



COUNCIL WORK SESSION

Wednesday, March 06, 2024

APPROVED MINUTES

MEMBERS PRESENT

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

MEMBERS ABSENT

Councilor Russell Hubbard

STAFF PRESENT

John Walsh, City Administrator	Jacob Graichen, City Planner
Kathy Payne, City Recorder	Jenny Dimsho, Associate Planner
Lisa Scholl, Deputy City Recorder	Alex Bird, Engineer II
Suzanne Bishop, Library Director	Bill Monahan, Contracted City Attorney
Gloria Butsch, Finance Director	Tina Curry, Contracted Event Coordinator
Sharon Darroux, Engineering Manager	

OTHERS

Steve Topaz	Erin Salisbury	H. Ralls
Stephanie Patterson	Ron Trommlitz	Marci Sanders
Howard Blumenthal	Willow	Brady Preheim
MM	Al Petersen	Diana Wiener
Bob Salisbury	Haley Starkey	Jennifer Massey
Jenni Gilbert	Lacey Tolles	Jenn

CALL WORK SESSION TO ORDER – 2:00 p.m.

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

- ◆ Willow Bill. Attempted to show a video about the Flying Eagle Canoe, but he ran into technical difficulties. Mr. Bill discussed liability and insurance and he proposed sharing the canoe, which was a national treasure.
- ◆ Al Petersen. Read the definition of a superfund site. The reports on the wastewater lagoon did not mention hazardous substances, despite being a superfund site, which by definition was contaminated by hazardous substances. He discussed the strategic plan to repurpose the wastewater lagoon and the connection to the Portland Harbor superfund site. He said elected officials should connect the dots. He stated the Environmental Protection Agency (EPA) had been created to deal with toxic sites. He discussed the formation of toxic leachate. City staff and consultants had been careful not to say the words landfill or hazardous. Leachate would be discussed in tonight's presentation. Leachate was a hazardous substance that percolates through superfund sites. No one mentioned what would happen to the wastewater treatment plant. There had been a wild idea that the wastewater treatment plant would be moved to the Boise property,

which did not make sense. Mr. Petersen recommended stopping to decide whether they wanted to create a superfund site, which would necessitate dealing with leachate from hazardous waste.

- ◆ Howard Blumenthal. Talked about the time that had been devoted to building the Flying Eagle canoe, which needed to be maintained and used on the water. He suggested going out in the canoe.
- ◆ Brady Preheim. At the last Council meeting, it was said there would be a Tourism contract and a request for proposals (RFP). Both could not be true. The way the City was treating the Tourism Director was ridiculous. They needed to extend her contract through the end of the year and begin working on a RFP for 2025 expecting to pay more. Scappoose had paid more than \$100,000 to their Tourism contractor for a one-day event. Any proposal received would cost more than the \$120,000 they currently paid for 40 days of events. Tina had done an exemplary job and had a successful track record. No matter who they got for Tourism, there would be complaints.

Mayor Scholl stated that the people present communicated with each other and they knew what was going on, and that meetings should be a safe environment without hostility. He explained that an attorney had looked at the Tourism contract and determined there needed to be an RFP.

- ◆ Ron Trommlitz. Talked about the failures of the W-449 contract and the 2-million-gallon reservoir. The City had a lot to account for in the reservoir failure, including John Walsh claiming client privilege to avoid public disclosure. The City claimed the reservoir failure had been due to faulty workmanship of Western Partition Inc (WPI). A group had been led on a tour of the reservoir to investigate the reason for failure, and the group had agreed the liner had not been the problem. WPI had continued to do corrective work on the reservoir until 2019 when they stated that continuing work to repair the reservoir would not be successful. Evidence of WPI's work would be destroyed during demolition for replacement of the reservoir. Walker Consultants' report was currently hidden by client privilege, and Mr. Trommlitz was unsure whether John Walsh or the attorney was controlling the report. John Walsh had gone back and forth about giving Mr. Trommlitz a copy of the report. Mr. Trommlitz had received a message stating he was irritating people with deep pockets who were considering suing him, but he stated that intimidation would not stop him.
- ◆ Tina Curry. Stated she was almost done lining up the bands for 13 Nights on the River, and additional concerts may be performed on Sunday. She asked for ideas for parking and for Code Enforcement downtown. She was concerned with talk about limited or haphazard Code Enforcement. She hoped the Council would push something forward to address the issue as it was creating animosity. She was working with Engineering and the County to determine when streets would be open.

Mayor Scholl said the Council was working on the issue as well. The Council was looking at other venues considering all the City and County construction projects taking place at that time.

Ms. Curry would like to see a calendar with a timeline of upcoming construction projects.

- ◆ Steve Topaz. In 1980, the EPA said the stormwater and sanitary sewer had to be separated. He stated the drainage between 3rd and 4th Street had caused the City to close off the storm flow and seal the sanitary sewer, and now there was no stormwater removal. He continued to discuss the costs and issues with City projects including stormwater lines, placement of drains, sealed sanitary lines causing water to flow into houses, housing developments being stopped due to line capacity, reservoir leakage and repair, the RV park behind the Recreation Center, traffic circle problems, floodplain problems, the Gateway project, the purchase of Waterfront property, the

riverside park, the kayak fishing dock, the White Mill property, contamination abatement, the sale of an central portion of the Mill property, the possibility of a company buying the White Mill property, possibly subdividing the White Mill property into an industrial park, and Police Station placement. The marijuana place stated on February 18 that they would bring 200 family wage jobs, but that did not ever happen. He hoped someone would be right for the new facility.

- ◆ Diana Wiener. Came to support the presentations for Main Street and the Library, as she served on the Boards for both. Main Street brought in hundreds of thousands of dollars of State and grant funding to help preserve historic buildings and support local business owners. The Library had a lot of programs that served people in the community who would otherwise go unserved. Libraries were important to the future despite budget issues. There had been discussion about cutting funding to the library. A Library had changed Ms. Wiener's life. Libraries were places of hope.

DISCUSSION TOPICS

1. **St. Helens Main Street Alliance Semi-Annual Report - Erin Salisbury, President**

Erin Salisbury presented her report. A copy was included in the archive packet. A few highlights of her presentation included:

- The purpose of the nonprofit Main Street Alliance and their partners.
- The Main Street District stretched from the downtown area to Houlton District.
- A review of committees involved, including organization and outreach, promotions, art and design, and economic vitality.
- A review of the Revitalization Grant purpose, process, and awards.
- The partnership between the Main Street Alliance and the City.
- The assessment by the Oregon Main Street Organization which initiated the reorganization of the St. Helens Economic Development Corporation (SHEDCO) and prompted a memorandum of understanding (MOU) with the City.
- The current search for a new Executive Director.
- A review of goals including the Riverfront Connector Plan, Strategic Workplan Goal Area 4, and Urban Renewal Agency Goal 5.
- A review of volunteers who had collectively contributed 923 hours in 2023.
- Main Street data was regularly aggregated to inform decisions about statewide needs.
- Seeking continued support from the Council.
- More community volunteers were needed.

Council President Chilton thanked the Main Street Alliance for their dedication and commitment to the City. She hoped to see data about the storefronts in St. Helens in an upcoming meeting.

Ms. Salisbury said the main hurdle was needing the funds to hire an Executive Director who could help them create a sustainable funding stream. It would cost about \$65,000 to hire an Executive Director. She hoped the Council would maintain the current funding level, but she knew what pressure the City was under. She said they could diversify the funding stream and stabilize themselves. The Oregon Main Street Executive Director would attend the Board retreat on Sunday which would focus on sustainability and funding.

Mayor Scholl stated the \$800,000 received in Revitalization Grants over the last couple years, plus the 30 percent contribution totaled more than one million dollars invested in local businesses.

Ms. Salisbury stated the Main Street projects were increasing assessed values with new developments. She hoped to figure out how to partner with other cities for survival.

Mayor Scholl noted the importance of return on investments. He was grateful to know the presented information before going into the Budget Committee meeting. He thanked Ms. Salisbury for the update.

2. Library Department Semi-Annual Report - *Library Director Suzanne Bishop*

Library Director Bishop reviewed her presentation. A copy was included in the archive packet. A few highlights were:

- The Strategic Plan
- The impact of libraries on people's lives
- Library services
- Library partnerships
- Open hours, visit data, and building use
- Resources and tools available to the public
- The process of adding to and maintaining the book collection
- Database and resource use
- Youth services and early literacy
- Adult programs
- Expanding Makerspace offerings
- The Genealogy Conference
- Community partnerships and events
- Library staff, volunteers, Board members, and Friends of the Library
- Books could be donated to the library

Library Director Bishop thanked the Council for their support and stated it was a privilege to serve the community.

Council President Chilton asked what changes were seen since removing late fees. Library Director Bishop said late fees used to bring in about \$1200 but they had seen an increase in people coming back to the library since late fees were eliminated. Lost or damage items would still incur a fee. Automatic renewals were instated at the same time that late fees were removed.

Library Director Bishop discussed the process of assessing and removing worn out books from circulation. She stated the library had applied for a grant for Makerspace, but it was very competitive.

3. Update on S. 1st Street and St. Helens Street Intersection Project - *Public Works Director Mouhamad Zaher & Engineering Manager Sharon Darroux*

Engineering Manager Darroux and Engineer Alex Bird reviewed an update of the St. Helens and S. 1st Street intersection. A few highlights were:

- The history and scope of the project
- The emergency procurement resolution
- Two bids had been received
- The Engineer estimate was only for undergrounding utilities and electrical services
- The lowest bid was from Landis & Landis Construction
- The anticipated timeline with substantial completion by the end of the year

Council President Chilton appreciated the update.

City Administrator Walsh shared the reasons for undergrounding the power.

4. Proposed Police Station LUBA Status - *City Planner Jacob Graichen*

City Planner Graichen reviewed his report. A copy was included in the archive packet for this meeting. He stated that the Council needed to determine if they wanted to withdraw from LUBA or proceed with the case. There would be more discussion about the new public safety facility at the joint meeting with the Planning Commission next week. If the Council did nothing, after March 27, 2024 interested parties would be able to fight over the contents of the record for an undetermined period of time, and the case

would eventually go before the Land Use Board of Appeals (LUBA). He discussed the options before the City and stated the Council needed to reach a final decision no later than the meeting on March 20, 2024.

The Council and staff discussed the site for the Police Station and the pending LUBA appeal as follows:

- A consensus had been reached to find a new location for the Police Station at the special meeting on January 10, 2024.
- City Recorder Payne confirmed there had been an official vote at the January 10, 2024 meeting. She read the motion which had alluded to finding a new location for the Police Station that fit the current design plans. The vote had been unanimous in favor of finding a new site.
- There had not been a vote to abandon the Kaster Road site.
- A lot of time and effort had been put into using the Kaster Road site, but the need was to get the Police Station up as quickly as possible in a new site that was feasible and made economic sense.
- It was no longer worth it to move forward with the Kaster Road site.
- Wanting to talk it over with the Planning Commission before making a final decision.
- There was no doubt a new Police Station was needed.
- Construction would be well under way if it had not been appealed to LUBA.
- City Planner Graichen confirmed that there would be enough time to decide whether or not to withdraw the case if a decision was made at the next meeting.
- Mayor Scholl found it upsetting that an angry neighbor with the right credentials could file an appeal with LUBA against anybody. A lot of work had gone into deciding to build at the Kaster Rd site before the Planning Commission denied it, which had been disheartening. He stated the matter was out of Councilor's control and the blame had been shifted. He had been under fire by other organizations, and he was tired of the lies. He hoped they could identify a better site at the joint meeting with the Planning Commission.
- City Planner Graichen stated the situation would be on standby until March 27, 2024 due to a notice filed by the attorneys.
- The LUBA process could possibly move forward by resubmitting the previous information with minimal legal counsel to save taxpayer money.
- Could the Mayor show up to testify?
- City Planner Graichen discussed the possible outcomes with LUBA.
- City Attorney Monahan stated if the Council went forward with the present site to LUBA, the Council could direct lawyers not to put a lot of effort into creating a brief to counter the petitioner's arguments, but he did not recommend minimizing legal defense as the petitioner had a highly competent land use lawyer and the decision would likely be overturned. It was not possible for someone other than an attorney to represent the City before LUBA.
- City Attorney Monahan confirmed it was possible that attorney fees could be recovered from the City if the decision was overturned by LUBA.
- The City still had the opportunity to withdraw and move forward with another location.
- City Attorney Monahan stated the issue was whether City standards and conditions could be met at the Kaster Road site, and whether that was feasible to succeed with LUBA. He stated the City needed to decide whether to proceed with the current LUBA appeal or consider alternative sites.
- Attorneys had told the City they had a good case, but there was no guarantee on the outcome, and the process may be drawn out.
- City Attorney Monahan said a decision was needed soon to know whether or not to prepare the record for the LUBA case. Objections may be raised over the content of the records, which would result in further delay. The LUBA process would move more quickly after the record was set.
- Believing the record had been withdrawn because it had not included the ingress and egress.
- City Planner Graichen explained that the record would have been due in January if the City had not filed the notice to withdraw. The pause bought time to think about it and consider alternative sites.
- Hoping the attorney would provide an update at the joint meeting with the Planning Commission.

- The argument may be stronger with information on the back driveway access to the Kaster Road site.
- City Attorney Monahan said the Council would need to reopen the public hearing to get the additional information into the record.
- City Planner Graichen stated the January meeting had been pivotal. An update would be provided at the joint meeting next week.

5. Review Proposed Changes to Payment Processing - Finance Director Gloria Butsch

Finance Director Butsch reviewed her report. A copy was included in the archive packet for this meeting. She stated the City was paying too much for credit card processing fees. The City no longer had any Square accounts. Ms. Dawn Richardson had discovered how much was being paid per transaction and she had gathered more information about processing fees. Ms. Jamie Edwards and Ms. Richardson had solicited quotes from different companies and found that using Xpress bill pay would save the City \$26,000 per month. The City currently used Metro for bill mailing services. Using Bend Mailing would save the City \$1,200 per month. Finance Director Butsch gave a shoutout to her team for working on this issue.

City Administrator Walsh stated the cost savings would be significant, and the contracts had been put together as quickly as possible.

6. Report from City Administrator John Walsh

City Administrator Walsh presented his report. Highlights of the report with input from the Council were as follows:

- Business Oregon had sent the City a notice of intent to award \$2.3 million to help fund developing the substation at the Mill site. Discussion would continue on how to address the energy shortage for industrial development.
- The County had been awarded funding to do a study on electricity transmission.
- The City was working with the Columbia River People's Utility District (CRPUD), Portland General Electric (PGE) and Business Oregon to improve electrical capacity, which would be a deciding factor for Project Sprint.
- The letter of intent (LOI) for Project Sprint would expire on March 31, 2024. They did not intend to request another extension. It would be a game changer if they came.
- The importance of undergrounding power.
- Attorneys and the Police would attend the upcoming joint meeting of the City Council and Planning Commission to review other potential sites for the Police Station and discuss how the City wanted to proceed.
- There would be a meeting with the St. Helen's Police Association on March 15 to work on a 2025 cost of living adjustment (COLA) and other current issues.
- Brent Keller had reported on forestry at the last meeting.
- The City was working on having a 2,100 acre sustainable yield forest.
- There was currently timber that was ready to cut.
- The City could work with a forester to discuss preparing a sale and getting bids.
- The money historically went to the Community Development Fund, but it could go to the General Fund to help balance the budget.
- Bids would be presented to the Council.
- The Council gave their consensus to move forward on getting bids and they favored putting the money toward the General Fund.
- Riverwalk project bids would be due tomorrow.
- The project scope had been reduced dramatically by removing key elements like the amphitheater and playground. The focus was on using grant dollars before they expired.

- City Administrator Walsh, Councilor Hubbard, Councilor Sundeen, and Attorney Peter Hicks had been meeting together to discuss a new Tourism contract for E2C.
- Attorney Hicks had stated at the last meeting that an RFP needed to be done.
- It made sense to extend the contract while they did an RFP rather than having it cut off during big events. It would be good to make a selection by November.
- Extending the Tourism contract would allow more time to make sure everyone was satisfied with the contract for 2025.
- Wanting to know in advance when an RFP would be done as it should be a transparent process.
- Independent contractor agreements.
- City Attorney Monahan stated there was a need for a new RFP to obtain a contractor for next year. He suggested amending the contract cycle dates to avoid having the contract expire during big events. There was also a need for an emergency declaration to extend the existing contract through the end of 2024, which could be adopted at the next Council meeting. He discussed possible wording for a motion extending the contract, and the need for the emergency declaration. The work on a new RFP could be finalized in the next couple of months, and the existing contractor could continue to work on the projects for this year with an extension of the contract that was already in place. Direction could be given at tonight's meeting.
- Wanting advice from an attorney on the RFP process in the future.
- City Attorney Monahan discussed procurement rules and recommended doing an orientation in procurement rules for Councilors.
- Finance Director Butsch was working diligently on saving money for the budget. Budget meetings would be held in April because there was a lot they did not know at the beginning of the year. The Budget may increase by around 10 percent.
- City Administrator Walsh had been working on a community grant through the CRPUD to upgrade the power in McCormick Park which could not currently support events without noisy generators. City Administrator Walsh would attend the next CRPUD Board meeting to discuss the service needs in more detail.
- The realtor services RFP would be due tomorrow and the Council could ratify the selection at the next meeting.
- There were no objections to the selection committee making a recommendation to the Council.
- City Administrator Walsh was working with Government Affairs Specialist Barry and Police Chief Greenway on lobbying efforts. The City had submitted a letter of support for Measure 110 reform. The legislation had been passed and tools to address Measure 110 were available.
- A special meeting would be held at 5:30 pm to discuss the lagoon.
- Everyone was encouraged to ask questions.
- City Administrator Walsh stated ten years of work had gone into this legacy project.
- There had been an alternatives analysis and various conceptual designs with wastewater facilities to assess whether the lagoon could be repurposed.
- The City had never talked about the lagoon becoming a Portland superfund dump site.
- The structural and seismic integrity of the berm would be discussed in the meeting.
- The project had always been focused on community safety.
- No decisions had been made yet.
- The lagoon was oversized, even considering Project Sprint or other new projects.
- The project had been funded by grant money.

Council President Chilton gave a shoutout to Government Affairs Specialist Barry for her work. She had been an asset to the City, and they were sad to see her go.

ADJOURN – 4:49 p.m.

EXECUTIVE SESSION - None

Respectfully submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

/s/ Kathy Payne
Kathy Payne, City Recorder

/s/ Rick Scholl
Rick Scholl, Mayor