



COUNCIL SPECIAL SESSION

Wednesday, February 11, 2026

APPROVED MINUTES

MEMBERS PRESENT

Mayor Jennifer Massey
Council President Jessica Chilton (via Zoom)
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

STAFF PRESENT

John Walsh, City Administrator	Suzanne Bishop, Library Director
Kathy Payne, City Recorder	Shanna Duggan, Recreation Manager
Crystal King, Communications Officer	Gloria Butsch, Finance Director
Matt Smith, Police Chief	Ashley Wigod, Contracted City Attorney
Doug Treat, Police Lieutenant	

OTHERS

Howard Blumenthal	Steve Toschi
Cortney Madruga	Jennifer Gilbert
Tina Curry	Brady Preheim

CALL SPECIAL SESSION TO ORDER – 4:00 p.m.

Mayor Massey disclosed that her spouse is employed by the City of St. Helens as a police officer, announcing an actual conflict of interest under ORS 244.120 as amended by Senate Bill 983. She stated that she may participate in discussion and vote on adoption of the local budget after making this disclosure.

TOPIC

1. Ordinance No. 3321 and Ordinance No. 3322: Adoption of a General Services Fee

Discuss Ordinance No. 3321 and Ordinance No. 3322 to determine whether Council would like to adopt a General Services Fee and if so, which amount of the fee to adopt.

Presentation by City Administrator and Finance Director

Finance Director Butsch presented the follow-up to the February 4, 2026 City Council Work Session discussion regarding the budget shortfall of \$2,214,000 if services funded by the General Fund are to remain at current levels. She explained that the City has used one-time revenue sources to fill budget gaps in recent years, but those sources are not available for future years.

Butsch noted that St. Helens has a permanent tax rate of \$1.91 per thousand assessed value, which is one of the lowest in Oregon. The City Council had previously directed staff to prepare for consideration a \$35.30 general services fee to be referred to voters at the May 19, 2026 election.

Two options were presented:

Option 1 (Ordinance 3321): A \$35.30 per EDU per month fee that would maintain current staffing and service levels while creating a 20% reserve.

Option 2 (Ordinance 3322): A \$24.00 per EDU per month fee generating \$1,757,552 annually, requiring a \$456,000 reduction in staffing and services expenses, but maintaining a 20% reserve.

Both ordinances would establish the fee for 10 years (July 1, 2026 through June 30, 2035), collected in a dedicated account for General Fund services including police, library, parks, recreation, community development, administration, information technology, and municipal court. The City would provide quarterly reports and annual audits of the fee collection and use.

City Administrator Walsh emphasized that the City has already lost 14-15 positions over the past four years since ARPA funding ended, and is already at a critical service level where any additional cuts would be difficult to absorb.

Public Comment – *Limited to three (3) minutes per speaker*

- ◆ Howard Blumenthal. Expressed concerns about the meeting being scheduled at 4:00 p.m. when working people cannot attend. He questioned whether the public comment period after today's vote would be meaningful, worried about the financial impact on seniors, and asked whether apartment residents would pay the same fee as homeowners. He suggested the City should have addressed these budget issues years ago and requested senior discounts be reinstated. He also questioned the cost of holding a special election in May.

Mayor Massey clarified that the police station funded by the existing \$10 fee will be built by mid-2027, with Councilor Hubbard actively working on the project. She emphasized that the fee structure ensures every EDU pays, including all apartment units, making it more equitable than a property tax levy. She explained that with a fee, 100% of collected funds go to designated services, unlike tax levies that are subject to compression.

Council Deliberation

The discussion revealed significant concerns about child exploitation and abuse cases in the community. Mayor Massey expressed a strong concern for the ongoing issue, emphasizing support for dedicating two full-time detectives specifically to child exploitation, child pornography, sexual abuse, domestic violence, and ICAC (Internet Crimes Against Children) cases. She highlighted alarming statistics revealing St. Helens has a 30% higher rate of these incidents than similar agencies serving populations 10,000 larger, leaving 110 cross-reports unaddressed. Mayor Massey stressed the importance of addressing these systemic issues, expressing a firm stance that nothing is more important than the safety of the children in the community.

Chief Smith confirmed the extent of the issue, mentioning that he had recently completed a week-long trial on a large sex abuse investigation, underscoring the need for dedicated officers to handle these cases full-time. He stated that, if the proposed fee passed, his intent would be to hire enough patrol staff to fill the current coverage gaps and then allocate these detectives to focus on the mountain of pending child abuse investigations.

Council President Chilton, however, disagreed with prioritizing detectives over patrol officers, noting the pressing need to address the ongoing overtime costs and working towards restoring 24/7 patrol coverage in the city. Lieutenant Treat elaborated that for full patrol coverage, the department would need a minimum of 15 officers. He confirmed that five officers are currently in training, with a projected return to full 24/7 patrol coverage by July 1, pending successful completion of their training program.

Beyond the law enforcement discussions, the Council also debated the potential impact and duration of the fee. Concerns were voiced over the 10-year term of the fee, with Councilors Gundersen and Hubbard

advocating for a mandatory review after five years. This review would be crucial in assessing whether the City's financial situation had improved enough to warrant a reduction in the fee. Councilor Gundersen expressed a cautious approach to the immediate voting, preferring more deliberation under the constraints of the May ballot deadline. This deliberation reflects the balance the Council seeks between fiscal foresight and responsive action to public safety needs.

Finance Director Gloria Butsch strongly advised against reducing the 20% reserve. She warned that lowering it to 15% or less could trigger recurring budget shortfalls in the next two-three years. Her analysis emphasized the need to ensure financial stability over a longer term, aligning with the Council's broader fiscal strategy.

The Council also broached the idea of holding a town hall meeting to provide transparency and educate the public about the fee proposals. Inspired by the previously successful utility rate study presentation by Steve Donovan, Mayor Massey highlighted the need to furnish factual information to counteract misinformation and answer community questions. After extensive discussions on the ordinance language and amendment necessities, the Council reached a consensus to incorporate a provision mandating a Budget Committee's review and recommendation after five years, held accountable for both ordinances, thus ensuring a systematic evaluation of the fee's impact on the City's financial health.

2. Ordinance No. 3321: An Ordinance to Establish Chapter 13.34, General Services Fee, if approved by the voters at a citywide election (\$35.30)

Motion: Motion made by Councilor Sundeen and seconded by Councilor Gundersen to approve the first reading of Ordinance No. 3321, an Ordinance to Establish Chapter 13.34, General Services Fee, if approved by the voter at a citywide election, with the amendment that the ordinance be amended to add a mandatory review and recommendations from the Budget Committee after five years. **Vote:** Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

3. Ordinance No. 3322: An Ordinance to Establish Chapter 13.34, General Services Fee, if approved by the voters at a citywide election (\$24.00)

Motion: Motion made by Councilor Sundeen and seconded by Councilor Gundersen to approve the first reading of Ordinance No. 3322, an Ordinance to Establish Chapter 13.34, General Services Fee, if approved by the voters at a citywide election, with the amendment that the ordinance be amended to add a mandatory review and recommendations from the Budget Committee after five years. **Vote:** Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

ADJOURN – 5:18 p.m.

EXECUTIVE SESSION

- 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.

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