



# COUNCIL WORK SESSION

Wednesday, January 07, 2026

## APPROVED MINUTES

### MEMBERS PRESENT

Mayor Jennifer Massey  
Council President Jessica Chilton  
Councilor Mark Gundersen  
Councilor Russell Hubbard  
Councilor Brandon Sundeen

### STAFF PRESENT

John Walsh, City Administrator	Mouhamad Zaher, Public Works Director
Kathy Payne, City Recorder	Mike De Roia, Building Official
Lisa Scholl, Deputy City Recorder	Shanna Duggan, Recreation Manager
Gloria Butsch, Finance Director	Melanie Martinez, Municipal Court Clerk
Crystal King, Communications Officer	Ashley Wigod, Contracted City Attorney
Matthew Smith, Police Chief	David Rabbino, Contracted City Attorney
Jacob Graichen, City Planner	

### OTHERS

Steve Topaz	Steve Toschi
Adam St. Pierre	Brad Hendrickson
Toni Doggett	Steve Donovan
Nancy Whitney	Brady Preheim
Tina Curry	

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

### CLEARING CONFUSION AND SETTING THE FACTS STRAIGHT

1. Response to December 17, 2025 Visitor Comments

Mayor Massey presented responses to visitor comments from the December 17, 2025 meeting:

- I. Regarding City Council meeting minutes, it was clarified that according to the Department of Justice Attorney General's Public Records and Meetings Manual, meeting minutes need not be a verbatim transcript. Minutes must contain information and give a true reflection of matters discussed and participants' views. Citizens who believe minutes don't provide a true reflection can email Lisa Scholl, Deputy City Recorder. It was also noted that YouTube closed captioning transcripts are useful for accessibility but not always accurate and aren't used to generate meeting minutes.
- II. Regarding the release of the unredacted Band report, Mayor Massey clarified that she is not personally withholding the release of either the referenced reports. The reports are currently associated with active litigation and subject to attorney-client privilege, attorney work product protections, and public record law exceptions. The City has a duty not to disclose the materials until the legal basis for withholding no longer exists.

- III. Regarding a comment about the tram gas capacity, it was verified with Public Works that the City's tram holds 12-14 gallons of gas depending on the baffles inside, not three gallons as previously stated.
- IV. Regarding tourism contributions, it was clarified that at the May 15, 2025, Budget Committee meeting, Budget Committee member Steve Toschi proposed modifying the \$100,000 tourism revenue line item to \$300,000. Finance Director Butsch had projected a tourism ending fund balance of \$106,000 and did not believe \$300,000 was realistic. Staff have continued to make conservative financial decisions anticipating \$100,000 in tourism revenue, not \$300,000.

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

- ◆ Nancy Whitney. Expressed concerns about fireworks activity on New Year's Eve, noting that illegal fireworks including M-80s were being used in her neighborhood, causing windows to vibrate. She reported calling the non-emergency number and receiving a callback two hours later from a police officer who apologized but explained only two officers were on duty that night. She questioned why more officers weren't scheduled for a known busy night. She also called Mayor Massey that night but received no answer and voicemail was not set up.
- ◆ Adam St. Pierre. Discussed the budget statements made at the previous meeting regarding the tourism budget, stating that he had video evidence contradicting claims made by Brady Preheim. He suggested that Preheim apologize to Mayor Massey and Finance Director Butsch for making false accusations.
- ◆ Brady Preheim. Contested the response about the tourism budget, asserting that while Steve Toschi and Jennifer Gilbert initially brought up the issue, it was actually Finance Director Butsch who made the change and increased the revenue projection. He criticized the administration for not getting the expected revenue from tourism which could have funded more police officers, stating that the City had missed \$600,000 in revenue over the past two years which could have funded six police officers. He also expressed concern about employee matters, particularly the administration not securing cost of living increases for City employees, which he claimed was impacting staff morale and retention.
- ◆ Steve Toschi. Offered counsel regarding the waterfront development, stating it should be the cornerstone of economic future for the City. He emphasized the need to build appropriate housing to be purchased by people with expendable income, recommending the rejection of apartment-type housing until after at least 200-owned housing units are built. He also advised against selling the City boat, suggesting it could be a valuable asset for tourism in the future.
- ◆ Steve Topaz. Inquired about the legal acceptability of YouTube transcription recordings and commented on the minutes' wording. He also asked about the City's expenditures on legal services, requesting information on costs for various legal matters including lawyer attendance at meetings, property deals, legal suits, DEQ fines, and union contract negotiations.

**DISCUSSION TOPICS**

**2. Employee Length of Service Recognition - Melanie Payne (20 years), Jennifer Johnson & Shanna Duggan (15 years)**

City Administrator Walsh presented service awards to:

- Melanie Payne for 20 years of service with the City, currently serving as Municipal Court Clerk
- Jennifer Johnson for 15 years of service (absent from the meeting)
- Shanna Duggan for 15 years of service, currently serving as Recreation Manager

Finance Director Butsch spoke about Jennifer Johnson's service and dedication to the City. City Administrator Walsh and Council President Chilton both praised Shanna Duggan for her work in building positive relationships in the community and her success in obtaining grants and developing partnerships.

### **3. Quarterly Reports from City Departments/Divisions - Building & Planning (Informational)**

City Planner Graichen reported on recent phishing attempts targeting Planning Commission members, subdivision applicants, and the City. He noted that some individuals had been scammed, and that the Police Department was investigating. The scammers sent emails requesting payment for various City services.

Police Chief Smith confirmed the matter was under active investigation with persons of interest identified. He requested that any new information be reported directly to him.

Council members expressed appreciation for the comprehensive departmental reports.

### **4. Follow-up on Utility Rates Outreach and Final Rates Study - *Consultant Steve Donovan and Finance Director Gloria Butsch***

Steve Donovan and Finance Director Butsch presented a follow-up on the December 11 public meeting about utility rates, which was attended by 22 citizens including Mayor Massey and Councilor Sundeen.

Key points from the presentation:

- The overall proposed utility bill increase is 5.4%, which translates to a monthly increase of \$7.72 for the average customer (from \$143 to approximately \$151)
- By the end of 2031, the projected monthly bill would be \$186
- When including the public safety fee, the total utility bill would increase from \$153.40 to \$161.12 on July 1
- Compared to neighboring communities, St. Helens' rates remain competitive, though all communities are experiencing cost increases

Butsch clarified that the resolution on the regular session agenda would adopt the rate study itself, not the actual rates. The new fees would be formally adopted in June along with the budget.

### **5. Update on Harbor Master Services for City Docks and Sand Island Docks - *Brad Hendrickson & Toni Doggett***

Brad Hendrickson and Toni Doggett provided an update on harbor master services. They reported that the harbor master program has been successful in preventing homeless boats and unauthorized stays at the City docks. Doggett explained that she maintains a consistent presence at the docks, enforcing the three-day limit rule.

They noted that yacht clubs are returning to St. Helens as a destination after a two-year absence due to previous problems. The harbor master's efforts have also helped reduce theft and vandalism along the waterfront.

They discussed challenges with abandoned vessels, including a boat currently sitting on the Sand Island docks that was abandoned by its owner. They explained the lengthy process required to remove such vessels.

City Administrator Walsh mentioned that Marine Deputy Wheeler had expressed appreciation for the relationship with the harbor master. Council President Chilton commented that the harbor master program and kiosk have been successful improvements to dock management.

**6. Review Proposal and Purchase Agreement for Police Department Drone - *Police Chief Matt Smith***

This agenda item was removed prior to the meeting. However, a discussion arose regarding the current state of 24-hour police coverage. Chief Smith explained that while the department aims to maintain 24-hour coverage, they are currently facing challenges due to understaffing. Officers have been filling gaps by working substantial overtime for the past 18 months. The department is budgeted for \$300,000 in overtime but is projected to spend \$543,000 by the fiscal year's end if the current situation continues. Two new officers are expected to join soon, which could facilitate returning to 24-hour staffing without excessive overtime. Meanwhile, there is a need to explore interim solutions ensuring 24-hour coverage, such as potential coordination with the sheriff's office. Council members expressed appreciation for the officers' commitment and acknowledged the necessity of long-term sustainable staffing solutions.

**7. Review Budget Calendar for FY2027 - *Finance Director Gloria Butsch***

Finance Director Butsch presented the budget calendar for the upcoming fiscal year. She noted that the schedule is aggressive, with the next four months focused on internal staff work to prepare the budget. She acknowledged the financial challenges facing the City and the need to find solutions.

**8. Leak Adjustment Authority - *Finance Director Gloria Butsch***

Finance Director Butsch requested approval to change the leak adjustment policy to improve efficiency. The proposed change would allow staff to approve standard leak adjustments without bringing them to the Council, while non-standard adjustments, full adjustments, or customer appeals would still come to Council.

Mayor Massey suggested that quarterly reports on the total amount approved for leak adjustments would be helpful for oversight. Butsch agreed to include this information in her quarterly financial reports.

**9. Discussion regarding City Tourism Program Assets (Tram and Boat) - *City Administrator John Walsh***

City Administrator Walsh led a discussion about the City's tourism program assets, specifically the tram and boat.

Regarding the boat, Walsh explained the ongoing challenges with obtaining a Certificate of Inspection (COI) from the Coast Guard. The City has corrected five of six deficiencies identified, but the remaining issue involves providing a certificate of original build which has proven difficult to obtain. The Coast Guard has suggested reducing passenger capacity from 25 to 12 through a Jones Waiver Act provision, but this would significantly reduce the boat's utility.

Council members discussed the current status of the boat, noting it cannot be used for its intended commercial purpose, requires significant insurance costs, and is deteriorating while stored outdoors. There was consensus that while the boat was purchased with a vision for tourism revenue, conditions have changed and maintaining the boat no longer appears viable.

Similar concerns were raised about the tram, which has undergone repairs including a new engine and transmission but has been difficult to operate effectively. Council President Chilton noted that in her conversations with Treadway, the tram has been more difficult to operate than it's worth, with weather issues making it less practical than enclosed alternatives like a trolley.

The Council discussed the possibility of declaring both assets as surplus property to explore selling them, while maintaining the option to reject offers if they are deemed too low.

**10. City Administrator's Report**

- Happy New Year!
- Completion of the riverwalk project.
- Finalization of the sale of 30-acres of the mill site property to Project Arcadia, with the City retaining areas along the Channel, Milton Creek, and softball fields.
- The sale's potential to offset a \$1.3 million deficit caused by the departure of Cascades through generating property tax and utility revenue.
- Advancements in the police station project with value engineering adjustments, current costs matching the total budget including contingency, and consideration of using one-time funds as an extra contingency.
- Imminent March deadline for Building Code changes which could affect the police station project if not met.
- Insights from a meeting with Romano Capital focused on building studies expected in two to three weeks.
  - Councilor Hubbard's confidence in Romano's development approach and financial model.
- Ongoing efforts to finalize the Sand Island Campground letter of intent aiming for operator compliance rather than city management
- Dissolution of the Columbia Economic Team (CET) and efforts to find new homes for economic development programs.
  - Mayor Massey asked if Main Street can take anything on.
  - Council President Chilton's suggestion for a future Council agenda discussion on preserving essential services related to CET programs.
- Water Day at the Capital, February 2.
- Senator Merkley town hall on January 16.
- Responded to the DEQ stormwater case.
- Budget season. Need to get away from one-time revenues. Need to rely on recurring revenues.
- Committed to Parks & Trails Commission to update the Parks Master Plan.
- Maul Foster hired Consor for analysis of the lagoon. Target of January 21 for a Council presentation.

**ADJOURN – 4:45 p.m.****EXECUTIVE SESSION**

- Labor Negotiations, under ORS 192.660(2)(d)
- Real Property Transactions, under ORS 192.660(2)(e)
- Exempt Records/Confidential Attorney-Client Privileged Memo, under ORS 192.660(2)(f)
- Consult with Counsel/Potential Litigation, under ORS 192.660(2)(h)

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