



COUNCIL SPECIAL SESSION

Wednesday, January 10, 2024

APPROVED MINUTES

MEMBERS PRESENT

Mayor Rick Scholl
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

STAFF PRESENT

John Walsh, City Administrator
Kathy Payne, City Recorder
Lisa Scholl, Deputy City Recorder
Gloria Butsch, Finance Director
Suzanne Bishop, Library Director
Brian Greenway, Police Chief
Jose Castilleja, Police Sergeant
Jon Eggers, Police Sergeant
Doug Treat, Police Sergeant
Pati Ruiz, Records & Evidence Specialist
Tina Curry, Contracted Event Coordinator

Dylan Gaston, Police Officer
Bryan Cutright, Police Officer
Jamin Coy, Police Officer
Jeremy Howell, Police Officer
Kolten Edwards, Police Officer
Terry Massey, Police Officer
Adam Hartless, Police Officer
Adam Raethke, Police Officer
McKenzie McClure, Police Officer
Everardo Medina, Code Enforcement Officer

OTHERS

Patricia Mason	Jenni Gilbert	Jenn Massey
Brady Preheim	Steve Toschi	Brianna Gaston
Stephanie Patterson	Don Patterson	Mercedes Massey
Michelle	Jim Coleman	Lisa Marsh
Robyn	Molly Matchak	Steve Topaz

CALL SPECIAL SESSION TO ORDER – 6:00 p.m.

DISCUSSION TOPICS

1. Discussion regarding Current Fiscal Year Police Department Budget

City Administrator Walsh agreed with the need for more officers and a new police station. Funding is the challenge. The location of the proposed police station is being appealed. There is a \$750,000 annual debt service the City will need to pay from Bonds sold to pay for the new station. They are looking at ways to use that money in the interim while they figure out the new station.

Mayor Scholl talked about the police station and staffing discussions that have taken place. If there was a choice between the two, additional officers was the priority. They discussed selling the debt service of the police station to the Urban Renewal Agency for the Waterfront development. The \$10 utility fee could be amended to pay for public safety staffing now. Following the retirements, that fee could be amended again to pay for the new station.

Officer Bryan Cutright, resident and St. Helens Police Association Vice President, passed around pictures of the current building to show their poor working conditions. He has attended numerous meetings and spoken about the staffing crisis. Nothing has changed. Why have all the concerns fallen on deaf ears? They were told by Mayor Scholl and City Administrator Walsh that they would look at creative ways to increase staffing. They were promised five additional officers since 2022. Since that time, three officers left for other agencies and three were hired. They were then told they couldn't hire additional officers because of the budget crisis. Now they're back to having no additional officers. He pointed out that Mayor Scholl has repeatedly said the Police budget was increased. However, that increase was to retain officers, not add positions. What percentages have other departments increased with inflation? The Council and administration need to determine what is the most important. Waterfront or law enforcement? Library or a detective to investigate rape cases? They are tired of the inaction. Hiring two to three new officers is not enough when they are expecting a minimum of three retirements this year. Why does the City insist on keeping numbers low? They need 29 sworn officers to properly staff the city. The City holds tourism events for thousands of attendees. What's going to happen if something bad happens? The City has ignored risk assessments to keep the community safe. Where is the \$10 utility fee going if they don't build a new station? He heard they are going to reallocate the loan money for the Waterfront project. They need to add another \$15 utility fee in addition to the \$10 fee to employ six more officers. There needs to be specific language so that the fee can only be used for the Police Department and staffing. He talked about the poor condition of the current police station. Upgrades are needed. It's time for Mayor Scholl and City Administrator Walsh to resign their positions. It appears they care more about the Waterfront project and tourism than police staffing. He implored the Council to force them out of their positions if they do not willfully resign.

Mayor Scholl was hoping for a productive meeting. He has never called anyone out. He has a fiscal responsibility to hold each department accountable to their budget. He is proud of the Police Department.

Officer Dylan Gaston, resident and St. Helens Police Association President, read the definition of "defund." To suggest taking the money allocated for the Police Department and using it for the Waterfront project is an example of defunding the police. He talked about some of the necessities that the Police Department funding has provided to do their jobs, including to retain officers. Everyone agrees a new police station is needed. The Association is not opposed to building a new station on the current property. They are opposed to moving the funding to use on less important projects. Staff can't keep up with the growth without additional officers. There are 21 sworn officers and the goal is 29. The City recently suggested the police station loan and utility fee be used to hire three officers. That does not financially add up and appeared to be a way to funnel money into other projects. If the City decides they are opposed to the police station and staffing, they need to return the money to the payers. The Waterfront project is not a necessity. He disagrees that all departments are equal. The Police Department and Public Works are expected to be at work during inclement weather, while other departments can remain closed. Speaking for himself, he argues that the Police Department is the most important department in the City. He has great relationships with other departments, but if the City is not safe then the other departments cannot function as intended. They need to stop neglecting the Police Department or let someone with a better understanding of public safety run the City. Modifications of schedules were discussed but he disagrees with asking already overworked officers to work more. Two detectives could not begin to keep up with the workload and now they are down to one. The City has let the budget get to a very bad place and he understands the need for alternative funding. One suggestion is to raise the utility fee from \$10 to \$25, allowing the City to build a station and add staffing. The Library does not have to choose between books and librarians. E2C does not have to choose between a boat and a tram. Other departments get what they need to effectively do their job. Why should the Police Department be the exception? They need staffing and a station now. Tonight's decision will be a clear indication of how they feel about police.

Mayor Scholl pointed out that it is not stealing money when they owe debt. It's debt services and not money that is already allocated. He has never tried to make this personal. He serves all citizens. He has lived here all his life. The community and officers mean a lot to him. He also has empathy for those struggling to meet daily needs. He requested Butsch speak about the debt service. It's covering a debt and not stealing. Council President Chilton said it's whether it is ethically right, not whether it's legal.

Mayor Scholl appreciates Cutright and Gaston for being direct and opened it for further discussion.

Councilor Gundersen agreed they need to find the funding for additional staffing. The \$15 added to utility bills for staffing is reasonable and allows them to build a police station now. He suggests relocating the station so they don't have to spend additional money on attorneys with LUBA. The Urban Renewal Agency is separate funding for the Waterfront. Cutright pointed out that the loan was obtained to pay for the police station and not the Waterfront. Councilor Gundersen responded that was a way to get more money for the officers without having to put the cost on the taxpayers. Cutright understands. It's not their fault that it has taken the City this many years to build a new station. It's the City's fault. They should be finding other solutions. There are other properties they could be using. They can also sell property to help fund it. The loan for the police station is now proposed to be reallocated to the Waterfront project. The City cannot afford that project. Councilor Gundersen responded that the Urban Renewal Agency funds would still fund that project without rolling the police station funding into it. Walsh clarified that the purpose would be to preserve the value of the \$13 million sitting there. It continues to go down in value, between inflation and interest payments. Putting that money into use for current projects will help them borrow less money. They are separate streams of money. Once they have a site, design, and bids, they'll go back and do the same thing they did the first time and get another loan. Gaston said it would significantly delay the police station. Walsh confirmed that it's delayed anyway because of LUBA or a new site design to move it to another site. Cutright said they should be working towards that now. Walsh said they've done some of that already. Cutright said more importantly, the \$15 utility fee would allow them to hire more officers immediately. He's a resident and willing to pay the additional fee for more officers. He's already paying the \$6,000/year for the Sheriff's Office, which the Council recommended voters approve the levy. Mayor Scholl pointed out that he did not vote in favor of that. Citizens don't want more taxes and likely will not vote in favor of it.

Mayor Scholl talked about the budget increasing from \$2.4 million in 2017 to \$5.6 million in 2023. He voted no against the Sheriff's levy because they would not provide information to show they needed the additional funding.

Chief Brian Greenway said there's never been a bottom line for how many officers are needed to safely police St. Helens. They need to do an updated staffing study and suggests using a college student or contractor. There are three officers who could retire right now and four who will be eligible this year. The process to hire a new officer takes six months to a year. They are certain to lose two officers and possibly four this year. To safely patrol 24/7, they operate three 10-hour shifts, which requires 14 officers. Depending on the time, there is a requirement for a minimum of two or four officers on duty. The 10-hour shifts allow an overlap to write reports, impound evidence, download body worn camera footage, conduct mandatory training, serve search warrants, follow up on leads and calls, and serve the schools. There is no overlap with eight-hour shifts. State will de-certify officers if they don't meet mandatory training requirements. St. Helens has a goal to exceed those requirements. They also need to prepare for officers leaving or on medical leave. If they reach the point of not having enough officers, they could reduce to two 10-hour shifts. Officers would be called out from their homes during those four hours if there is an emergency. Sheriff Pixley agreed to triage calls during that time. St. Helens is very busy with arrests. Walsh will work with the Union and City to create call-out language. Greenway went on to review the benefits of Enterprise leasing. He agreed that it's expensive, but the technology and safety of new cars every five years is priceless to protect the officers and assist in their duties. The Budget Committee and Council will need to decide whether to lease or buy.

Mayor Scholl agreed with Greenway. He talked about the number of staff and the budget increase of \$3.2 million. Greenway responded that 85% of the budget is spent on salary and benefits, which is set by Council. The officers were thankful for the wage increase that kept them in line with other agencies. It also helped to retain officers. Previously, the City would hire, train, and then they would leave for a better paying agency. They have very stringent safeguards in place to control what is spent from materials and services. The three major purchases are the lease program, body worn cameras, and the report writing system.

Mayor Scholl asked if there is room for cuts. Greenway talked about expenses, such as earmarking money for new equipment if they hire new officers and the increase in the cost of ammunition, fuel, and travel for training. They are also eliminating the awards banquet to save cost.

Discussion ensued about staffing and conducting a study of what is needed. Calls have increased as well as the complexity of each. Decisions they make will affect their ability to recruit officers. Local agencies are struggling. Officers in this room are being recruited by other agencies. Mayor Scholl pointed out that it's a nationwide problem, not just local. He talked to the lieutenant about the reserve program and its ability to create a pool of potential recruits. Council President Chilton said there's a culture change. A reason to choose to work in St. Helens is because they support their officers. Cutright pointed out that the culture only goes so far. They won't be able to recruit if the pay isn't adequate, the facility isn't adequate, the vehicles and equipment have aged, and the schedules are not enticing. They can't wait for people to leave to fill positions because of how long it takes to train.

2. Discussion regarding Police Station Project

Mayor Scholl reminded everyone that Council decisions are based on a three to five vote. He is an advocate for the new police station and loved the design. The cost was expensive and they must be fiscally responsible. He agreed to go back to the design consultants and make reductions. The proposal does not steal the funding. It's taking the debt service to pay the interest only. It allows them to hire officers. Sergeant Castilleja interjected that it will not alleviate the problem. A new officer takes 20-22 months from the hiring. They will be lucky if they can hire three qualified applicants. If he takes all the thoughts and feelings out of it, there were funds earmarked for the police station, designs for the station, plans to move forward for the station, and then someone made a complaint about the location. Now it's held up in the process. He saw the designs and heard promises when the old building was going to be remodeled. But they never had the funding and the building was never remodeled. It will always be too expensive. They must build for the future. Is it the best long-term decision to move money?

Mayor Scholl asked Finance Director Butsch to explain the finance concept. Finance Director Butsch confirmed that it is not stealing. The concept is to take the balance of the bonds sold, which is about \$13 million, and redirect those to projects happening now. That frees up the Public Safety fee to use for police operations. Urban Renewal funds or a different project could pay for the debt service. They could identify a new site for the police station and then get bonding at the right time. Those funds have been sitting there for 2.5 years. They will have to start paying interest, identified as arbitrage, to the bond holders for not doing the project. They are paying debt service and don't have a project. It's possible to get a better rate next time as well. Council President Chilton asked for other options. Butsch said they can let it sit there but they will have to pay the \$71,000 back to the bond holders, which is over and above the debt service payments. If they don't have a project well underway by September 2024 they will be in that situation.

Cutright said promises were made in the past just like now. The plans were done and now they want to move the funds and reevaluate when they have a new location in a couple of years. Gaston asked if they could put that \$13 million in an account for the Police Department until they are ready to break ground. Butsch said they could do that but would be paying arbitrage. Council President Chilton asked how far along the project must be to not pay arbitrage. Butsch said it would need to be in construction. Councilor

Hubbard said the Planning Commission looked at the proposed location as strictly being in a flood plain, which the engineer never went through the first steps to find out. They can get everything they need for less money. Castilleja said it's not about the aesthetics but the functionality to conduct business and grow. They must plan for the future. They need space for investigations, store property, training, etc. Cutright pointed out that Sandy and Lincoln City buildings were already too small when built. Mayor Scholl said he's been adamant about not taking the funding away from the police station. It was Cutright and Gaston who said if there was a choice, they would choose officers. Cutright confirmed. But now they're getting neither. Castilleja proposes moving forward with a new building, hiring more officers, and temporarily adjusting work hours with the goal of going back to where they are now.

Mayor Scholl said they didn't anticipate Cascades leaving. That was a \$1.4 million loss to the City.

Greenway asked how much of the Urban Renewal funds would go to hiring officers. Mayor Scholl clarified that would be if the debt service was sold to the Urban Renewal Agency. That would allow them to hire three officers right away. Castilleja said that was not enough. There is a way to build a station, hire officers, and adjust their schedules. Cutright suggests increasing the utility bill by \$15 to cover additional officers. Discussion of making the best use of the money. Mayor Scholl had push back on the \$10 fee. The jail levy is coming up this year as well. Officers were taking people to the jail and then watching them walk away. Cutright said the only requirement for the Sheriff's Office is that they have a jail. They're not required to have road deputies. The matrix laws are created by the State.

Councilor Hubbard pointed out a perception of the utility bill. It started as \$3 for Recreation with a promise to sunset. Then it went up to \$10 and now they want another \$15. It's just an access to charge when you need money. Council President Chilton pointed out that the \$3 Recreation fee did go away. She attended a seminar at the League of Oregon Cities about the legality of the fee. Oregon taxes cannot be increased, so a lot of cities use the utility bill to add fees. Councilor Sundeen asked Butsch to speak about its legality. Butsch confirmed there are a lot of cities that utilize it. To her knowledge, there is nothing illegal about it as long as there is a public process and an opportunity for the public to speak. Cutright said that Portland lied about the use of their utility fee, which is why there was a lawsuit. Butsch confirmed that it needs to be clearly stated what the use is. Councilor Sundeen asked Butsch to look at numbers. Butsch said she did look. The \$10 fee pays for the debt service. To pay for more officers, they would need an additional \$15. Reallocating the bond funds to different projects would free up the \$10 fee and be used for officers. If they stay with the project and keep the debt service, they will need the additional \$15 to fund more officers. There is a risk of breaking ground in time and the \$13 million dwindling.

Discussion of being fiscally responsible and providing what is needed.

Cutright understood that they acted when they did on the loan because of the low interest rate, so they likely won't get a lower rate now. Mayor Scholl clarified that he didn't know the loan was being taken out. The Council's vote was for the process and not the loan. Cutright was concerned that Mayor Scholl says he supports the Police Department but then wants to redirect the funding to the Waterfront project. Mayor Scholl argued that he did not say that. He wants to know the dollar amount they would save by rolling it into the Urban Renewal. It's going to take time to relocate the police station and the penalties will increase in that time.

Council President Chilton pointed out the money already wasted with the location and design. Walsh said the building design will fit in another location. However, design for road improvements, access, yard storage, would still be an additional cost. Council President Chilton said there will be wasted money no matter what they do due to the LUBA appeal. Gaston suggests leaving the money where it's at. Walsh said everyone wants the police station. It's a matter of the best way to utilize the money.

Castilleja encouraged them to move forward. They do not have adequate facilities and not proceeding will continue to negatively affect generations to come.

Councilor Sundeen worries if they continue to put it off longer, they will have nothing to show for it and will lose money either way. They can look at areas to trim, work that can be done by staff, donations, etc.

Discussion ensued about funding the police station. A few highlights were:

- Incremental utility fee increases to help pay for a new station and more officers
- Industrial development
- Build it in a different location

Discussion of backfilling for pending retirements. A few highlights were:

- Increase advertising area
- Competing with other agencies. Need to over hire to prepare for retirement.
- Pay compares fairly with other agencies
- Consider incentives to work here
 - Better facility
 - Take-home cars
 - Workout area
 - Specialty positions

Mayor Scholl said they need to make sure there are adequate services throughout all City departments. The \$25 utility fee is way too aggressive. He would like an opportunity for public testimony. His stance is less taxing and more fiscal responsibility. Cutright responded that the City is already failing to live within its means.

Castilleja restated the need for a new police station and more personnel. Based on conversations, he suggests moving forward with finding a new location to build the station and finding a way to get funding for the police positions. A lot can be done between now and September. Cutright added if they choose to not add the \$15 utility fee, they will not have the funding to hire more officers.

Councilor Gundersen said that public safety is the number one job of government. They have done a poor job of supporting the police. They need to move forward hiring officers. Cutright sees other cities putting 45% into public safety, but St. Helens is putting in 30%. Every other department has increased as well. The Police Department is the most important department in the City. They are working 24/7 and others are not. Councilor Hubbard agreed that safety is the most important.

Councilor Sundeen requested Butsch show an incremental approach. He would be fine with \$25, but some will struggle with that. There needs to be a public meeting to share the proposal and how it will affect them. They need to work as a team. He appreciates the Police Department and wants to figure it out together.

Council President Chilton agrees. They need to take time to make an educated decision and don't know if that means a \$25 fee.

Walsh thanked everyone for being here. The impact is a result of losing industry. Industry really subsidizes the City. They'll get back there.

Mayor Scholl came here to have an open discussion. He wants to hear from everyone and how it will impact them. It's a decision made by the entire Council and not just him. He appreciates all the officers and is in favor of a new police station.

Motion: Motion made by Councilor Sundeen and seconded by Councilor Gundersen to investigate incremental increases in utility bills, a flat increase in utility bills, separate line items on the utility bills,

timelines, and moving forward with finding a new location that will fit the current design and building the facility.

Discussion based on motion.

Mayor Scholl reported that he will not be at the next meeting. He has a prescheduled vacation.

Vote: Yea: Mayor Scholl, Council President Chilton, Councilor Sundeen, Councilor Gundersen, and Councilor Hubbard

OTHER BUSINESS

ADJOURN – 8:49 p.m.

Respectfully submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

/s/ Kathy Payne
Kathy Payne, City Recorder

/s/ Rick Scholl
Rick Scholl, Mayor