



COUNCIL WORK SESSION

Wednesday, March 18, 2026

APPROVED MINUTES

MEMBERS PRESENT

Mayor Jennifer Massey
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard – arrived at 3:11 p.m.
Councilor Brandon Sundeen

STAFF PRESENT

John Walsh, City Administrator	Suzanne Bishop, Library Director
Kathy Payne, City Recorder	Michele Karmartsang, Library Assistant
Lisa Scholl, Deputy City Recorder	Crystal King, Communications Officer
Matthew Smith, Police Chief	Shanna Duggan, Recreation Manager
Mouhamad Zaher, Public Works Director	Ashley Wigod, Contracted City Attorney
Sharon Darroux, Engineering Manager	

OTHERS

Steve Topaz	Steve Donovan
Mark Bandov	Scobby
Lucas Bandov	Brady Preheim
Robyn Toschi	Danica Rose Barrick
Steve Toschi	Jennifer Stapleton

CALL WORK SESSION TO ORDER – 3:00 p.m.

Contracted City Attorney Wigod addressed the Council regarding the declaration of conflicts of interest, explaining this would now be a standard agenda item before every Council meeting. She outlined the two types of conflicts under Oregon law: potential conflicts, which require disclosure but allow participation in discussion and voting, and actual conflicts, which require disclosure and prohibit discussion and voting unless specific exceptions apply. No Council members declared any conflicts of interest for the work session agenda items.

CLEARING CONFUSION AND SETTING THE FACTS STRAIGHT

1. Response to February 18 Visitor Comments

Mayor Massey noted that there were no responses to visitor comments from the February 18 meeting.

VISITOR COMMENTS – Limited to three (3) minutes per speaker

- ◆ Steve Toschi. Addressed the Council regarding budget concerns and Police Department management. He referenced the Greenway report materials, asserting that the Council had been misled by the police union regarding budget needs despite a 95% increase in the police budget. Toschi criticized police overtime records showing officers billing for more than 24 hours in a day and suggested significant cuts to the police budget, approximately \$2 million. He noted Mayor

Massey's conflict of interest regarding her husband's employment and called for better management of budget issues regardless of whether the levy passes.

- ◆ Mark and Lucas Bandov. Requested that golf carts be included in the side-by-side ordinance. Bandov explained he had been using his golf cart to pick up his son from school since November but was recently stopped by police. He described how the family enjoys using the golf cart for neighborhood activities and emphasized that golf carts are slower than side-by-sides. He noted that newer golf carts have safety features like lights, mirrors, and horns, and requested guidance on how to proceed with legalizing golf cart use in the city.
- ◆ Steve Topaz. Raised concerns about the lagoon project and Maul Foster's consulting work. He claimed that Maul Foster had presented information five years ago showing the project was financially unfeasible, yet the City continued spending money on it. Topaz questioned Maul Foster's involvement in future City projects and raised concerns about the lagoon's structural integrity due to seismic issues. He also requested information about the total legal costs the City has incurred, mentioning a recent figure of \$700,000 beyond insurance coverage.

Councilor Hubbard arrived at 3:11 p.m.

- ◆ Brady Preheim. Made multiple allegations and comments, including claims about retired City employees continuing to work under contracts, assertions about tourism revenue shortfalls, and accusations regarding conflicts of interest. He also made personal attacks and questioned the management of the Police Department compared to Scappoose's operations.

Mayor Massey responded to disagree with assertions that the Finance Director had lied, noting this violated City policy.

DISCUSSION TOPICS

2. Employee Length of Service Recognition - Michele Karmartsang 10 Years

Library Director Bishop presented a recognition for Michele Karmartsang's 10 years of service at the library. Bishop praised Karmartsang's growth from bringing existing knowledge to becoming an exemplary library assistant who excels in patron services, creates promotional materials, and demonstrates deep thinking about library services. She highlighted Karmartsang's professional demeanor, passion for the work, and her skill in developing French macaron making during COVID, which she shares with colleagues.

3. Quarterly Reports from City Departments/Divisions - Communications & Recreation (Informational)

Communications Report (Crystal King): Council discussed the migration to a new website platform and the informational webpage being built for the side-by-side ordinance, which takes effect March 20. Council President Chilton emphasized the budget cut impacts on communications services, including emergency PSA information, event coverage, cooling center operations, and various community programs.

Recreation Report (Shanna Duggan): Mayor Massey praised the Recreation Program's impact on youth and families, particularly the after-school programs that provide essential childcare for working parents. Council President Chilton commended the grant writing efforts and work to make the program financially sustainable while serving St. Helens families.

4. Annual Report from City Forester - *Brent Keller of Mason, Bruce & Girard*

City Forester Brent Keller presented the annual forestry report, celebrating 20 years of managing the Milton Creek Watershed property. He reported on the Section 20 timber sale to Interfor, which has generated about \$600,000 so far with completion expected by July. The sale achieved strong pricing at over \$600 per thousand board feet.

Keller discussed reforestation activities, including completing planting of the Pinkney Road sale area and treating 195 acres for invasive Scotch broom. For 2026, plans include finishing the Section 20 sale, conducting precommercial thinning of 24-year-old stands, and continuing invasive species treatments.

Regarding the timber market, Keller noted prices have recovered to levels similar to the previous year due to supply scarcity rather than strong lumber demand. He attributed this to reduced Canadian imports, fire-damaged timber, and increased regulatory restrictions.

Council discussed sustainability, with Keller confirming they are cutting approximately 50 acres per year, which aligns with the 45-year rotation sustainability goal. He presented data showing about 240 acres of timber over 40 years old currently available, with about 700 acres moving into merchantable category over the next 5-10 years.

When asked about recommendations for additional harvesting, Keller indicated he would slightly lean toward waiting, though he noted he could be swayed either direction. He explained there are roughly 100 acres available for cutting if the City chose to proceed.

5. Presentation on Water, Wastewater, and Stormwater System Development Charges (SDCs) - *Consultant Steve Donovan*

Consultant Steve Donovan presented substantial increases to System Development Charges, proposing to raise total SDCs for a new single-family home from \$18,800 to \$30,544. The increases are driven by significantly higher capital improvement plan costs: water system costs increased from \$57 million to \$103.8 million, wastewater from \$62 million to \$76 million, and stormwater from \$45 million to \$52 million.

Donovan explained that the preponderance of infrastructure costs are for replacement of aging systems, which cannot be funded through SDCs. Only growth-related capacity improvements can be funded through SDCs: \$24 million for water, \$19 million for wastewater, and \$13 million for stormwater projects.

He emphasized the policy challenge of affordable housing, noting that reducing SDCs requires rate payers and taxpayers to subsidize new growth. The timeline includes notifications starting March 19, methodology posting by April 18, and final adoption consideration on June 17.

Council members expressed concern about the impact on development, with Councilor Hubbard stating it would kill projects and noting he would not proceed with his own development plans. City Administrator Walsh mentioned ongoing efforts to secure federal and state funding to reduce infrastructure costs.

6. Service Reduction Impacts Discussion - *City Administrator John Walsh*

Mayor Massey declared an actual conflict of interest due to her husband's employment as a police officer with the City. As permitted by Senate Bill 983 and in accordance with ORS 244.120, she is permitted to engage in discussions and votes on the budget.

City Administrator Walsh presented the challenging budget situation facing the General Fund, which supports \$12.3 million in services with only \$2.3 million from property taxes. The City has already reduced staff from 85 employees in 2022 to 73 currently, representing a 20% reduction.

Walsh announced he had notified staff on March 3 about potential furloughs reducing work hours from 40 to 32 hours per week, representing a 20% pay cut. Both bargaining units have requested to negotiate over this issue. If furloughs are insufficient, layoffs would be the next step.

Further reductions could impact library hours, consolidate City services, require appointment-only access to City Hall, reduce support to boards and commissions, and cause delays in permitting. Walsh emphasized this is fundamentally a revenue problem, noting the City once thrived on industrial revenue that provided significant tax base.

Council discussed scheduling a State of the City meeting for April 11 to provide public education about City services and budget challenges. The format would include both presentation/Q&A and informal table discussions with department heads. Council also discussed concerns about public records fee waivers and legal costs.

Mayor Massey raised concerns about public records processes, fee waivers, and whether records receiving waivers should be posted publicly since taxpayers subsidize the cost. She also questioned the total cost of legal fees and suggested exploring in-house legal counsel. Additionally, she raised concerns about business license fee increases that went from \$10 per year to \$20 per month, significantly impacting small businesses.

7. Discussion regarding Roles and Responsibilities of Council Members

Council discussed Planning Commission attendance, with the Commission indicating they no longer need two Council members present at meetings. Councilor Gundersen and Councilor Hubbard agreed to alternate attendance, with Gundersen temporarily unable to attend due to a search and rescue academy commitment.

8. Report from City Administrator John Walsh

- Side-by-side/ATV ordinance effective March 20, with Communications Officer King managing website updates and signage coordination.
- General Fund education flyer scheduled to be distributed to all residents next week.
- Progress reports on the reservoir project, police station construction, Romano project, and PGE substation talks.
- Fish Eagle Osprey boat lacks a Certificate of Documentation (COD) for commercial operation, thus restricting it to carry only up to 12 passengers instead of the original 25. After extended discussions, the Council decided to halt licensing efforts for the boat, declare it surplus, and simultaneously pursue both an RFP and a sale, prioritizing the latter.
- Hosting an Oregon Parks and Recreation Department board meeting the following day, including a lunch and a tour of the waterfront in the downtown area.

ADJOURN – 5:11 p.m.

EXECUTIVE SESSION

- ORS 192.660(2)(d) To conduct deliberations with persons appointed to carry out labor negotiations
- ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions
- ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection
- ORS 192.660(2)(h) To consult with legal counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed
- ORS 192.660(2)(i) To consider employment related performance of Chief Officer

Respectfully transcribed by ClerkMinutes and submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

/s/ Kathy Payne

Kathy Payne, City Recorder

/s/ Jennifer Massey

Jennifer Massey, Mayor