



COUNCIL SPECIAL SESSION

Wednesday, February 25, 2026

APPROVED MINUTES

MEMBERS PRESENT

Mayor Jennifer Massey
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

MEMBERS ABSENT

Council President Jessica Chilton

STAFF PRESENT

John Walsh, City Administrator
Kathy Payne, City Recorder
Lisa Scholl, Deputy City Recorder
Matthew Smith, Police Chief
Suzanne Bishop, Library Director
Ashley Wigod, Contracted City Attorney

OTHERS

Nancy Whitney	Robyn Toschi
Ed Whitney	Shauna Stroup-Harrison
Tammy Maygra	Joe
Brady Preheim	SB
Tina Curry	

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

PURPOSE: The purpose of this Special Session is to consider adoption of an ordinance for a General Services Fee and referral of that ordinance for voter approval. The General Services Fee is proposed to be used for general fund staffing, programs, and services for police, library, parks, recreation, community development, administration, information technology (IT), and municipal court.

DISCUSSION

1. This agenda item is to 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 and refer to voters.

Contracted City Attorney Wigod addressed conflicts of interest. She explained that because the ordinance would be referred to voters, Councilors could only have potential conflicts of interest rather than actual conflicts. She recommended that Councilors disclose potential conflicts related to their Council stipends. Mayor Massey disclosed both a potential conflict due to her stipend and an actual conflict because her spouse is employed as a City police officer, noting that under recent legislative changes, she could still participate and vote. Councilors Hubbard, Gundersen, and Sundeen each disclosed potential conflicts related to their Council stipends.

Presentation by City Administrator John Walsh

City Administrator Walsh presented the background on the General Services Fee proposal. He explained that at the February 4 meeting, staff had forecasted a shortfall of approximately \$2.2 million to maintain current service levels and reach the Council's adopted 20% reserve target. The City had been relying on one-time revenues such as federal grants, state grants, timber sales, and property sales to fill budget gaps, but these sources were no longer sustainable.

Walsh noted that St. Helens has one of the lowest permanent tax rates in the state at \$1.91/\$1,000, yet many communities with higher tax rates still need to refer ballot measures for desired services. He presented charts showing that the General Fund represents only about 13% of the City's \$92 million overall budget, with Enterprise Funds (water, sewer, storm) making up 38% and Special Projects 13%. Police services comprise approximately 50% of the General Fund budget.

Walsh outlined two ordinance options: Ordinance 3321 at \$35.30 per month per equivalent dwelling unit (EDU) would maintain current staffing and service levels, while Ordinance 3322 at \$24.00 per month per EDU would require some service reductions but still achieve the 20% reserve target. Both options would have a 10-year term starting July 1, with the Budget Committee evaluating the fee after five years. The fee would be indexed annually but capped at 3% increases based on the Consumer Price Index.

Public Comment

- ◆ Nancy Whitney. Commended the City on the river turnaround project but objected to business signs in the area. She referenced Portland's illegal attempt to add money to water bills years ago, which resulted in refunds to citizens, and advised the Council to reconsider the proposal while suggesting Councilors discontinue their stipends.
- ◆ Tammy Maygra. Discussed records released from a recent court ruling, detailing issues with police scheduling and overtime costs. She cited findings from an expert report about Police Department management and criticized the significant budget increases given to the Police Department over recent years. She expressed concern about what she characterized as unethical dealings between the Police Association and City leadership.
- ◆ Brady Preheim. Criticized the Council's approach and questioned the timing of the 4:00 p.m. meeting. He referenced communications showing tensions between Police Association members and City staff, expressing concern about officer conduct and employment decisions. Expressed distrust of the Finance Director, who he says has lied about tourism as well as adding \$300,000 into the tourism budget that they knew they would not get.

Mayor Massey commented that the City disagrees with defamatory statements made about the Finance Director.

- ◆ Robyn Toschi. Emphasized the importance of ethics and expressed concern about conflicts of interest related to the fee proposal. She discussed corruption allegations and urged Councilors to carefully consider their responsibilities in handling public funds.
- ◆ Steve Toschi. Echoed his wife's comments about financial management and discussed concerns about Police Department activities revealed in recently released documents. He emphasized the need for proper oversight of the significant police budget increases over recent years.
- ◆ Shauna Stroup-Harrison. Expressed embarrassment about the community situation and concerns about the fee being viewed as taxation without representation. As a local realtor, she noted

concerns from potential home buyers and questioned the sustainability of adding fees to utility bills while the sewer and storm water systems need attention.

Council Deliberation

Mayor Massey led a detailed discussion of budget issues she had identified through reviewing the trial balance. She analyzed police overtime costs, noting that while the department appeared over budget on overtime, having unfilled full-time positions actually resulted in cost savings when considering salary and PERS benefits. She questioned Police Chief Smith about the costs and benefits of 8-hour versus 10-hour shifts, with the Chief explaining that 10-hour shifts provide necessary overlap time and better work-life balance, ultimately reducing overtime costs.

The Mayor also highlighted significant professional services costs, totaling approximately \$552,000 in legal fees outside of insurance coverage across recent fiscal years. She expressed concern about these costs and suggested the need for better budget monitoring and mitigation strategies.

Councilor Hubbard agreed with the analysis, particularly regarding legal expenses, noting the challenge of defending against litigation while seeking ways to reduce costs through internal decision-making rather than relying solely on attorney guidance.

The Council discussed the broader budget context, with Walsh clarifying that the General Fund has limited revenue sources and cannot receive transfers from Enterprise Funds due to legal restrictions. The Mayor emphasized that St. Helens' property tax rate of 1.91 percent is significantly lower than neighboring cities like Vernonia at 5.82% and Rainier at 7.09%, yet the City attempts to provide comprehensive services.

Councilors expressed the difficulty of the decision, with Sundeen noting that many Oregon cities face similar challenges and use utility bill fees, though few refer such measures to voters. Gundersen emphasized hopes that the measure would pass to avoid service cuts, while also supporting efforts to identify cost savings.

The discussion revealed tension between maintaining current service levels and fiscal responsibility, with library and recreation services potentially facing reduced hours and programs if funding is not secured.

ORDINANCE - Final Reading

Contracted Attorney Wigod explained the need to choose only one for adoption.

- 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 per month per EDU*)

Councilor Gundersen read Ordinance No. 3321 by title. **Motion:** Motion made by Councilor Gundersen and seconded by Mayor Massey to adopt Ordinance No. 3321.

The Council debated whether the higher fee amount would provide necessary funding to maintain current services versus the lower amount that would require cuts. Councilors Sundeen and Hubbard expressed preference for the lower amount that would require the City to tighten operations, while Mayor Massey and Councilor Gundersen supported maintaining current service levels.

Vote: Voting Yea: Mayor Massey, Councilor Gundersen; Voting Nay: Councilor Hubbard, Councilor Sundeen; motion fails with a tie

- 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 per month per EDU*)

Councilor Gundersen read Ordinance No. 3322 by title. **Motion:** Motion made by Councilor Gundersen and seconded by Councilor Sundeen to adopt Ordinance No. 3322.

Limited additional discussion occurred, with Councilors acknowledging this option would require service cuts but demonstrate fiscal restraint.

Vote: Yea: Mayor Massey, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

RESOLUTION

- 4. Resolution No. 2066:** A Resolution of the City of St. Helens City Council Referring to the Voters of the City of St. Helens at the May 19, 2026, Election, a Ballot Measure Authorizing the Adoption of Chapter 13.34, General Services Fee (\$35.30)

No motion was made on this resolution since the corresponding ordinance was not adopted.

- 5. Resolution No. 2067:** A Resolution of the City of St. Helens City Council Referring to the Voters of the City of St. Helens at the May 19, 2026, Election, a Ballot Measure Authorizing the Adoption of Chapter 13.34, General Services Fee (\$24)

Councilor Gundersen read Resolution No. 2067 by title. **Motion:** Motion made by Councilor Gundersen and seconded by Councilor Sundeen.

Mayor Massey emphasized that a significant factor in her decision was the approximately \$650,000 in legal fees outside insurance coverage, suggesting the need for strategies to reduce these costs. Councilors agreed on the importance of analyzing and potentially reducing professional services expenses while continuing efforts to generate additional revenue for the City.

Vote: Yea: Mayor Massey, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

ADJOURN – 5:35 p.m.

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