

**CITY OF SCAPPOOSE  
CITY COUNCIL MEETING  
SEPTEMBER 7, 2010 AT 7:00 P.M.  
SCAPPOOSE, OREGON**

**Call to Order**

Mayor Burge called the Council meeting to order at 7:00 p.m.

**Flag Salute**

**Attendance:**

**City Council Members:**

Scott Burge	Mayor
Jeff Bernhard	Council President
Donna Gedlich	Councilor
Larry P. Meres	Councilor
Art Heerwagen	Councilor
Jeff Erickson	Councilor
Cindy Phillips	Legal Counsel

**Staff:**

Jon Hanken	City Manager
Doug Greisen	Police Chief
Susan Reeves	City Recorder
Joe Lewis	WTP Superintendent

**Press:**

Josey Bartlett	The Chronicle
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Excused: Councilor Judie Ingham

**Approval of the Agenda**

Councilor Gedlich moved and Council President Bernhard seconded the motion to approve the agenda. Motion passed 6-0. Mayor Burge, aye; Council President Bernhard, aye; Councilor Gedlich, aye; Councilor Meres, aye; Councilor Heerwagen, aye and Councilor Erickson, aye.

**Discussion on Enterprise Zone ~ Business Owners**

David Stocker explained he is with Columbia County Economic Team and the Director of Economic Development for Columbia County. He explained it is his great pleasure to be here tonight. He also wants to extend his gratitude to the Council for agreeing to participate as financial sponsors for the Columbia County Economic Team. He explained it is an organization that is quickly coming together and they will be active and working to promote economic development on a County wide basis starting at the end of September. He explained what brings him here tonight is that in his duties of Director for Economic Development for Columbia County he was approached by several business owners who expressed some interest in the possibility of an Enterprise Zone for the areas at the Scappoose Airport and in the surrounding areas. He explained this is very intriguing to him and he thinks it is something worth further consideration. He explained since he started in this position it has become quite apparent and very obvious the tremendous opportunity that the Scappoose Industrial Airpark represents to stimulate economic development in the County. He thinks it is probably one of the crowned jewels that the County has in brining more businesses in

there and helping businesses to have some very strong potential to grow to achieve that success for them to create new employment and bring additional wealth and prosperity into the area.

David Stocker explained an Enterprise Zone is an incentive to encourage business investment. He stated it is an incentive for investment. He explained the incentive provides businesses that make more than \$50,000.00 in investment a tax exemption for a period of three years. He explained if they make that \$50,000.00 investment and increase their employment by 10% then they are eligible for property tax abatement for a period of three years.

David Stocker explained the reason he is discussing the St. Helens/Columbia City Enterprise Zone is that one of the concepts that business owners have discussed with him is the notion to extend the boundaries of that Enterprise Zone to encompass portion of the Scappoose area; the Scappoose Airport and surrounding areas. He explained even under these very extreme recessionary circumstances Enterprise Zones have still brought in 1.1 billion of new private investment for capital projects that's coming on line in the next calendar year. In 2011 it is going to produce, State wide, more than 1,770 new jobs and 4,160 retained jobs. Business attraction and retention in diverse industries including clean energy manufacturing, semiconductors, general aviation, telecommunications, wood products and metal fabrication.

Councilor Erickson asked if there is a minimum of employees that a company has to have.

David Stocker replied if they are a new business coming into an Enterprise Zone then one employee. He explained if they are an existing business that is making investments that they wish to have qualify for an Enterprise Zone property tax exemption they must be 10% of the employment levels in their base year.

Mayor Burge explained the discussion of Enterprise Zone was actually on the agenda. He would like to ask if there is anyone else who would like to speak on something that is not on the agenda and then get approval for the consent agenda and then come back to this discussion.

### **Public Comments**

None

### **Consent Agenda ~ August 16, 2010 City Council Meeting minutes**

Council President Bernhard moved and Councilor Erickson seconded the motion to approve the consent agenda as presented. Motion passed 6-0. Mayor Burge, aye; Council President Bernhard, aye; Councilor Gedlich, aye; Councilor Meres, aye; Councilor Heerwagen, aye and Councilor Erickson, aye.

### **Discussion on Enterprise Zone ~ Business Owners (continued)**

Scott Parker explained he owns Scappoose Sand & Gravel. He explained he has approximately 85 acres left. He explained they have been mining actively since 1940. He explained there is a concrete pipe manufacturing business, concrete business and an asphalt business besides his gravel business

located on the property. He explained between those three businesses and his own that have been here for some time they will be adding equipment and expanding and trying to bring in more jobs and this Enterprise Zone will help their existing businesses but he would also like to develop the rest of his property and the Enterprise Zone will really allow him to bring in some more businesses. He feels this is very positive for them and it would be for the City to allow this to move forward.

Bob Short, Cal Portland, explained as many of you know he has not always agreed with the folks at the airport about the direction of economic development in this community. He is here to strongly support the Enterprise Zone, strongly support the opportunity that is presented at the airport to develop economically in this community and to strongly support this effort. He explained the creation of an Enterprise Zone is not going to help his ability to mine gravel. He is here to help the economic development of Scappoose. He explained private investment capital drives jobs, private investment capital drive economic development; it drives the revenues needed by Government for the services they provide. He thinks it is very important for this community, it is very important for his business to be in a thriving community like this and he strongly supports.

John Kemp, Pacific Stainless, explained he is unique because he is the only person here that has actually used the Enterprise Zone. He explained they used the Enterprise Zone for all sorts of things and it worked great. He explained all the benefits from being in an Enterprise Zone. He explained by not having this they are putting businesses at a competitive disadvantage. He explained if it wasn't for the Enterprise Zone he wouldn't be in St. Helens he would still be in Kelso Washington.

Jeff Paulson, Overall Aircraft Services, explained he is over by the airport and he moved his business to Scappoose from Vancouver. He explained since his business has moved his he has four employees that have moved to the greater Scappoose area. He explained he needs to expand, which in turn would bring more jobs and income into the area and this zone would certainly help.

Steve Ruege explained he is one of the owners of Composites Universal Group. He explained they have been out at the airport for about 14 years and they currently employee right around 40 or 45 people. He explained they are looking to expand over the next year or two and this Enterprise Zone would definitely give them the ability to do that.

Glen Gordon, Sherpa Aircraft Company, explained his current company has 12,500 feet and it ought to be 50,000 feet. He explained if they could expand it would be great. He also explained they should have 50 to 100 people and they have 3. He stated we need your help and anything you can to help us, if this helps us all as business people, do it.

Ed Freeman, Airpark Development, LLC, explained his business partner and he are land owners around the airport and intending to develop industrial site where the Enterprise Zone would make the most sense to draw new businesses to Columbia County and Scappoose. He explained they strongly support the Enterprise Zone concept. He explained the current owners of the property would not be benefiting to any tax incentives as far as the Enterprise Zone is concerned; it would only be new businesses that come to the area or those that are there and want to expand. He explained it is only a tax abetment for going forward not going backwards so these people have to come and create these new jobs or expand their business to qualify. He explained he feels they have entered a new era of cooperation with the Port of St. Helens and there are going to be a lot of good

things happening out at the Scappoose Airport in the next year and as the economy comes back we want to be ready to put our best marketing ever forward to draw new business to the region. He asked for Councils support.

Joe Kessi, OHM Partners, explained his company has actually used the Enterprise Zone before and he can tell Council that they own several pieces of property within the Enterprise Zones around the State and it makes a huge difference when you are trying to get a project off the ground to fill that space or land with a tenant. He explained there are areas in Portland that they are competing against to get some businesses out in St. Helens and Portland really can't compete with them because of the Enterprise Zone because it makes a huge difference, it is a great sells tool.

Betty Johnson explained for the record she has the privilege of being our State Senator. She explained she has had the opportunity to talk to a number of these businesses and she thinks the sense of excitement, the sense of opportunity at the airport has never been higher. She stated she wanted to thank David, who in five short weeks has gotten out in the public, has met with businesses and brings to you tonight one of the first proposals coming out of the newly formed Economic Team. She explained tonight was a really important night because she thinks it is the first time that the Council has had an opportunity of the subset of the faces, the people who are willing to private capital at risk to help our community grow. She explained we only have a subset because not everybody is here tonight. She explained she talked to Mike Dennis about this at some length. She explained Mike has just gotten going on a new product for Oregon Aero and this has a potential to be maybe a billion dollar industry and they want to be located in Scappoose. She what you have heard is an eclectic mix of companies that want to do construction, that are bringing innovation here. She explained Composites was very modest in stating the kind of things they are doing; they have a world reputation for some of the products that they are involved in. She stated you see expansion, you hear green jobs, you hear technology and again someone has already stated, but she wants to put new emphasis on, because it hasn't always been the case, she wanted to thank Robert Kysor, the President of the Port, Paula Miranda and City Manager Hanken for sitting down together and agreeing to put together a memorandum of understanding to create an infrastructure master plan for the airport. She stated she is as optimistic about the future of the airport as she has ever been. She stated for more than 20 years we have been talking about that area as the industrial future for Scappoose with your consideration of the UGB she thinks that opportunity is at hand and she just wants to thank Council for the chance to see these businesses here tonight and begin a dialog directly with the Council about what opportunities exist for expansion and job creation.

Tony Hyde, County Commissioner, explained he wanted to thank the Councilor for hearing this tonight. He explained this is was not an attempt to get a hearing before the Council this was just an attempt to show them the amount of support for consideration of an Enterprise Zone. He explained he has been a sponsor as your County Commissioner in two Enterprise Zones for the 14 years he has been a County Commissioner and he has had a lot of hands on experience with the Enterprise Zone Legislation. He explained the Enterprise Zone incentive that was used in Rainier for USG. He explained they have started to put some parameters and mission statements around their Economic Development Team of which City Manager Hanken has been very helpful and the first thing we are been talking about is expansion and retention of the companies we have. He stated this is an opportunity not just for new businesses this is an opportunity for the businesses we have to keep

them robust and help them expand and add jobs. He stated this is a really good program and we would like to bring you a presentation from the State about exactly what an Enterprise Zone is.

Robert Kysor, Port of St. Helens, explained the Port of St. Helens has heard stories like the Council has tonight from businesses in and around the airport. He explained Paula Miranda the Port of St. Helens acting Executive Director can tell you they have other businesses currently there who have talked to the Port about expansion possibilities. He explained there are some new folks talking about coming there. He stated for all of them an Enterprise Zone allows them to ease the tax on the increased investment which most of them would use to do things like loan reserves, etc. He stated the Port thinks it is something the City will hopefully look at and get involved with and have an opportunity to have your input. He explained he did an investment in an Enterprise Zone and had it not been for the three year tax exemption he never could have got it financed and it may not have survived, so he is a big believer.

Paula Miranda, Port of St. Helens, stated first of all the business within the airport boundary don't pay property tax so the Port wouldn't have a direct impact by the Enterprise Zone as far as their property is concerned but they would have the impact as far as the development around them so they are interesting in seeing the businesses growing around them just as well as they are within the airport itself because that would be the expansion, the growth of the airport. She explained as one of the marketing persons for the Port of St. Helens they talk to a lot of prospects and there are a lot of factors in development but benefit is what a lot of businesses are looking for, so you have to be competitive in the business world today and she feels the Enterprise Zone has shown so far that it is a big benefit.

Dennie Houle, Business Oregon, explained their agency administers the report and authorizes the Enterprise Zones that the Legislators tells them they can designate and right now we are at the maximum amount that they can designate and it won't be for at least a couple of years that the opportunity to form a new Enterprise Zone will come up and the very earliest. He explained Enterprise Zones are a unique tool in that they give forgiveness of local taxes for the first three to five years and then up to two years during construction for property taxes. He stated it is a tool that is used to lower the cost of expanding businesses right at the time where cash flow is probably dearest to them and tightest but yet when they get on their feet and they are growing and they are under way then the assumption is they are better able to afford some of the taxes that they were forgiven for the first three to five years. He explained many companies are interested in expanding and they look at every opportunity including the opportunity the Port of St. Helens can provide. He explained the City of Scappoose has already had a reduction in building permits and fees. He explained they are looking for any opportunity to save money. He stated this isn't going to make a bad project a good project but it will attract the attention and give the support for companies that are trying to expand. He stated this is a great tool if you choose to use it and he thinks it would make a difference to all the businesses that have been here and some of the businesses that may consider Scappoose in the future. He stated this is a local decision though; the State isn't giving up the resource, the City is temporarily for the first three to five years.

Councilor Meres stated it was said the Enterprise Zone is all booked up, would we be on a waiting list?

Dennie Houle replied the State can't make any new designations. He explained what is being talked about here is extending the Enterprise Zone that currently exist in Columbia City and St. Helens. He explained the State can add acreage with the cooperation of City of Columbia City, City of St. Helens, Port of St. Helens and Columbia County.

Councilor Gedlich asked Dennie Houle if he is talking about all of Scappoose limits or only a portion.

Dennie Houle replied you would only be able to do a portion because the zone only allows a certain square footage to be included in an Enterprise Zone and it is for industrial commercial use.

David Stocker replied no more than 12 square miles can be in an Enterprise Zone and currently St. Helens/Columbia City is 9.9 square miles.

David Stocker gave a summary of what the business owners spoke about tonight. He explained it is important to recognize that the Enterprise Zone really isn't a silver bullet, this is complementary tool that will add on to all the other work that you have been doing to build on to infrastructure and plan new infrastructure and to support continuing industrial development in that area and he also thinks that it is important how this can fit in with the broader vision the City has along with the Port of St. Helens for a more vital and more robust airport area. He explained the airport is a phenomenal economic development asset for the City of Scappoose, for the Port of St. Helens and for all of Columbia County.

City Manager Hanken explained one of the things to move forward on this he is looking for direction on this. He asked if Council wants him to work on this with the Economic Development Group to discuss what they could possibly do out at the airport and bring that information back.

Council President Bernhard thanked all the business owners. He definitely looks forward to hearing more about this.

Brian Rosenthal, local property owner, explained he is not here to speak against or for the Enterprise Zone but if the City does go ahead with this he asks Council to consider the entire commercial/industrial and light commercial/industrial zoned areas in Scappoose. He also suggested if Scappoose does decide to do this put a time limit on it. He explained he wanted to point out that current property owners would benefit because if you reduce the tax cost on a piece of property you just increased the value of the property.

Councilor Gedlich stated she is really interested in what everyone has said tonight but if we are talking about changing our UGB we have to be very careful. She stated if we would have known some of this information that was given to us this evening we would have made maybe some different decisions. She just wants everybody to be aware. She didn't know if Council wanted to wait until after the City has gone through the process of the Urban Growth Boundary or should we move forward at the same time.

Council President Bernhard and Mayor Burge feel the City should move forward at the same time.

Tony Hyde explained Enterprise Zones are on a four year cycle.

Mayor Burge thanked everyone who came and spoke on this.

City Manager Hanken explained there could be at workshop on September 20<sup>th</sup>.

Robert Kysor explained the Port of St. Helens is the process of selecting a new Port Director.

## **Old Business**

### **Ordinance No. 812: An Ordinance Modifying Scappoose Municipal Code Chapter 12.16 Municipal Parks**

City Manager Hanken explained what you have before you is the ordinance before you for the second reading.

Mayor Burge read the title for the second time.

Councilor Meres explained he doesn't have a problem with this but he kind of thought a fence would be up prior to allowing dogs in the park off leash.

City Manager Hanken replied there is some temporary fencing up in the front. He explained we are working with the dog owner's organization in terms of fundraising for them to help cover the cost of putting up the fence.

Councilor Gedlich replied she has a concern with letting dogs off leash before we put a fence up because of safety issues.

Councilor Heerwagen replied he has used the area that is temporary fenced and it works. He has seen other people use it also. He explained it is no problem as it is now because the dogs can't get out.

Mayor Burge explained other dog parks have signs with rules posted. He stated it out be nice if we are going to allow dogs off leash that there are rules posted.

Motion passed 6-0. Mayor Burge, aye; Council President Bernhard, aye; Councilor Gedlich, aye; Councilor Meres, aye; Councilor Heerwagen, aye and Councilor Erickson, aye.

## **New Business**

### **Community Action Team Representative**

City Manager Hanken explained Community Action Team has asked Council to submit a letter naming him to the board.

Councilor Gedlich moved and Councilor Meres seconded the motion to Council name City Manager Jon Hanken as the City's representative to the Community Action Team's Board of Directors. Motion passed 6-0. Mayor Burge, aye; Council President Bernhard, aye; Councilor Gedlich, aye; Councilor Meres, aye; Councilor Heerwagen, aye and Councilor Erickson, aye.

### **LOC City Hall Night September 15, 2010**

City Manager Hanken explained what you have before you in the staff report is the four issues that will be addressed at the LOC City Hall Night being held on September 15, 2010.

Councilor Gedlich thanked City Manager Hanken for this information.

### **Municipal Court Discussion**

Councilor Gedlich stated at the last Council meeting she asked for Judge Taylor and the City Prosecutor come and introduce herself and tell us a little bit about the municipal court. She explained she has some real concerns about what is happening in the court system and or the process. She stated to Judge Taylor and Laurie Seldon to come forward, introduce yourselves and tell us a little bit about what you are facing, if you have issues, concerns and then she has some questions she would like to ask.

Judge Taylor introduced herself and explained she has been serving the City of Scappoose for the last 7 years. She explained Laurie Seldon is the prosecuting attorney and she has been with the City of Scappoose for a little over a year. She explained since Ms. Seldon has come on as prosecutor she believes they have made some significant progress with the court operations. She stated things operate far more smoothly then they did before. She explained they have a much more stream lined process. She explained there are things that they would love to do but there are budget and time constraints. They are still trying to work out the wrinkles as they go along and not make a whole bunch of changes all at one time but overall Ms. Seldon has been filing complaints against people who are not paying on their traffic fines so they are seeing increase in clients for failure to appear, contempt of court, that type of thing, an effort to generate revenue and they streamline the actual court process itself; the volume has actually grown and to try to get it all done in just one day a week is very challenging, especially for Ms. Seldon who has no clerical support of any kind and within one day set up cases and negotiate cases, prosecute cases and do pretrial conferences and settle cases. Fortunately within the last year they have managed to resolve most of the cases in a cost effective and timely manner. She explained they have only had one jury trial. She explained that case is currently on appeal and Ms. Seldon has successively won the motion to suppress here, she successively won the motion to suppress in Circuit Court and trial is current set for January. She explained every other case that has come up for trial they have been able to successful resolve. She explained they work very hard at trying to keep expenses down. They try to increase revenues as much as they can within the limitations that they currently have.

Laurie Seldon replied one of the very import rules of the Judge is arm twisting. She explained there is a very unique court here and she has had the privilege of working with Judge Taylor for over 5 years now considering their time in St. Helens. She explained it is a court that is compassionate but she is wavering in trying to change human behavior. She explained the folks that they get through



here are not the felons that they have to lock up for the rest of their lives. She explained the folks you get through here are your citizens, they are your tourist, they are the folks passing through, some of them, a lot of them need mothering and frankly that is a big part of what goes on. She explained there are those to whom there are no other options but to throw them in jail, in jail they go. She explained but if you just throw someone in jail and consider that the end of the problem it doesn't help you community. She explained this is member of your community most likely and so they are going to be back out and hope they have changed so they don't keep repeating the pattern. She stated one of the beauties of municipal court is that your Judge is able work so closely with all the people she has on probation. She knows who they are, she knows there history, she knows what their issues are. She thinks that way you are going to wind up with a more effective result, a result that is better for your community.

Councilor Gedlich wanted to make sure Judge Taylor and Laurie Seldon saw the memorandum from the City Manager. She explained one of her real concerns is when you look at the number of people that are on payment plans and the number of driver's licenses suspended and the number of warrants issued it is absolutely amazing, she couldn't believe the numbers. She stated to Judge Taylor and Laurie Seldon they must be working their tails off but one thing that she is absolutely opposed to, that Mr. Hanken mentions in his memorandum, is rather than trying to collect the resources is to suspend their driver's licensees. She stated to her that doesn't make sense because of you suspends their driver's license that just compounds the whole issue and they are still going to drive. She explained what she wants people to do and this body too because when you start looking at amount of money that is owed to this City, plus the County, plus the State, they could have the best municipal court system, they could have a larger police department, Laurie Seldon could have clerical staff and they could fund the Oregon State Police Department. She stated when you look at the number of owing this municipality, could you imagine the number out there that is owed to the 240 other cities. She stated this is unacceptable. She stated they have to be accountable in our budget process and they say they are going to do this every year and some how it kind of gets on the wayside and she is one of the lucky ones because she knows the process. She explained she was working for the City of Scappoose from the mid 80's she was the backup clerical for the court systems, so she knows LEDS, she knows the filing system, she knows the process and she thinks she has heard every sob story out there. She stated when she looks at the numbers where it has increased in the last 10 years since she retired it has quadrupled. She stated it was like \$200,000.00 when she retired in 1999 now it is over a million and now we are looking at \$900,000.00 to the City and these numbers are unbelievable to her. She stated what she feels sorry about is that Judge Taylor stated in the last 4 or 5 years the process has gotten better, however you staff hasn't gotten bigger, so when you look at the numbers in this memorandum some how it doesn't equate because how does this person have enough time in the court department to do everything. She explained they used to have a tickler system that if somebody didn't pay their fine they sent them a letter and let them know they were past due and if they don't hear from you in 10 days they are going to do a warrant. She asked if they don't have the adequate staff how is all this stuff getting done. She stated when you look at the fine that is owing to this municipality they would have money to hire a part-time person to help Judge Taylor or Laurie Seldon and staff. She stated somehow or another they need to do something. She stated she called several collection agencies and there are several agencies out there that they would get all the money they collect they just take a monthly rate. She stated she would rather pay the monthly rate and get something back, then nothing, because right now the process isn't working. She thinks every fine should be paid within 90 days. She stated she

thinks these people need to start being accountable and most of them are commuters, she is sure, and not all of them live in Scappoose and so to her that is just part of the responsibility of being a citizen. She stated if they are not going to pay then how do we pay. She stated to Judge Taylor that she is not blaming her. She stated she is just really glad that this issue has come before us because she thinks there is something that we need to do.

Judge Taylor stated we could spend several hours exploring options to improve the collections in this court.

Councilor Gedlich stated what she would like to do and she doesn't know what the Council thinks of it but since she knows the process she would like to volunteer her time and investigate various methods of maybe what we can do and bring it back to the Council. She would like to work with staff and the Judge and the Police and Mr. Hanken and she doesn't know the young lady in the Court. She stated Cathy, is that her name?

City Manager Hanken replied yes her name is Cathy Carpenter.

Councilor Gedlich asked the Council what they thought about that. She stated she could bring back something like in a month.

Council President Bernhard explained his first initial reaction to it is that he sees potential issues that himself as a Councilmember he thinks we have always known there was an issue with collection but at the same time we have also tried to over the years find different methods to collected these unpaid fines. He stated the million dollars, how many years has it taken to get to this number. He stated he appreciates Councilor Gedlich's offer. He stated potential we should be looking at if we want to take a serious look at the court itself and see if there is any potential better ways of doing thing, potential fixes, that type of things, then maybe we should send it to a committee of some type; where we actually have a four or five member committee to where they actually sit around and talk about the this issues that are going with the court system itself and then from there with staffs help find different avenues to where may we can enhance it or maybe there isn't anything to enhance. He stated maybe he is looking at a problem that really doesn't exist. He explained he does agree with Councilor Gedlich that we need to do a better job at trying to collecting our fines. He stated maybe what he needs is more information that states the amount of fines that we have collected over the last few years instead of using the million dollar number that could have been spread over a 20 year period of time. He stated perhaps if he had some better data to work with over the past few years he would have a better idea of what is currently going on with the court system. He stated when Laurie mentioned we have a unique court system; he really doesn't know what is so unique about it besides obviously the dedication of our Judge and what she does here. He thinks he would like to have some more information as a Councilmember exactly how it all works and a little bit more information to come forth and if that comes in a form of a staff report for right now to determine if we need to have a committee, he is open to that. He stated if it needs to go to some type of committee to have a discussion to bring a report he is okay with that. He stated basically what it boils down to is information is not going to hurt us, to obtain the information it is not going to hurt us, if anything it costs people a few hours or there to obtain that information so that way we can make a better decision. He stated it isn't as we are going to spend a ton of money on this. He does see a potential.

Councilor Heerwagen asked Judge Taylor if any municipality done something to make collections better or is everybody in the State struggling in the same burden.

Judge Taylor replied there are things that the other municipalities do that this one does not. She explained in the City of St. Helens they use 3 collection agencies that accounts are assigned to. She explained on the traffic matters there is a tickler system so that at 90 days if there is no payment or response from the defendant the drivers license is suspended and a copy is sent to driver, so the driver knows their driver privileges has been suspended and that triggers payment in a lot of cases. She explained here we have the capability to tickle the people for their 90 day follow up we just don't have the time or the staff to do it so suspensions are kind of hit and miss. She explained from that point if they are still non-responsive, they still don't pay, they don't contact us then it gets assigned to a collection agency. She explained St. Helens has contracts with collection agencies where under the Statue you are permitted to charge a collection fee over and above the balance that is owed. She explained in 2009 St. Helens received \$55,000.00 in revenues from collection agencies; that funds a position. She explained here she knows there was one instance where the City contracted with a collection agency, to her knowledge no accounts were assigned to that agency; that agency charged the City to set up accounts and then that agency wanted us to skip trace the accounts for it. She explained the collection agency sort of got confused as to who responsibility it was to do the collections; so that was one very bad experience the City had and there are other options out there. She explained our computer system can be used in a more efficient way as far as flagging the different people. She stated you have two separate collection issues; you have the traffic people who are easier to collect from because those folks typically have jobs, they are the commuters, they are the ones who have an income string and then you have the criminal case loads where you have the warrants and those are a little harder because typically our warrant is not the first warrant that they have and they are not necessarily employed or they are having very difficult financial times. She stated there are time when they come in, we show cause them on a failure to pay and Ms. Seldon will ask them how come you haven't made a payment and then will say they don't have any money. She will ask them how much is in your pocket. She explained one evening Mayor Burge and City Manager Hanken were here, a gentleman had \$2.00 in his pocket and she said fine we'll take it to put it on his account and the word is getting out that we are very serious that we need some kind of a payment each and every month.

Mayor Burge asked how many of the 851 people on the payment plan are current.

Judge Taylor replied she has no idea.

Mayor Burge replied this does him no good because he can figure out the average outstanding fine for 851 people is over a \$1,000.00 but to him if we are going to talk about collecting and they sign a payment plan and they go off their payment plan and don't make a payment maybe that should be the first automatic kick it gets referred, license suspended.

Judge Taylor replied there are lots of different ways that we can try to tackle this problem.

Mayor Burge replied he thinks what Council President Bernhard was saying without having some of this in-depth information here he has no way of knowing what is just a bad debt at this point and

what is collectable and he thinks that we had a bad experience and maybe we did it wrong that last time but if there is a better way and you used it in St. Helens maybe we need to look at it.

Councilor Gedlich stated Council wants more information and more numbers and that is just taking away from the court clerk's time to do all of this research when we will still have the problem. She thinks we need to definitely look at the process that they are doing in St. Helens. She thinks there are a lot of things that we can do. She thinks for us just ignore it is worse, She doesn't mind having more information but Council President Bernhard talks about "Lets have a committee"; how many committee meetings do you need to have about something like this because in order to investigate something, if we have a committee, that means the Judge and the Prosecutor would have to be at every meeting.

Judge Taylor replied they would be happy to.

Councilor Gedlich stated staff would have to be here for another meeting. She stated most of the stuff or the information you could probably obtain from a staff member during the day if you meet with them or at lunch or get on the phone and start calling different municipalities and see what they do. She stated why form another body and waste everybody's time because all it would take would be more staff time, more overtime, and more benefits that is all she is saying. She is volunteering to do it, she thinks she would be fair and impartial, she knows the process. She stated she is not going to confuse the issues. She stated everybody knows there are hundreds of thousands of dollars owing. She stated it doesn't matter whether one of them is a 10 year old fine or a 20 year old fine. She just thinks we need to do something to get some money in and if we need more staff that will help pay for it.

Councilor Meres thanked Judge Taylor and Laurie Seldon for attending this evening. He agrees and he thinks we have a three legged stool except we only have two legs. He doesn't blame it on this group here; he blames it on this Council and the management and he thinks we need to look at our priorities and we get on collecting this money and he doesn't care how we do it. He stated if St. Helens has a good problem then we need to do it and if we need to buy some upgraded computer system or we even need to consider hiring another staff person to get on it he thinks we need to do it or a collection agency but he thinks this Council needs to buckle down and needs to do it.

Mayor Burge asked about the people who are on payment plans because obviously they end up being the people that get the licenses suspended and the warrants put out on them. He asked when we do a payment plan the person signs the payment plan and it goes over to our court clerk what happens to the information at that point.

City Manager Hanken replied the information is entered into the computer.

Mayor Burge asked could we currently run a report like any accounts receivable. He can asked his bookkeeper at the office where he works if he has a customer that hasn't paid how many days are they late and she can tell him like that. He stated we should be able to do that.

City Manager Hanken replied yes, you can run a report on that.

Mayor Burge replied there should be ticklers where is says at 90 days if you are behind, if you are 30 days behind your license is suspended, if you go 60 days behind it is going to collection, period end of story. He stated he knows that in that past you get pulled over and when you go to these other courts, he knows they are different than ours; they are not municipal courts because they are larger communities, but they don't mess around with fine collecting, you make three payments, kind of like what Councilor Gedlich was saying, or you pay it all or you find a way to be innocent or have it as a fix it. He stated collecting the fines it import and that is the report he is looking for is a count of the 851, how many of them are current, that changes everything. He stated if the person agreed to something and they signed it and they are current, okay we have to let that person continue to be current, but if they are 30 days behind, haven't bothered to pay, haven't contact us about it, 60 days behind then that is when we need to make sure we have the staff to do it and take the action and if collecting it through collections garners enough money for a position to do it or justifies the position we should do it.

Councilor Gedlich stated she agrees.

Mayor Burge stated he thinks we can say that right here right now. He stated Council can say sounds like St. Helens has a way of collecting these fines, seems pretty successful with these three different companies, and Judge Taylor seems to think it works.

Judge Taylor replied absolutely.

Mayor Burge stated it seems like a good idea for us to replicate St. Helens, it sounds like they have something working, Judge Taylor is the Judge their, we contract her from the City of St. Helens. He stated it sounds like it is working there why don't we just bring it over here and as part of that contract maybe we can just extend those contracts over to us or we might have to sign our own contracts, or what not, but it makes sense that we go in that direction and especially if they are on a payment plan and they are more than 60 days behind.

Councilor Gedlich stated she would like this Council to have City Manager Hanken work with the Court and change the process and see about maybe a part time. She stated she is not sure what the budget looks like how you are doing so far but she wants to make sure that he has money to change the process, if we decided, and maybe look at a part-time person because she knows we our self's have to be accountable. She doesn't think it is fair to our constituents to let this go on any longer.

Councilor Meres stated some people if we get a hold of them we should offer them some sort of amnesty to get them off our books because we are going to waste staff time going after these people and he is sure you know the ones that always end up in jail every 45 days or something like this and promises they are going to pay and they never pay. He stated they pay the first month to get out and then all the sudden it just drops off, they have no driver's license and they can barely keep a job. He stated he doesn't know how we are ever going to get the money out of them other than if you just do the do jail time and suspend all fines and fees.

Judge Taylor replied the problem with jail time is that there have been a couple of instances recently where the jail has been full. She explained there was one morning the Chief was doing transports and he said the jail is full.

Councilor Meres replied they are trying to make their money on Government agencies and they are not going to have enough beds for us.

Judge Taylor explained she has spoken with Sheriff Dickerson and he mentioned bringing back the old process where the City's were billed for the jail time. She explained she is balancing trying to get the money in verses keeping Sheriff Dickerson from approaching the Council stating he is going to start billing us, so jail is not always the answer. She explained Ms. Seldon has come up with a very creative solution for some of these chronic folks; what we will do is we will show cause them in, set them over for 4 months and what we are looking for is a payment each and every month, for each payment that they miss they will serve 10 days in jail. She stated that has been highly effective. She explained she can only think of two individuals that have come back at the end of 4 months and have had to go to jail.

Councilor Meres asked are these some of our repeat customers. He stated he is talking about that sections, he knows there is a section of repeat customers that are never going to pay.

Councilor Gedlich replied why do we care.

Councilor Meres stated he thinks we need to find a way to solve the problem with the repeat customers.

Judge Taylor replied there are lots of different situations, lots of possible scenarios, lots of different things that we are not doing here that we could be doing.

Councilor Meres stated he would certainly like to hear some ideas to help collect money.

Judge Taylor replied frankly she likes the committee idea or having a workshop and brain storm what works for this City. She stated they can explained what their experience has been in other cities and talk about how does this City want it to work, how do you want it to operate within the budget constraints that we have here. She stated now one of the things that we have going on in St. Helens that we don't have here is we have got 4 clerks and here we have the 1 clerk.

Councilor Gedlich asked Judge Taylor if they just have court once a week in St. Helens.

Judge Taylor replied no, they have court three days a week.

Councilor Gedlich replied so you are saying now your one day here is almost overwhelming.

Judge Taylor replied it is.

Councilor Gedlich replied are you considering meeting more than once a week here?

Judge Taylor replied she doesn't know if the budget would allow it.

Councilor Gedlich replied she thinks this is the type of information that we need from you regarding the best efficiency for everybody and to make sure that you do have the funding. She stated she is

really disappointed that there's just not a lot of information that we haven't gotten from staff and she is not very happy about that because normally we get more information about issues and this is so important because it could fund your whole department. She stated it could make sure that you have upgraded computer systems and more staffing. She stated we just need to bite the bullet you guys and do something.

Council President Bernhard replied if we are seriously considering changing how we do businesses within our court system, from how many days a week we have work, to how we collect fines, to when we send them to jail or not, those types, we are talking about potentially overhauling the Scappoose Court System and he doesn't think that is something that can be done in a meeting and he doesn't think it is something that should be done in a meeting and he has to go back to even if it isn't a committee; if it is City Manager Hanken, Laurie Seldon, Judge Taylor, Chief Greisen and the Court Clerk, or whatever it may be to where we can have solid information to bring back here as potential issues or changes that we need to look at as a Council to change our court system he says go ahead and go forward. He is not in a position to say lets change our way that we collect things now. He is not willing to say lets find out a way to collect more so we can hire a part time person, he is not willing to do any of that right now.

Councilor Gedlich replied she is not either.

Council President Bernhard explained he feels we need to have some additional information so they can bring it back so Council can make an educational decision. He stated in all honesty he is not in a position to make those types of decisions right now. He explained he doesn't have the knowledge base to be able to do so to make an education decision about our court system.

Councilor Gedlich replied she doesn't either and that is why she brought it all up and had them come tonight.

Councilor Meres replied the committee thing he is okay with it but he would rather the Council have a workshop because he does believe the Council should be involved with this because he wasn't to hear everyone's ideas, he wants to see the statistics, he wants more information. He doesn't want to push this off to staff; he wants this to be a council involved in this.

Mayor Burge replied he agrees with that.

Councilor Gedlich replied she does too.

Mayor Burge would like to have a workshop on this with more information. He stated if Judge Taylor and Laurie Seldon have ideas that they want to bring to the workshop that would be good. He also asked for more in-depth data on who owes. He stated his concern is people on payment plan, if you make a payment plan and you don't make your payments there is a consequence.

City Manager Hanken asked about the 2<sup>nd</sup> meeting in October.

Judge Taylor replied provided you have the staff to enforce the consequence, that is the issue. She stated when we were shopping around for the new computer system she made sure that it had aging

report capability so we could see who was 30, 60, 90 and more. She stated it is there it is just that one person can't possibly keep up.

Council President Bernhard replied if we are going to potentially hold a meeting, which it sounds like we are going to ~ items that are important:

**Comparable to other municipalities within the area ~ what is working, what is not working**

**Break down on how the system works right now**

**Recommendation on what Judge Taylor would like to see**

Council President Bernhard replied for him that is what makes a good workshop, just coming with raw data something's doesn't cut it.

Mayor Burge replied true. He would especially like to see what ideas Judge Taylor would like to see. He explained we want to see where the City is and what vision Judge Taylor has. He stated he thinks that is direction that we would like to go.

Mayor Burge and the Council thanked Judge Taylor and Laurie Seldon.

**Announcements**

Mayor Burge went over the calendar.

**City Manager Hanken**

City Manager Hanken explained what Council has before them is a draft copy of the Water Management and Conservation Plan. This is something Council will need to review because it will be coming back to be formally adopted.

Joe Lewis explained this is a requirement of the State for our water rights. He explained what we are hoping for it the Council will adopt it contingent upon State approval because it is has not yet been given to the State, it is a draft document. He explained he will be back to discuss this to Council after they have had time to review and discuss it.

**Police Chief Greisen**

Police Chief Greisen explained the former Police Chief of Clatskanie passed away.

**Council**

Councilor Meres wondered if there is a current map of the current outline of the city limits.

City Manager Hanken replied yes.



Councilor Meres stated he would like to get it. He stated it was a very productive City Council meeting, he was glad to see the business owners present and he is really excited to explore the Enterprise Zone, he thinks it is what the City needs.

Council President Bernhard is also looking forward to the Enterprise Zone discussion but he also wants to make sure that is it coming from the point that we are being unbiased and that we are really exploring what the economic impacts are going to be from a negative and a positive standpoint from the City. He wants to make sure the Council is fully aware before we decide to move forward on something like that. He also wants to thank Councilor Gedlich for bringing up the Municipal Court issue tonight, he thinks it is over due and he is looking forward to seeing what kind of recommendations come out of that.

Councilor Erickson stated he would like to know more about negative impacts of the Enterprise Zone.

Councilor Heerwagen also wants to hear the negative impacts. He knows the issues that Rainier ran into. He explained he toured the water plant with Joe Lewis and it is well worth the time.

Mayor Burge stated good meeting. He explained he wants to make sure people know the difference about Enterprise Zones and Urban Development Zones because he knows some of the horror stories are actually Urban Development Zones. He stated unfortunately it may be a necessary evil for a competitive situation. It is something that he is looking forward to and learning more about and we have to make sure the negatives are addressed and we understand what we are getting into, what are the benefits and risks involved.

Mayor Burge went in to Executive Session at 8:54 p.m.

#### **Executive Session ~ ORS 192.660 (2) (e) Real Property Transactions**

#### **Adjournment**

Mayor Burge adjourned the meeting at 9:02 p.m.

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Scott Burge, Mayor

Attest: \_\_\_\_\_  
Susan M Reeves, CMC, City Recorder