



COUNCIL WORK SESSION

Wednesday, November 15, 2023

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	Suzanne Bishop, Library Director
Kathy Payne, City Recorder	Kolten Edwards, Police Officer
Lisa Scholl, Deputy City Recorder	Tina Curry, Contracted Event Coordinator
Gloria Butsch, Finance Director	Bill Monohan, Contracted City Attorney

OTHERS

Ron Trommlitz	Brady Preheim
Steve Topaz	Autumn
Colleen Ohler	Scott Jacobson
Eddie Dunton	

CALL WORK SESSION TO ORDER – 2:00 pm

VISITOR COMMENTS - *Limited to three (3) minutes per speaker*

- ◆ Colleen Ohler. The Queen of Halloweentown spoke of this year's Spirit of Halloweentown being a phenomenal year, the best organized and most fun. She met attendees from other countries like France who had the event on their bucket list. The only downside was the parade, and she was most bothered that Heather and her organization were treated poorly by the Police Chief. She addressed the Chief's recent statements before the Council which she characterized as lies and an attack on Heather who had given so much to the community. She encouraged Mayor Scholl to take over the parade.
- ◆ Ron Trommlitz. Ron stated the City administration had never responded or contested statements concerning the rehabilitation of the 2-million-gallon water reservoir which is a notice of agreement by the City that the statements are factual. He continued to present facts referenced from the City's own records and spoke about the Walker Report investigating the reservoir's rehabilitation failure and how he requested it but was denied. City Administrator John Walsh did not want the report released. During the November 16, 2022, Council meeting, Mayor Scholl told him there was no smoking gun and he would not discuss it. He addressed being threatened during the 4:00 pm break at the same meeting for probing the reservoir rehabilitation failure and writing about the incident in a letter to the Spotlight. The situation would be continued noting the parties involved.

- ◆ Brady Preheim. Brady addressed the plaque that had been placed on the property showing a building being built at the location. He was concerned because the Council chose not to present the proposal. The dirt was there. He asked who would pay for it. The Council would have to figure something out and make the solution public. He thanked the Tourism Director for a great Spirit of Halloweentown this year and agreed with Colleen about the Police Chief and the parade. What the Chief said during the recent meeting was factually false. The Council had the records and emails and needed to address the matter with the Chief.
- ◆ Steve Topaz. Steve distributed his record to the Council. He said the minutes of October 18, 2023, were a lie. His free speech rights were violated because 85 percent of what he said was removed including comments critical of the City and the Council and the ability for the public to review what he said was removed. He spoke about how the local news announced that a large sum of money was given to the City to hold a piece of property but no public meeting had been held stating the City property was surplus or what it was worth. He talked about how the money appeared to be a bribe to eliminate proper procedures for selling City property, that a portion of the subject property had been under litigation, and that no public statement had been made about how much money the City had received for a portion of the property. No one was more hated than he who speaks the truth. When one has something to say, silence is a lie.

DISCUSSION TOPICS

1. Employee Length of Service Recognition - Kolten Edwards - 5 Years

Police Officer Kolten Edwards was honored for his five years of service. The Council expressed their appreciation of Officer Edwards.

Mayor Scholl announced agenda items two and three would be switched.

2. Semi-Annual Report from Tourism Contractor - Tina Curry, E2C Corp.

Contracted Event Coordinator Tina Curry reviewed her report, a copy of which was included in the archive packet for this meeting, noting the report was from August to the end of the year. Key items highlighted included:

- Tourism had finally received the water taxi which had gotten positive reviews.
- Spirit of Halloweentown:
 - The Haunted House had positive guest reactions.
 - The Halloween Hunt in the Houlton District resulted in the positive outcome of increased traffic to stores of the people involved.
 - The After Dark Experience of a decorated home tour of 4th Street, the big tent, and the haunted house was a good value for families.
 - The Alien Museum added William Shatner to the experience.
 - Upcoming billboards included the anticipated opening of the Alien Museum and the Museum of Oddities in the January/February timeframe for visitors during off-Halloween time.
 - Their sponsors included Laurelwood Brewing Co. this year.
- Late summer through fall highlights included electricity upgrades and Council Chambers door lock upgrades; increased Sand Island reach this year; progress on completing the Par 3 Golf Course; new retail and business buildings; new camera equipment and printers; a new photo booth for Christmas Ships; upgrading the train and the train experience; new props; new Halloween installations and signage; entertainment more weekends than ever; Disney was in the city for their D23 VIP event; a new 40 x 100 tent for the Halloween experience; new volunteer opportunities to raise money for various groups; no restroom problems with waits under five minutes for portables; penny press and the vending machine were in the black; the

off-site parking with the bus was very expensive; and they appreciated Cascades allowing use of their parking lots.

- Christmas props in the Plaza and Santa coming with the Christmas Ships would be coming soon.
- Tourism's increased social media presence.
- The film crew completed filming for Spirit of Halloweentown and was currently in post-production.
- She thanked everyone for their help to make guest experiences happen.

Council President Chilton asked when the Council would see a financial report. City Administrator Walsh said it would be in the audit which was just wrapping up. Ms. Curry added that last year the City got a check for almost \$100,000 from tourism, and it should be similar this year. The City would get 10 percent of all the ticket proceeds. She explained as the contractor, they were responsible for 100 percent of the revenue and 100 percent of the bills. Mr. Walsh clarified the ticket proceeds went into a trust account managed by E2C. Ms. Curry stated no money came from the City to Tourism at this point or the last few years. Mr. Walsh said where the tourism tax would go is something to discuss in a new contract.

Mayor Scholl emphasized that tourism was not funded from the General Fund but out of an extra tax placed on the hotel or Airbnb visitors to the area. He thanked the community for their patience this year with the construction going on and Halloweentown coming.

Mr. Walsh pointed out that E2C's contract would expire this year.

The Council thanked Ms. Curry for her hard work.

3. Communications Semi-Annual Report - *Crystal King, Communications Officer*

Communications Officer Crystal King presented via PowerPoint the semi-annual report from May to October, a copy of which was included in the archive packet for this meeting. Key items highlighted included:

- Spirit of Halloweentown media and communications:
 - *The Oregonian* paid campaign metrics and Kids Out and About campaign.
 - Media coverage (not including the City's own social media) with articles in India, France, and Malaysia and appearing in Yahoo, People magazine, and USA Today.
 - The City's social media statistics of reaching 800,000 people and engaging about 100,000 and workload snapshot.
- She reviewed other work done by Communications including staff's duties, the biggest projects of Waterfront Redevelopment and Spirit of Halloweentown, and highlights of other projects/focused efforts such as becoming a de facto cooling center organization for St. Helens. Other work included press releases, website updates, all the City's photos and videos, assisting with events the City holds, social media posts, news media contacts/requests, and newsletters, and community partnerships/events.
- She thanked Councilor Sundeen for helping man the Trick or Treat booth at the Sheriff's Office.
- Several grants came in.
- Coming up next were the Christmas Ships Parade and the tree lighting.
- Communications would work to educate the public on getting their voice heard with Councilors and how government projects work.

Mayor Scholl encouraged Communications to get a presence or collaborate with an influencer on TikTok. Ms. King noted doing so would cost more for archiving services to comply with public records and retention laws since the accounts were City-owned.

Mr. Walsh talked about the growth of Communications over the years.

Mayor Scholl spoke of how well St. Helens handled Communications compared to even bigger cities. Council President Chilton agreed and commended Ms. King.

4. Request for Donation to Toy N Joy Auction

City Administrator Walsh and the Council discussed the request for donation to the Toy 'N Joy Auction, which would be held December 2 at 4:00 p.m.

The consensus of the Council was to get two tables in order for the entire Council to attend with some seats available for staff and donate two \$100 utility bill gift cards out of the Council funds.

5. Report from City Administrator John Walsh

City Administrator Walsh provided his report as follows:

- The Veterans Day celebration at McCormick Park was held on Saturday. The City should be proud of the investments and grants upgrading Veterans Memorial Plaza. He thanked Councilor Sundeen who was recognized for his work in doing research.
- Rainier recently passed a resolution opposing Measure 110. Betsy Johnson was leading the reform. Mayor Scholl noted there was no movement at the state level to repeal Measure 110 and most people agreed it was not working.
- Project Sprint, the solar opportunity at the mill site, continued to be a consuming effort. Partners continued to meet and discuss what it would take to land the big opportunity which would be transformational as far as job creation, tax base, and utility consumption. Mayor Scholl pointed out the 90-day letter of intent was not a purchase or sale agreement. It was doing due diligence of looking at the property to see if the project was feasible with the infrastructure. He clarified in 90 days the City would have a clear direction if the Project Sprint team would move forward. Mr. Walsh noted the City had not identified any fatal flaws other than not meeting their energy requirements, and everybody was working on it.
- With Cascades' closure, he was working with Finance Director Gloria Butsch to get an idea of how it would affect the budget. He reviewed a memo listing the estimated revenue loss including an approximate \$570,000 loss to the Sewer Fund.

Mayor Scholl asked if a temporary barrier could be put within the lagoon or a filtration system at the end to not run as many agitators. Mr. Walsh said his understanding was the agitators were running at a minimum now and clarified looking at the possibility of damming up half of the oversized lagoon was part of the lagoon repurposing effort.

He addressed how the Urban Renewal Agency was also impacted by the loss of project funding and how the federal support the City had received the last three years would be ending and reviewed the 2023/2024 budget forecasts, changes due to the Cascades closure, and potential expenditure reductions to address the difference. If the City made no changes to the budget, all its reserves would be completely depleted. Ms. Butsch clarified the American Rescue Plan Act funds were budgeted through the City's Fiscal Year 2024. Mr. Walsh addressed consideration of what it would take to have new revenue.

He urged an immediate focus on the matter to find a solution.

The Council and staff discussed the possibility of using timber revenue to make up the losses.

Council President Chilton suggested putting a subcommittee together to discuss problem solving for the effects the Cascades closure would have on the City's budget.

Mayor Scholl spoke about how this was a good opportunity to sell some of their assets because the timing was right. Although it would be one-time money, it would allow the City to supplement its budget.

Councilor Hubbard noted cuts would make it harder for people to develop due to increasing system development charges, and growth would stop.

Mayor Scholl emphasized the effects on the budget were mainly because of Cascades, not mismanagement of funding. It was the way government worked.

Councilor Hubbard noted it was the effect of all the capital improvements on the budget. Mr. Walsh spoke about Urban Renewal servicing the debt on such improvements. Councilor Hubbard talked about getting utilities in the Waterfront property to market it to developers.

Mayor Scholl requested an appraisal of the City's assets.

Councilor Hubbard and Mayor Scholl volunteered to serve on the subcommittee addressing the effects Cascades' closure would have on the City's finances. Council President Chilton suggested Mr. Walsh have the department heads meet as well, even just a video meeting, to get the ball rolling.

ADJOURN – 3:29 pm

EXECUTIVE SESSION

- Real Property Transactions, under ORS 192.660(2)(e); and
- Consult with Counsel/Potential Litigation, under ORS 192.660(2)(h)

Respectfully submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

/s/ Kathy Payne
Kathy Payne, City Recorder

/s/ Rick Scholl
Rick Scholl, Mayor