



*Where Life is Sweet*

# Public Infrastructure Committee Meeting Minutes

January 30, 2025

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Mayor Primmer called the meeting to order at 6:00pm. Councilors Roberts, McCarthy, Linton, and Kelso were present. City staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Wastewater Superintendent Bill Schmittle, Street Superintendent Ron Sivey, Water Superintendent Roy Bicknell, Parks and Recreation Director Brandon Artz, and Planning Assistant Heather La Beau. Also present was Anderson Perry engineer Joshua Lott.

## **Capital Improvement Plan Updates**

A brief history from Assistant City Manager Mark Morgan included the development of the Capital Improvement Plan (CIP) in 2018-2019 after the city had to borrow money to dredge the sewer lagoon. Utility rates were not structured to allow for budget planning of operational maintenance. The CIP is a “rolling” five-year plan and this is the fourth update. Mr. Morgan used the attached PowerPoint presentation to present the CIP updates to attendees. The updates included project progress, dollars spent and fund sources for the water, sewer and street departments since the plan inception in 2018. The presentation also included some of the three departments’ projects for the next five-year period. Additional projects that have been scoped, for which there is no current funding, can be found in the appendix section of the Capital Improvement Plan being presented to the city council at their January 30 regular meeting. The website [www.hermistonprojects.com](http://www.hermistonprojects.com) has updated information about CIP projects.

## **Annual Rate Adjustment**

Presentation of this item was moved to the city council meeting immediately following this meeting.

## **Adjourn**

Mayor Primmer adjourned the meeting at 6:49pm.





# 2025-2030 CIP Update

January 30, 2025







# CIP Background

- 2017: Borrowed \$1.1M to Dredge Sewer Lagoon
- Pre-2019: Reactive by necessity (fix as it breaks)
- 2019: Water & Sewer Rate Restructuring
- 2019: First 5 Year Rolling CIP Adopted





# Progress Since 2018 & Water

- 2.5 Miles Main Replaced
- 1,200 GPM Supply Expansion
- Master Plan Updated
- Total Spend: \$4,518,793
  - User rates
  - System Development Charges





# Water Examples





# Water Examples







# Progress Since 2018 Sewer

- 0.75 Miles Main Replaced
- 3 Lift Stations Re-Built
- Master Plan Updated
- Total Spend: \$3,831,619
  - User rates
  - System Development Charges





# Sewer Examples





# Sewer Examples







# Progress Since 2018 Street

- 3 Miles Surface Repairs/Rebuilds/Infills
- 1 Mile Sidewalk Infill
- 1 Bridge Replaced

Total Spend: \$5,033,509

- State: \$3M
- Local: \$2M





# Street Examples

## N.W. 3rd Street Paving

Paving Complete on NW 3rd Street

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[www.HermistonProjects.com](http://www.HermistonProjects.com)



**HERMISTON**  
OREGON





# Street Examples





# Street Examples







# Progress Since 2018&Equipment







# Progress Since 2018

- Total Spend: \$15,161,762 [www.hermistonprojects.com](http://www.hermistonprojects.com)
- Water Main: 83 Miles Existing
  - 2.5 Miles = 3%
  - 0.5% per year
  - 200 - Year Replacement Cycle







# Progress Since 2018

- Total Spend: \$15,161,762 [www.hermistonprojects.com](http://www.hermistonprojects.com)
- Sewer Main: 80 Miles Existing
  - 0.75 Miles = 0.94%
  - 0.16% per year
  - 625-Year Replacement Cycle







# Progress Since 2018

- Total Spend: \$15,161,762 [www.hermistonprojects.com](http://www.hermistonprojects.com)
- Streets: 77 Miles Existing (Centerline)
  - 3 Miles = 3.9%
  - 0.65% per year
  - 153-Year Replacement Cycle





# CIP Project Scoping

- Water Needs
  - Main Replace, etc.
  - Well Rehab, etc.
- Sewer Needs
  - Main Replace, etc.
  - Pump Rehab, etc.
- Street Needs
  - Street Rehab, etc.
  - Sidewalk Need, etc.

Refine /  
Scope



City of Hermiston, Oregon  
Capital Improvements Plan

Water Department



Project Number:	W 21.0
Project Name:	View Drive Booster Pump Station Upgrades
Fund:	Water
Subcategory:	Supply
Estimated Cost:	\$750,000
Fiscal Year:	2025-26

#### Project Description:

The project will include reconstructing the pump station. The new pump station will be located in an aboveground structure to avoid confined space entry regulations and provide sufficient room for operation and maintenance activities and room for future growth. The project will potentially require property acquisition to develop the facility. Pumps will be resized to ensure they will be able to meet demands within the service area as the service area expands with development. In addition, the pumps will be sized to ensure backup service to Well No. 6 can be supported. Work will include construction of new pumps, valving, control systems, electrical systems, and a structure. Work will need to include accommodations to supply the pressure zone with water during construction. The need for this project should also be evaluated with the potential implementation of projects W 26.0 and W 27.0 discussed herein.

#### Project Justification:

The booster pump station at View Drive is underground, undersized, and obsolete. Originally installed in the 1980s, it has become unreliable due to age. The replacement booster pump station would be designed so it can be expanded in the event that population growth exceeds projections. The View Drive Booster Pump Station provides backup for Well No. 6 and serves industrial areas, the Eastern Oregon Higher Education Center, Walmart distribution center, Pioneer Seed, and the Eastern Oregon Trade and Event Center.

Funding Data:			
Project No.	Fund Name	Amount	Fiscal Year
W 21.0	Water Fund	\$750,000	2025-26
Total for Fiscal Year		\$750,000	

# CIP Resource Identification

- Water

- User Revenue
- Operations/Debt

- Sewer

- User Revenue
- Operations/Debt

- Street

- Revenue
- Operations/Debt

Schedule Pro Forma Revenues and Expenditures		Water Department					
PRO FORMA		Current FY	Projected				
Year (ending June 30th)	24	25	26	27	28	29	30
Beginning Fund Balance	\$ 1,206,948.50	2,840,512	2,809,804	1,629,529	1,565,457	1,501,877	1,536,947
<b>Operating Revenues</b>							
Primary Revenue Source	\$ 5,879,617.00	5,600,000	5,712,000	5,826,240	5,942,765	6,061,620	6,182,852
Other Revenue Source 1	\$ 377,500.00	377,500	377,500	377,500	377,500	377,500	377,500
Other Revenue Source 2	\$ 189,460.00	122,000	122,000	122,000	122,000	122,000	122,000
<b>Total Operating Revenues</b>	\$ 6,446,577.00	6,099,500	6,211,500	6,325,740	6,442,265	6,561,120	6,682,352
<b>O M &amp; R Expenses</b>							
Personal Services	\$ 993,899.00	1,116,227	1,160,876	1,300,000	1,352,000	1,406,080	1,462,323
Materials & Services	\$ 1,204,920.00	1,466,765	1,510,768	1,556,091	1,602,774	1,650,857	1,700,383
Other Operating Expenses	\$ 362,100.00	401,000	417,040	433,722	451,070	469,113	487,878
<b>Total Operating Expenses</b>	\$ 2,560,919.00	2,983,992	3,088,684	3,289,813	3,405,844	3,526,050	3,650,584
<b>Debt Service</b>							
<b>Funds Avail for Debt Service</b>		<b>3,115,508</b>	<b>3,122,816</b>	<b>3,035,927</b>	<b>3,036,421</b>	<b>3,035,070</b>	<b>3,031,769</b>
Existing Debt 1	\$ 1,306,075.00	1,305,216	1,303,090	1,300,000	1,300,000	1,300,000	1,300,000
Existing Debt 2							
Other Proposed Debt							
<b>Total Debt Service</b>		<b>1,305,216</b>	<b>1,303,090</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>
<b>Other Activities</b>							
<b>Cash Avail After Debt Service</b>		<b>1,810,292</b>	<b>1,819,726</b>	<b>1,735,927</b>	<b>1,736,421</b>	<b>1,735,070</b>	<b>1,731,769</b>
Transfer to CIP	\$ 941,000.00	1,841,000	3,000,000	1,800,000	1,800,000	1,700,000	
System Replacement Reserves							
Other Non-Operating Activity							
<b>Net Other Activity</b>							
Net Transfers IN (OUT)							
Adjustments							
Net Transfers & Adjustments							
<b>Ending Fund Balance</b>	\$ 2,840,511.50	2,809,804	1,629,529	1,565,457	1,501,877	1,536,947	3,268,716



# Preliminary Project Scheduling

Project No	Project	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
	Beginning Fund Balance	\$ 879,803	\$ 120,803.00	\$ 859,803.00	\$ 206,803.00	\$ 293,803.00
	Transfers-In	\$ 1,841,000	\$ 3,000,000.00	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,700,000.00
	Available Resources	\$ 2,720,803	\$ 3,120,803.00	\$ 2,659,803.00	\$ 2,006,803.00	\$ 1,993,803.00
	Gladys & Main	2100000				
W 9.0	Well #6 Chlorination Structure	\$ 200,000	\$ 927,000			
W 10.0	Well #4 Control System	\$ 300,000	\$ 200,000			
W 22.0	Chlorination Scales			\$ 15,000		
W 24.0	Well #6 Reservoir Exterior Paint			\$ 115,000		
W 17.0	W Orchard Line Replace		\$ 1,134,000			
W19.0	E Highland Water Line Replace			\$ 1,280,000		
W 21.0	View Drive Booster Upgrades			\$ 893,000		
W 28.0	Highland Booster/PZ Reconfig				\$ 1,213,000	
W 18.0	Residential Meter Replace			\$ 150,000	\$ 150,000	\$ 150,000
W 31.0	Moore Booster Equip Replace				\$ 350,000	
W 32.0	W Highland/S 1st AC Main Replace					\$ 1,500,000
	Expense Total	\$ (2,600,000)	\$ (2,261,000)	\$ (2,453,000)	\$ (1,713,000)	\$ (1,650,000)
	Ending Balance	\$ 120,803	\$ 859,803	\$ 206,803	\$ 293,803	\$ 343,803







# CIP Process

- Reviewed by Public Infrastructure Committee
- Council Approval
- Informs Next Year's Budget







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# Questions?

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# PIC Detail

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# Geer & Harper Realignment





# N 1<sup>st</sup> Sidewalk Completion





# NW 2<sup>d</sup> & Dogwood Paving





# W. Theater Lane Widening



# Hurlburt & 2<sup>nd</sup> Parking Lot





# SE 10<sup>th</sup> Bridge/Culvert Replace





# Sidewalk Infill





# Well #6 Chlorination Structure





# Well #4 Control System





# W. Orchard Line Replace<sup>th</sup>(7 1<sup>th</sup>)



# Well #6 Tank Paint & Chlorination Scales





# E Highland Line Replace<sup>st</sup>(to 9<sup>th</sup>)





# View Drive Booster Pump





# Highland Booster Pump





# Residential Meter Replacement





# Moore Booster Station





# South 1<sup>st</sup> Main Replace





# Lift #5 Wetwell





# E Evelyn Line Replace





# Lift Station #7 Reconstruction





# RWTP Pump/Motors & Membranes



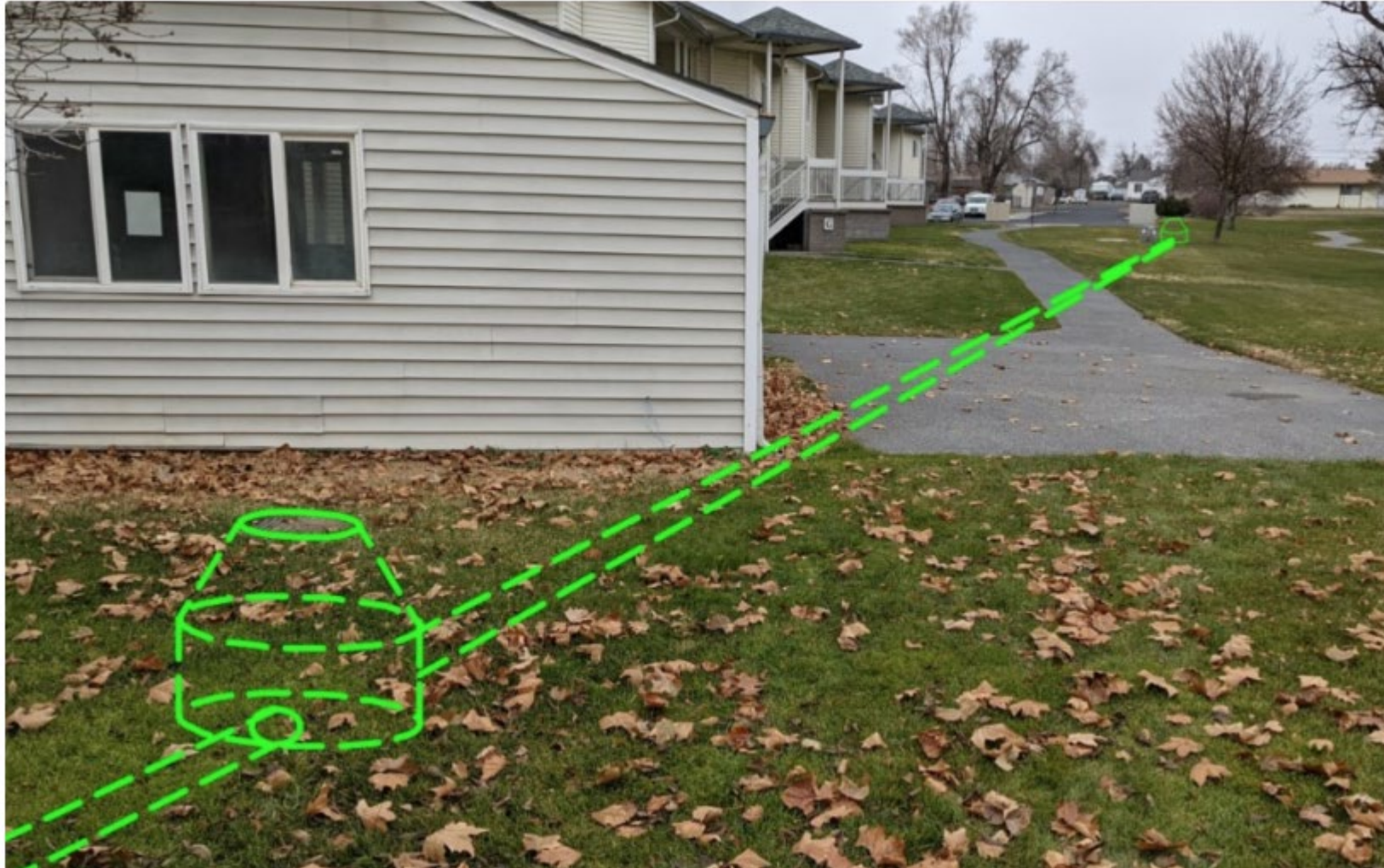


# RWTP Chlorine → UV Treatment





# Victory Square Park Line Replace





# Lift #1 Electrical Upgrades





Project No	Project	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
	Beginning Fund Balance	\$ 1,243,000	\$ 3,293,000	\$ 953,000	\$ 223,000	\$ (157,000)
	Transfers-In (Franchise Fees)	\$ 75,000	\$ 200,000	\$ 300,000	\$ 400,000	\$ 500,000
	Transportation SDC's	\$ 225,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
	Grant Funds (HB2017 Remaining)	\$ 2,000,000				
	Available Resources	\$ 3,543,000	\$ 3,543,000	\$ 1,303,000	\$ 673,000	\$ 393,000

Project No	Project	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
ST 4.0	NW Geer & Harper Realignment	\$ 150,000	\$ 1,410,000			
ST 5.0	W. Theater Lane Widening			\$ 600,000		
ST 21.0	Arterial/Collector Sidewalk Infill		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
ST 26.0	Hurlburt & 2nd Parking Lot Reconstruct			\$ 300,000		
ST 6.0	N 1st Sidewalk Completion	\$ 100,000	\$ 1,000,000			
ST 12.0	SE 10th Street Bridge Replace				\$ 800,000	
ST 13+	NW 2nd & Dogwood Paving		\$ 150,000	\$ 150,000		
	Expense Total	\$ 250,000	\$ 2,590,000	\$ 1,080,000	\$ 830,000	\$ 30,000
	Ending Balance	\$ 3,293,000	\$ 953,000	\$ 223,000	\$ (157,000)	\$ 363,000



Project No	Project	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
	Beginning Fund Balance	\$ 879,803	\$ 120,803.00	\$ 740,803.00	\$ (19,197.00)	\$ (9,197.00)
	Transfers-In	\$ 1,841,000	\$ 3,000,000.00	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,700,000.00
	Available Resources	\$ 2,720,803	\$ 3,120,803.00	\$ 2,540,803.00	\$ 1,780,803.00	\$ 1,690,803.00

	Gladys & Main	2100000				
W 9.0	Well #6 Chlorination Structure	\$ 200,000	\$ 840,000			
W 10.0	Well #4 Control System	\$ 300,000	\$ 200,000			
W 22.0	Chlorination Scales			\$ 15,000		
W 24.0	Well #6 Reservoir Exterior Paint			\$ 115,000		
W 17.0	W Orchard Line Replace		\$ 1,340,000			
W19.0	E Highland Water Line Replace			\$ 1,410,000		
W 21.0	View Drive Booster Upgrades			\$ 1,020,000		
W 28.0	Highland Booster/PZ Reconfig				\$ 1,290,000	
W 18.0	Residential Meter Replace				\$ 50,000	\$ 150,000
W 31.0	Moore Booster Equip Replace				\$ 450,000	
W 32.0	W Highland/S 1st AC Main Replace					\$ 2,000,000
	Expense Total	\$ (2,600,000)	\$ (2,380,000)	\$ (2,560,000)	\$ (1,790,000)	\$ (2,150,000)
	Ending Balance	\$ 120,803	\$ 740,803	\$ (19,197)	\$ (9,197)	\$ (459,197)

Project No	Project	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
	Beginning Fund Balance	\$ 1,083,000	\$ 1,553,600	\$ 458,600	\$ (141,400)	\$ (161,400)
	Transfers-In	\$ 1,405,600	\$ 400,000	\$ 600,000	\$ 700,000	\$ 600,000
	Available Resources	\$ 2,488,600	\$ 1,953,600	\$ 1,058,600	\$ 558,600	\$ 438,600

Project No	Project	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
S 9.0	Lift #5 Wetwell Upgrades	\$ 150,000				
S 10.0	E. Evelyn Gravity Line Replace	\$ 380,000	\$ 145,000			
S 16.0	Lift #7 Reconstruct		\$ 950,000			
S 24.0	Victory Square Park Gline Replace				\$ 370,000	
S 25.0	RWTP UV Improvements			\$ 1,200,000		
S 22.0	RWTP Membrane Cassette Replace		\$ 200,000		\$ 200,000	\$ 200,000
S 23.0	RWTP Pump/Motor Replace		\$ 200,000		\$ 150,000	\$ 200,000
S 26.0	Lift #1 Electrical Upgrades					200000
	TV Van	\$ 330,000				
	Blowers/Clarifiers	\$ 75,000				
	Expense Total	\$ 935,000	\$ 1,495,000	\$ 1,200,000	\$ 720,000	\$ 600,000
	Ending Balance	\$ 1,553,600	\$ 458,600	\$ (141,400)	\$ (161,400)	\$ (161,400)



Schedule Pro Forma Revenues and Expenditures		Water Department					
PRO FORMA		Current FY		Projected			
Year (ending June 30th)	24	25	26	27	28	29	30
Beginning Fund Balance	\$ 1,206,948.50	2,840,512	2,809,804	1,629,529	1,565,457	1,501,877	1,536,947
<b><u>Operating Revenues</u></b>							
Primary Revenue Source	\$ 5,879,617.00	5,600,000	5,712,000	5,826,240	5,942,765	6,061,620	6,182,852
Other Revenue Source 1	\$ 377,500.00	377,500	377,500	377,500	377,500	377,500	377,500
Other Revenue Source 2	\$ 189,460.00	122,000	122,000	122,000	122,000	122,000	122,000
<b>Total Operating Revenues</b>	<b>\$ 6,446,577.00</b>	<b>6,099,500</b>	<b>6,211,500</b>	<b>6,325,740</b>	<b>6,442,265</b>	<b>6,561,120</b>	<b>6,682,352</b>
<b><u>O M &amp; R Expenses</u></b>							
Personal Services	\$ 993,899.00	1,116,227	1,160,876	1,300,000	1,352,000	1,406,080	1,462,323
Materials & Services	\$ 1,204,920.00	1,466,765	1,510,768	1,556,091	1,602,774	1,650,857	1,700,383
Other Operating Expenses	\$ 362,100.00	401,000	417,040	433,722	451,070	469,113	487,878
<b>Total Operating Expenses</b>	<b>\$ 2,560,919.00</b>	<b>2,983,992</b>	<b>3,088,684</b>	<b>3,289,813</b>	<b>3,405,844</b>	<b>3,526,050</b>	<b>3,650,584</b>
<b><u>Debt Service</u></b>							
<b>Funds Avail for Debt Service</b>		<b>3,115,508</b>	<b>3,122,816</b>	<b>3,035,927</b>	<b>3,036,421</b>	<b>3,035,070</b>	<b>3,031,769</b>
Existing Debt 1	\$ 1,306,075.00	1,305,216	1,303,090	1,300,000	1,300,000	1,300,000	1,300,000
Existing Debt 2							
Other Proposed Debt							
<b>Total Debt Service</b>		<b>1,305,216</b>	<b>1,303,090</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>
<b><u>Other Activities</u></b>							
<b>Cash Avail After Debt Service</b>		<b>1,810,292</b>	<b>1,819,726</b>	<b>1,735,927</b>	<b>1,736,421</b>	<b>1,735,070</b>	<b>1,731,769</b>
Transfer to CIP	\$ 941,000.00	1,841,000	3,000,000	1,800,000	1,800,000	1,700,000	
Capital Outlay	\$ 946,020.00						
System Replacement Reserves							
Other Non-Operating Activity							
<b>Net Other Activity</b>							
Net Transfers IN (OUT)							
Adjustments							
Net Transfers & Adjustments							
<b>Ending Fund Balance</b>	<b>\$ 2,840,511.50</b>	<b>2,809,804</b>	<b>1,629,529</b>	<b>1,565,457</b>	<b>1,501,877</b>	<b>1,536,947</b>	<b>3,268,716</b>

Min Reserve \$ 1,160,098.20

Schedule Pro Forma Revenues and Expenditures			Sewer Department					
PRO FORMA			Current FY		Projected			
1	Year (ending June 30th)	24	25	26	27	28	29	30
2	Beginning Fund Balance	\$ 1,206,948.50	1,288,257	1,260,576	1,514,147	1,530,860	1,458,220	1,443,676
<b>Operating Revenues</b>								
3	Primary Revenue Source	\$ 5,851,405.00	5,937,000	6,055,740	6,176,855	6,300,392	6,426,400	6,554,928
4	Other Revenue Source 1							
5	Other Revenue Source 2	\$ 42,947.00	740,546	50,000	50,000	50,000	50,000	50,000
<b>Total Operating Revenues</b>		\$ 5,894,352.00	6,677,546	6,105,740	6,226,855	6,350,392	6,476,400	6,604,928
<b>O M &amp; R Expenses</b>								
6	Personal Services	\$ 1,392,678.00	1,691,537	1,759,198	1,829,566	1,902,749	1,978,859	2,058,013
7	Materials & Services	\$ 2,142,703.00	2,236,340	2,303,430	2,372,533	2,393,000	2,464,790	2,538,734
8	Other Operating Expenses	\$ 404,400.00	444,750	462,540	481,042	500,283	520,295	541,106
<b>Total Operating Expenses</b>		\$ 3,939,781.00	4,372,627	4,525,169	4,683,141	4,796,032	4,963,944	5,137,853
<b>Debt Service</b>								
<b>Funds Avail for Debt Service</b>			2,304,919	1,580,571	1,543,714	1,554,360	1,512,456	1,467,074
9	Existing Debt 1	\$ 927,243.00	927,000	927,000	927,000	927,000	927,000	927,000
10	Existing Debt 2							
11	Other Proposed Debt							
<b>Total Debt Service</b>			927,000	927,000	927,000	927,000	927,000	927,000
<b>Other Activities</b>								
<b>Cash Avail After Debt Service</b>			1,377,919	653,571	616,714	627,360	585,456	540,074
12	Transfer to CIP	\$ 850,536.00	1,405,600	400,000	600,000	700,000	600,000	
13	Capital Outlay	\$ 946,020.00						
14	System Replacement Reserves							
15	Other Non-Operating Activity							
<b>Net Other Activity</b>								
16	Net Transfers IN (OUT)							
17	Adjustments							
Net Transfers & Adjustments								
<b>Ending Fund Balance</b>		\$ 1,288,256.50	1,260,576	1,514,147	1,530,860	1,458,220	1,443,676	1,983,750

Min. Res