – 7:00 PM

#### PLEDGE OF ALLEGIANCE

#### ROLL CALL

##### PRESENT

Mayor Kathleen Walker  
Council President Don Hokanson  
Councilor Chris Mayton  
Councilor Laurie Smallwood  
Councilor Rich Sheldon  
Councilor Kristina Ramseyer  
Councilor Lindy Hanley

#### CHANGES TO THE AGENDA

(none)

## **PUBLIC COMMENT (3-minute limit)**

Dave Vandehey: Provided a written letter to the City Council which was included in the meeting packet. Stated that he requested an extension of his land use approval and ERU allocation during the April 6<sup>th</sup> meeting, but he is now making those requests again on a more formal basis. Stated that construction of Bull Run Terrace will bring important benefits to the city, including extension of Dubarko Rd and needed housing, and that he has already dedicated land that became part of the new Deer Pointe Park. Stated that his development has experienced unprecedented hurdles such as the development moratorium and rising costs and fees, but he still wants to see it through to completion. Stated that he appreciates the recent reduction in SDCs, but that he needs a two year extension of his land use approval and ERU allocation to complete his project. Stated all of the effort on Bull Run Terrace should not be wasted, and that he requests an answer to his request at the following meeting.

## **RESPONSE TO PREVIOUS COMMENTS**

(none)

## **CONSENT AGENDA**

2. City Council Minutes: May 4, 2026
3. Resolution 2026-14: State Shared Revenue - Fiscal Year 2027

### **MOTION: Adopt the consent agenda**

Motion made by Councilor Sheldon, Seconded by Councilor Ramseyer.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

### **MOTION CARRIED: 7-0**

## **RESOLUTIONS**

4. PUBLIC HEARING: Resolution 2026-04 - Revised Moratorium Planning for Future Capacity

### Abstentions

(none)

### Conflicts of Interest

(none)

### Staff Report

The City Attorney summarized the staff report in the meeting packet, stating that this is the 5<sup>th</sup> iteration of the development moratorium, each having added additional flexibility based on changing circumstances. He explained that the City expected to receive permission to add 190 additional ERUs to the wastewater system during the term of this moratorium, prompting the need to develop the system to allocate those additional ERUs that is included in the latest version of the moratorium. He explained the proposed system and the differences between

residential and commercial development, and also noted that this moratorium addresses and synchronizes ERU allocation extensions with one uniform expiration date.

### Public Testimony

Ray Moore & Darren Clow: provided a letter to the Council which was included in the meeting packet. Stated that the moratorium states that property must be within city limits to receive new ERU allocations, but requested revision of the language to include all properties within the urban growth boundary (UGB); assuming such properties can be annexed, they should be able to enter the residential ERU lottery as well.

Dave Vendehey: provided a letter to the Council which was included in the meeting packet. Stated that the ERU allocation extensions contemplated in the proposed moratorium are insufficient for his project; stated that Bull Run Terrace would provide substantial housing for the community, and that he does not want to see the project die.

### Recap and Recommendation

Staff recommended adoption of the resolution.

### **MOTION: Close the public hearing**

Motion made by Councilor Ramseyer, Seconded by Councilor Hanley.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

### **MOTION CARRIED: 7-0**

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### Council Discussion

- Questions as to why the draft moratorium was written to only include properties within city limits in the ERU allocation lottery. Staff responded that it was written that way because there is already sufficient developable land within city limits to account for the portion of the 190 ERUs that would be dedicated to residential development, and that many such properties have been paying city taxes and have been waiting a long time to be able to develop. It was noted that the portion of the 190 ERUs dedicated to residential development would not be enough to satisfy demand if the entire UGB was eligible. Staff also indicated that eligibility for ERU allocation related to location should be consistent between residential and commercial properties.
- Questions as to whether properties within the city limits could be given preference (a weighted lottery)
- Suggestion that properties outside the city limits could instead request to be annex now and then be eligible to enter the lottery
- Suggestion that the City could choose to implement the lottery as proposed, and potentially amended it in the future if ERUs are left over and a second lottery is needed
- Discussion regarding the procedures for reallocating expired ERUs

- Suggestion that annexation would only be finalized if a property was successful in the lottery
- Suggestion that the City could shift some portion of ERUs from commercial to residential in a future version of the moratorium
- Suggestion that it would be fair to limit the lottery to city limits for this first round
- Clarification that the regulatory approval of the 190 ERUs would trigger the lottery process
- Note that the awarding of ERUs through the lottery would start the ERU expiration clock, and that property owners could not just sit on ERUs forever
- Questions as to what the downside would be for more ERU extensions as was requested by Mr. Vandehey. Staff indicated that potential downsides would be stopping other potential development that could otherwise move forward with reallocated ERUs
- Discussion of the proportional share fee Bull Run Terrace would pay if it moves forward
- Note that the residential lottery would not be enough to accommodate the Bull Run Terrace project
- Note that more potential projects could potentially move forward if the greater UGB were eligible for the lottery; suggestion that the moratorium should be amended to include any property inside the UGB to increase the potential for successful and beneficial developments
- Overview of the city annexation process
- Emphasis on ensuring that island annexations do not occur
- Discussion of the process for reclaiming ERUs if annexations are denied; note that state law addresses the annexation process and many times they must be allowed
- Discussion of the lengthy typical timeline to develop subdivisions
- Note that the moratorium could be revised in the future if there is not enough interest in the lottery
- Note that considerable investment of time and money is necessary before a project can enter the lottery
- Note of the need for an executive session regarding ERU expirations
- Discussion of the Rogue Fabrication economic development opportunity
- Questions as to whether Mr. Vandehey could potentially relinquish his ERUs and enter the lottery, thus resetting expiration deadlines; discussion as to whether other properties could potentially follow the same path

After discussion, it was the consensus of the Council that Sections 9, 10, and 11 should be amended to allow properties outside city limits but within the UGB to participate in the ERU allocation process.

**MOTION: Adopt Resolution 2026-04, with the amendment that in Sections 9(c), 10(d), and 11(c), the words "in city limits" is replaced with "within the City's Urban Growth Boundary"**

Motion made by Councilor Smallwood, Seconded by Councilor Mayton.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Ramseyer, Councilor Hanley

Voting Nay: Councilor Sheldon

**MOTION CARRIED: 6-1**

**OLD BUSINESS**

5. Clackamas County TSP check-in

The Development Services Director summarized the staff report in the meeting packet, and noted the need to clarify the Council's improvement requests in light of the feedback received from Clackamas County. It was noted that County investment in these and other projects in the eastern portion of the county will take continued advocacy from local elected officials.

The Council provided the following input:

Ten Eyck & Hwy 26

- A curb, median, bollards, or other means of blocking traffic from making left turns from Ten Eyck into the 7-eleven parking lot is desired
- If the City were to take jurisdiction of this portion of road, ADA ramp and sidewalk improvements would likely be desired. However, members of the Council indicated they did not want the City to take jurisdiction.
- The consensus of the Council was that staff should simply request that the County block the above-noted left turn access

Hwy 211 & 362<sup>nd</sup>

- The consensus of the Council was that staff should request a signalized intersection

Firwood & Hwy 26

- The consensus of the Council was that staff should request:
  - A signalized intersection
  - Lower speeds
  - Closure of the secondary driveway adjacent to the U-Haul facility

362<sup>nd</sup> Extension to Kelso

- The consensus of the Council was that staff should request that extension of the road beyond the City's urban growth boundary be included in the County's TSP

6. Follow Up Discussion: Nuisances Affecting Public Peace

The Development Services Director summarized the staff report in the meeting packet, and indicated that a final round of input from the Council was being sought in advance of a public hearing expected on June 1<sup>st</sup>.

The Council provided the following input on the suggested code amendments:

- Discussion related to uniform quiet hours for most activities; after several suggestions it was the consensus of the Council that 9:00 PM to 7:00 AM should be the time during which most types of disturbing noise should not be allowed
  - Exceptions to these prescribed quiet hours were agreed to be 'excavation and construction' which would retain the separate quiet hours contained in the code,

and 'recreation areas on private property' which would have 10:00 PM to 7:00 PM as quiet hours.

- With regard to 'solicitation' the Council agreed that it should not be allowed between 8:00 PM and 9:00 AM

## **NEW BUSINESS**

### 7. Contact Amendments: On-Call Construction Services Cap Increase

The Public Works Director summarized the staff report in the meeting packet.

**MOTION: Authorize the City Manager to execute amendments to the on-call water and wastewater construction contracts with James W. Fowler Co. and R.L. Reimers Company, to increase each of their not-to-exceed limits from \$5 million to \$6 million**

Motion made by Councilor Smallwood, Seconded by Councilor Sheldon.

Voting Yea: Mayor Walker, Council President Hokanson, Councilor Mayton, Councilor Smallwood, Councilor Sheldon, Councilor Ramseyer, Councilor Hanley

**MOTION CARRIED: 7-0**

## **REPORT FROM THE CITY MANAGER**

- Reminder of the upcoming Economic Development Advisory Board meeting
- Update from the City Attorney on recently adopted state legislation, in particular HB 4037 and SB 974, both of which place limitations on the local government public hearing process for certain land use matters. The Council asked a number of clarifying questions about the legislation, expressed its substantial frustration with the policies, and questioned the ability of the City to implement them feasibly.

## **COMMITTEE / COUNCIL REPORTS**

### Council President Hokanson

- Concern about the ongoing erosion of local elected officials' power to govern, given recent state land use legislation

### Councilor Hanley

(none)

### Councilor Ramseyer

- Recap of the Public Works Director's recent presentation to the Planning Commission
- Note that she will be part of the upcoming Transit presence at the farmer's market

Councilor Sheldon

- Recap of the last C-4 meeting; praise for the City Manager's presentation about the Energize Sandy economic development program

Councilor Smallwood

- Recap of Yappy Hour
- Note of upcoming PGE wildfire awareness event

Councilor Mayton

(none)

Mayor Walker

- Recap of meetings with Senator Drazan and Senator Merkley's office; note on upcoming meeting with Representative Dexter
- Note of upcoming PGE wildfire awareness event

**STAFF UPDATES**

Monthly Reports: <https://reports.cityofsandy.com/>

**ADJOURN:** (a Sandy Urban Renewal Agency meeting took place immediately after adjournment)