CITY COUNCIL

Work Session Meeting Minutes
October 26, 2026

Mayor Primmer called the City Council work session meeting to order at 6:00pm. Present were Councilors Hayward (via Zoom), Myers, McCarthy (arrived 6:48pm), Duron (arrived at 6:10pm), Linton, Roberts, Barron, and Kelso. City Staff in attendance included: City Manager Byron Smith, Deputy City Manager Mark Morgan, City Attorney Richard Tovey, Finance Director Ignacio Palacios, Lieutenant Chris Martin, and Assistant Planner Heather La Beau.

Public Transit/Council of Governments

Deputy City Manager Mark Morgan provided an update on the city's public transportation options, costs, and proposed changes. The PowerPoint presentation is attached. Currently the transit options available include Senior/Disabled Taxi services, fixed-rate "HART" Bus (Hermiston), WORC Taxis, Kayak Inter-City "Hopper" bus (Hermiston to Pendleton) and "HBC" bus (Hermiston to Boardman), and Morrow County "Loop" (Boardman to Hermiston).

Umatilla County proposes to transition all existing city obligations of Hermiston, Milton-Freewater, and Pendleton to a 3rd party that is initially a Council of Governments with the end goal of a Transit District. Deputy City Manager Morgan stated if there are issues transferring the services and not being in control of the transit policy, then the city would need to cover the costs of operations. More details, including draft language of the Intergovernmental Agreement, are anticipated in February of next year.

Councilors discussed the potential tax rate of a Transit District, salaries of members, eliminating public transit, and benefits of public transit.

Umatilla Electric Cooperative Presentation

City Manager Smith introduced Weston Putman, Manager of Public Relations at Umatilla Electric Cooperative (UEC). Using the attached PowerPoint slides, Mr. Putman presented information regarding data centers and their impact on electricity rates, supply, and infrastructure costs.

The first data center came into UEC's territory in 2012. The local member-owned cooperative governance model insulates members from the financial impacts of serving data centers. Over 50% of UEC's total utility plant and service has been from contribution aid of construction (paid 100% by member primarily benefitting from the improvement). Data centers are charged a delivery charge for the purpose of future maintenance of the infrastructure.

Mr. Putman stated UEC always wants to support and hear from its members. Results of recent member surveys requested additional information on data centers. An education campaign launched in October in the Ruralite publication. He is available to present the information to other organizations.

Adjournment

Mayor Primmer ended the work session at 6:54pm and stated the City Council would convene for their regular council meeting after a short recess.



Hermiston Transit Background

- 1960's Present: "Demand Response" Taxi (Sr./Disabled)
- 2017– Present: "HART" FixedRoute Bus
- 2019– Present: "WORC" Taxi Vouchers
- 2000's – Now: KAYAK Inter-City Fixed Route
- 2025- Now: Morrow County "Loop" deviated fixed



Senior/Disabled Taxis

- Senior or Disabled (any age)
- $3 each-way
- Only available within City Limits
- Historically Funded by:
  - State Cigarette Taxes
  - City General Fund



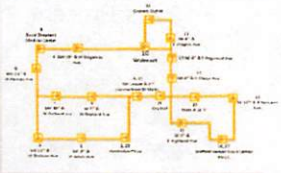
Senior/Disabled Taxis

- Ridership: 13,000 Trips/yr
- Cost: $162,000
  - State -$10,000
  - Riders $39,000
  - General Fund $133,000



"HART" Bus

- Fixed-Route ~Hourly
- Throughout Hermiston City Limits
- 7am-7pm Daily
- No Rider Cost/Fare
- Operated by KAYAK
  - City Financial Contribution





"HART" Bus

- Ridership: No Data Shared (<3,000/yr?)
- Contract: Expired
  - City Up to $50,000/yr
- Actual Cost: No Data Shared
  - City $6,250 (FY26)



WORC Taxis

- Anyone who works in Umatilla to Echo Zip Codes
- Subsidized Taxi to/from work-address
- Rider-Fare dependent on location
- Paid by 0.1% Statewide Payroll Tax (2017)
  - Avg. Hermiston Household: $82.30/yr ($6.85/ mo)

WORC HERMISTON



WORC Taxis

- Ridership: 9,000 Trips/yr
- Cost: $216,000
  - State $189,000
  - Riders $37,000
  - General Fund -$10,000



KAYAK InteCity Bus "Hopper"

- Pendleton – Hermiston
- 1 Bus
- Designed/Operated to get workers from Hermiston to Wildhorse Resort & Casino
- No Direct Cost to City of Hermiston



KAYAK InteCity Bus "Hopper"

- Pendleton – Hermiston
- 1 Bus
- Designed/Operated to get workers from Hermiston to Wildhorse Resort & Casino
- No Direct Cost to City of Hermiston



KAYAK InteCity Bus "HBC"

- Boardman – Hermiston
- 1 Bus
- Workforce Flow ~balanced
- No Direct Cost to City of Hermiston



Morrow County "Loop"

- Boardman – Hermiston
- 1 Bus
- No Workforce Benefit
- Designed/Operated for Boardman Residents Errands
- No Direct Cost to City of Hermiston



Transit Cost: City of Hermiston

- Direct (Net): $123,000/yr
- Overhead: $46,000/yr
- Total: $169,000/yr



Proposal

- Transition Existing City Obligations to 3rd Party
- Initially: Council of Governments (COG)
- End State: Transit District



Council of Governments

- Proposed Board Representation
  - Umatilla County x2
  - CTUIR x2
  - City of Hermiston x1
  - City of Pendleton x1
  - City of M - F x1
  - All other cities x1



Transit District

- Special District
- Publicly Elected
  - At - Large vs Wards
- Tribal Interests



Current Proposal

Proposed Timeline*



Figure 1. Proposed Timeline for Phased Regional Entity Formation

* Timeline is flexible and aspects may be adjusted as needed by the Advisory Group





Questions

- More Efficient?
- Users Still Served?
- Less Costly to City of Hermiston?
- Better User Experience?
- Loss of Control?
- Want Control?



YOUR ENERGY, EXPLAINED.

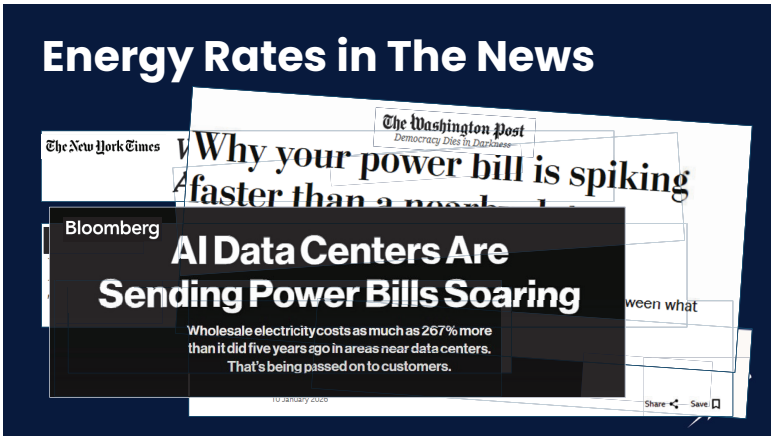
Membership at Every Scale



Umatilla Electric Cooperative

- Consumer Owned
- Not for Profit
- One Member – One Vote







Advisory Committee Goal

Ensure data centers have **reliable energy without burdening Oregon's ratepayers**

Rate Payer **Protection**

Insulating *"Legacy"* members from financial impacts of serving data centers for 15 years.

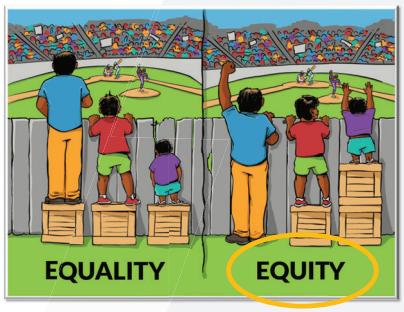
Local Governance
Community members are our regulator

Flexibility
Tailored solutions that work for development and community

Autonomy
Regulation may have unintended consequences, may not solve current concerns



What's Your **Perspective?**





Protecting Affordability

What It Looks Like

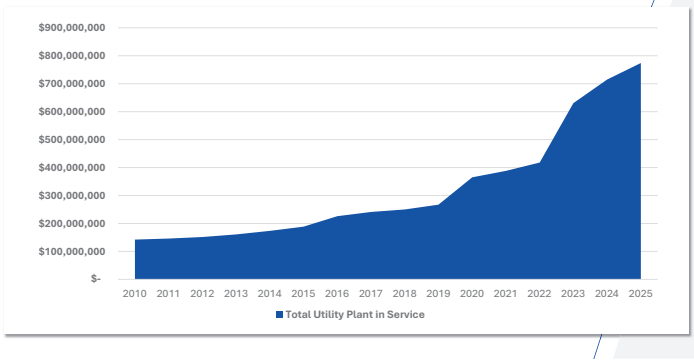
Infrastructure Investments

Rate Impacts

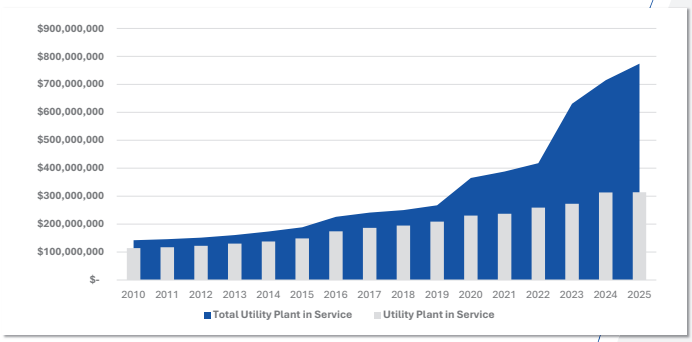
Power Supply Strategy

Capital Cost Assignment

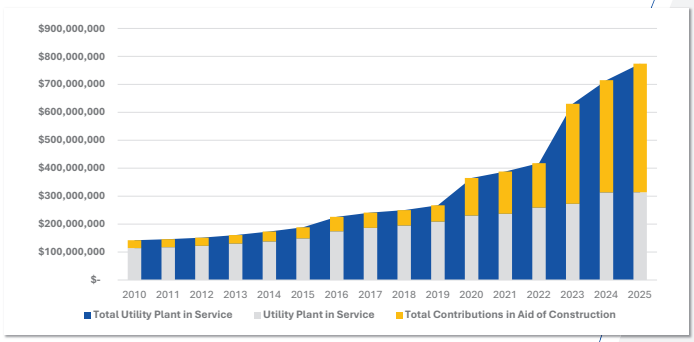
PROTECTING AFFORDABILITY | INFRASTRUCTURE INVESTMENTS



PROTECTING AFFORDABILITY | INFRASTRUCTURE INVESTMENTS



PROTECTING AFFORDABILITY | INFRASTRUCTURE INVESTMENTS





Protecting Affordability

What It Looks Like

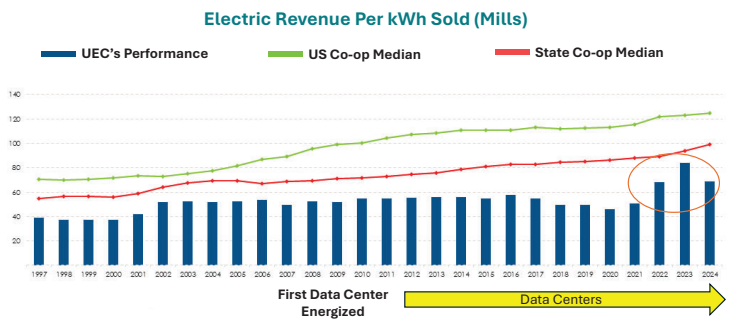
Infrastructure Investments

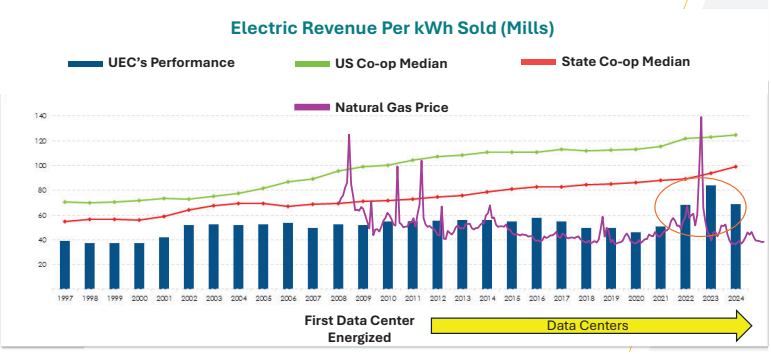
Rate Impacts

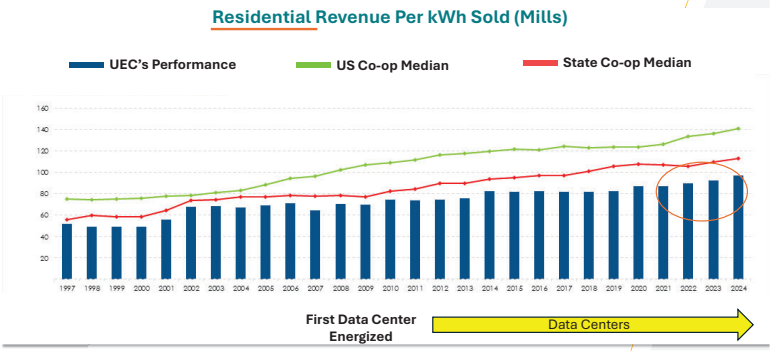
Power Supply Strategy

Rate Payer Protection

PROTECTING AFFORDABILITY | RATE IMPACTS







Large Industrial – Schedule 6

Energy and Transmission Services Charge: UEC will pass through to member, without markup or deduction, all charges and costs reasonably incurred by UEC to acquire wholesale power, transmission and related services necessary to serve the Requirements Load....

Large Industrial – Schedule 6

Delivery Charge: UEC will charge accounts under this schedule a Delivery Charge of $1.24 per kVA of Installed Capacity per month. The Delivery Charge is calculated taking into consideration UEC's costs to serve the account, including but not limited to, overhead costs, capital costs, operations and maintenance costs,



Protecting Affordability

What It Looks Like

Infrastructure Investments

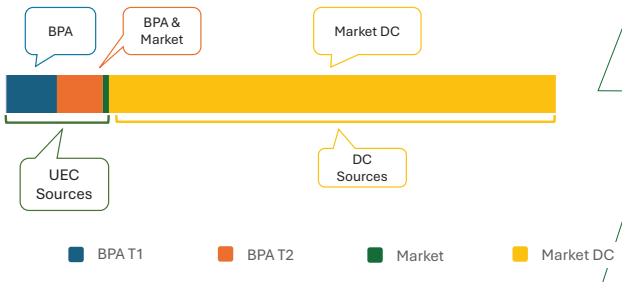
Rate Impacts

Power Supply Strategy

Resource Structure

PROTECTING AFFORDABILITY | POWER SUPPLY STRATEGY

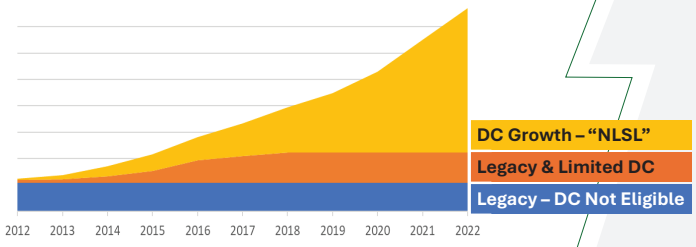
Power Acquisition



PROTECTING AFFORDABILITY | POWER SUPPLY STRATEGY

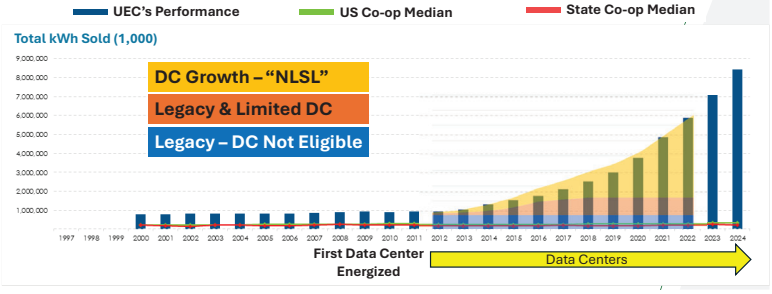
Understanding Resource Structure

Data Center Resources – limited entitlement to low-cost hydro power



PROTECTING AFFORDABILITY | POWER SUPPLY STRATEGY

Power Supply Impact



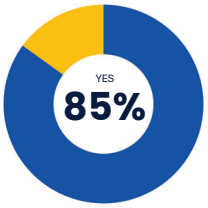


Community Voices

COMMUNITY VOICES | STAKEHOLDERS

The Community **Impact**

Are you aware that UEC's residential rates are approximately **30%** lower than the national average?



Yes	**85%**
No	**15%**

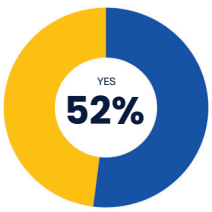
N=40

Survey completed April 2026

COMMUNITY VOICES | MEMBERS

The Community **Impact**

Are you aware that UEC's residential rates are approximately **30%** lower than the national average?



Yes	**52%**
No	**48%**

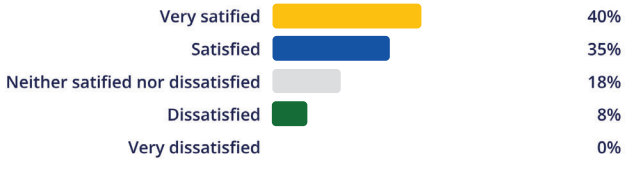
N= 639

Survey completed September 2026

COMMUNITY VOICES | STAKEHOLDERS

How satisfied are you that UEC is fairly balancing infrastructure costs between traditional members (Agriculture/Residential) and large-scale industrial growth (Data Centers)?

75% are satisfied, **8%** are dissatisfied, and **18%** are neutral.



N=40

COMMUNITY VOICES | MEMBERS

How satisfied are you that UEC is fairly balancing infrastructure costs between traditional members (Agriculture/Residential) and large-scale industrial growth (Data Centers)?

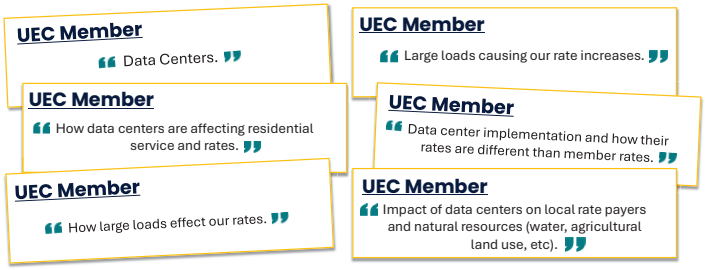
41% are satisfied, **17%** are dissatisfied, and **42%** are neutral.



N= 639

COMMUNITY VOICES | MEMBERS

What is one topic you would like more proactive communication on from UEC leadership?





CITY COUNCIL

Regular Meeting Minutes
October 26, 2026

Mayor Primmer called the regular meeting to order at 7:00pm. Present were Councilors Hayward (via Zoom), Myers, McCarthy, Duron, Linton, Roberts, Kelso, and Barron. City Staff in attendance included: City Manager Byron Smith, Deputy City Manager Mark Morgan, City Attorney Richard Tovey, Finance Director Ignacio Palacios, Lieutenant Chris Martin, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles, and Planning Assistant Heather La Beau. Youth Advisor Kennedy Moore was present (exited at 9:01pm). The pledge of allegiance was given.

Proclamations & Recognitions

Proclamation - 100-year Anniversary of the Removal of the Black Exclusion Clause from the Oregon Constitution

Mayor Primmer read aloud the proclamation.

Recognition Hermiston Family Aquatic Center Lifeguard Rescue

Parks & Recreation Brandon Artz invited Mason Miracle, Hunter Link, and Daniel Faaeteete to the dais where they were recognized for their lifesaving actions on August 6, 2026, at the Aquatic Center. They successfully extricated an unconscious patron having a medical emergency in the water and provided emergency care. The patron fully recovered. Mayor Primmer presented each with Certificates of Recognition, noting that he understands the professionalism involved as he too is involved in water rescue. After audience applause, pictures were taken of the gentlemen with councilors and the pool patron they assisted.

Recognition of Willard & Judy Fordice and Renaming the Harkenrider Activity Center Board Room to The Fordice Meeting Hall

Parks & Recreation Director Brandon Artz honored Willard & Judy Fordice for their over 30 years of service to the senior community in Hermiston by sharing some of the roles and responsibilities of the Fordices' service. The Parks & Recreation Advisory Committee recommends renaming the Harkenrider Activity Center Board Room to The Fordice Meeting Hall. Mayor Primmer spoke of the leadership and care provided by the Fordice's. After councilors expressed appreciation and commended the Fordice's for their commitment, dedication and care over the years to the community and the seniors Councilor Myers moved and Councilor McCarthy seconded to rename the Harkenrider Activity Center Board Room to The Fordice Meeting Hall. Motion passed unanimously 8-0 with Councilors Myers, Barron, McCarthy, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor. (Audience applause).

Mayor Primmer read the Certificate of Recognition for Willard & Judy Fordice and expressed thankfulness for them and those that honor their service. (Audience applause).

Citizen Input on Non-Agenda Items

Yaretzi Alcazar- 33057 Diagonal Road- Ms. Alcazar, a Youth Advisor, questioned if the city's water has been retested for PFAs since 2024 and if a plan is in place to reduce the PFAs levels. Mayor Primmer responded that the City held a Work Session on the topic recently and a plan is in place.

Consent Agenda Items

Councilor McCarthy moved and Councilor Roberts seconded to approve Consent Agenda items A-G to include:

A. Committee Vacancy Announcement

B. Appointment Confirmation of Hailey Beckwith to the Eastern Oregon Trade and Event Center Advisory Committee, Position 3, Representing the Greater Hermiston Hospitality & Tourism Committee- remaining 3-year term ending June 30, 2029.

C. Appointment Confirmation of Jigish S. Patel to the Recreation Projects Fund Advisory Committee, Position 4, Representing the Greater Hermiston Hospitality & Tourism Committee- 3-year term ending December 31, 2029.

D. Reappointment Confirmation of Lori Davis to the Budget Committee, Position 5, 3-year term ending December 31, 2029.

E. Reappointment Confirmation of Dan Burns to the Airport Advisory Committee, Position 1, 3-year term ending October 31, 2029.

F. Minutes of the October 12th City Council Work Session and Regular Meeting

G. Minutes of the October 12th Public Infrastructure Committee Meeting

Motion passed unanimously 8-0 with Councilors Myers, Barron, McCarthy, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor.

Items Removed from the Consent Agenda
No items were removed.

Public Hearing- TSP Adoption & Code Amendments Chapter 154 & 157
As noted on the agenda, Mayor Primmer stated the hearing has been rescheduled to the November 9th City Council Meeting at 7:00PM

Ordinance No. 2385- Amend Article V of Chapter 33 Titled Initiative and Referendum- THIRD MEETING
Mayor Primmer announced that this item was presented at the September 28th and October 12th meeting with the first and second readings. As the second reading was not unanimous, the council voted to reconsider the ordinance at this meeting.

City Manager Smith provided a summary of the proposed amendment. The proposed change requires a petitioner for referendums or initiatives to be an elector of the city.

Councilor Duron moved and Councilor Roberts seconded to adopt Ordinance No. 2385 and become effective 30 days after adoption. Motion passed 7-1 with Councilors Myers, Barron, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor and Councilor McCarthy opposed.

Resolution No. 2444 – Amendment to Port of Umatilla IGA for IT Services
City Manager Smith stated the Port of Umatilla has requested an increase in the number of monthly service hours. The city will not be hiring additional staff to cover the request.

Councilor Duron moved and Councilor McCarthy seconded to approve Resolution No. 2444 and lay upon the record. Motion passed 8-0 with Councilors Myers, Barron, McCarthy, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor.

Resolution No. 2445 – Sherman Park Contract Award

Parks & Recreation Director Brandon Artz presented the staff report with the attached slide illustrating the park design. The current contract from Silver Creek Contracting to develop the park has been reduced through value-engineering from the original amount as bids came back higher than expected. The project is supported with funding through Oregon Parks & Recreation local government grant program and City's required match.

Councilor Myers expressed appreciation for the forward movement on this project. Councilor McCarthy moved and Councilor Linton seconded to adopt Resolution No. 2445 and lay upon the record. Motion passed 8-0 with Councilors Myers, Barron, McCarthy, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor.

Resolution No. 2446 – Jennie Ave Local Improvement District (LID) 324 Contract Award

Deputy City Manager Mark Morgan presented the staff report with the PowerPoint presentation attached. The council approved creation of the LID in August of 2026 to construct E Jennie Ave between NE 8th and NE 10th St. Nine bids were received and came in under the engineer's estimate. Construction is anticipated to begin in January of 2027 and end by August of 2027. The LID reconciliation and assessment will happen in the fall of 2027 and winter 2027-2028.

Councilor Barron stated he likes the changes that seem to be a more equitable distribution of the overall lower cost. Councilor McCarthy moved and Councilor Duron seconded to adopt Resolution No. 2446 and lay upon the record. Motion passed 7-1 with Councilors Myers, Barron, McCarthy, Duron, Roberts, Kelso, and Hayward (via Zoom) voting in favor. Councilor Linton was in opposition.

Resolution No. 2447 – Validation of Aquatics Center Project

City Manager Smith introduced Cassie Hibbert and Heath Gardner of Wenaha Group to provide an update on the status of the project and possible paths forward.

Mayor Primmer called for a brief recess at 7:40PM to allow time for the presentation to be available.
The meeting reconvened at 7:45PM.

Ms. Hibbert used the attached PowerPoint presentation while discussing updates and changes to the Hermiston Aquatic and Wellness (HAWC) project and costs since their last presentation to the council in May. Updates included the results of the three public surveys. The surveys were opt-in and demographics of participants were not collected. A preliminary project schedule was introduced, with the existing outdoor pool being closed for one season in the Summer of 2028. The design proposed includes refurbishing existing outdoor pools, remodeling existing bathhouses, adding indoor pools, gymnasium courts, fitness area, indoor track, support spaces and parking improvements at a cost of between 59 to 63 million.

City Manger Smith stated that discussions with potential partnerships are continuing. A follow-up meeting has been scheduled with Good Shepherd Hospital.

Mr. Gardner briefly reviewed the differences between the three public project delivery methods with a likely recommendation for the Progressive Design-Build method for the HAWC project. In this method the contractor and designer are a single entity. A timeline of council decisions was illustrated with an estimated cost through validation phase of $850k to $1 million with a decision before the council on May of 2027.

Councilor discussion included:

- Cost Recovery Rates & Community benefit of provided services
- Alternative enclosure options and associated costs
- Unknown demographics of survey participants & desire for more scientific study
- Consideration of a citizen vote for HAWC
- Additional interested partners
- Progressive Design-Build pros & cons

City Manager Smith stated that while the council can refer the project to the ballot, he would not recommend a ballot measure for the pool, as those are usually for a decision that would require a property tax to pay for the project. It would be proposed that the HAWC project use Enterprise Zone funds for debt service.

City Manager Smith spoke of the benefits of using the validation phase to review the estimates, scope, and work more closely with the hospital for the benefit of the community. The process provides the ability for the council to continue or not.

Public Comment

Tammy Fisher 1352 E Hurlburt Ave- Ms. Fisher thanked City Manager Smith, city staff and the Wenaha Group for their work over the past decade to bring a plan that doesn't raise citizen taxes to build something that could bring health, safety, fitness, recreation, and connections to our community to help it grow.

Council Comment

Councilor Barron recalled the notation on the first page of his notebook from the 2019 Council Retreat of the #1 Council priority of building a recreation center at a projected cost of 25 to 27 million dollars. He still firmly believes it will be a great community asset and supports the resolution. Councilor Barron doesn't view the validation phase as a sunk cost as it will provide the information needed to make a final determination.

Councilor Duron referred to an East Oregonian article from Nov 2000 that voters failed a 4.1-million-dollar outdoor facility because they wanted an indoor/outdoor facility. As the project has been in the works for years, could be paid for with Enterprise Zone money, and will not raise taxes, people may be more inclined to support it. Councilor Duron is in full favor of the resolution. The project provides possibilities for the community including for youth and seniors.

Councilor Roberts is in favor of the resolution and sees the decision as a way to get additional information in order to make a final decision.

Councilor Myers is in favor as she doesn't think this is the time to give up on the project and feels it is the council's obligation to go forward to the end to make the decision if it can be done.

Councilor Linton noted she has talked to quite a few people, and plenty did not want to go forward with the project. She is not in favor and will do her own research of some other cover options for the existing pool.

Councilor McCarthy agrees with many of the points in favor of the project and pointed out that community members in support state they must go elsewhere to other facilities. Taking people outside of our community is a loss of economic incentive. He feels there is a level of responsibility to invest in keeping people in our own economy to stimulate our business community and provide access to our own residents and that is another reason he is in favor of the project.

Councilor Kelso stated while he has a healthy skepticism of the financial feasibility of the project for a town of our size, he is willing to pay the price of exploring the possibility. He enjoys the passion of the those in support in the audience, however the group does not represent the entire constituency of Hermiston. Councilor Kelso noted that the current management of the state is not in favor of building more data centers, this would directly impact the city's finances as data centers are one of the largest contributors to the enterprise zone funds.

Mayor Primmer would like to move forward getting all the information needed to make an informed decision. He shared that the younger generation wants the pool and they will be the ones paying for it essentially in the future. The safety of youth, traveling distances in winter conditions is also a factor to consider.

Councilor McCarthy moved and Councilor Myers seconded to adopt Resolution No. 2447 and lay upon the record. Motion passed 7-1 with Councilors Myers, Barron, McCarthy, Duron, Roberts, Kelso, and Hayward (via Zoom) voting in favor. Councilor Linton was in opposition.

September 2026 Quarterly Investment Report

Finance Director Ignacio Palacios presented the September 2026 Quarterly Investment Report with the attached slides.

Councilor McCarthy moved and Councilor Myers seconded to accept the September 2026 Quarterly Investment Report as presented. Motion passed unanimously 8-0 with Councilors Myers, Barron, McCarthy, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor.

September 2026 Monthly Financial Report

Finance Director Ignacio Palacios, Deputy City Manager Mark Morgan, and City Manager Byron Smith presented the September 2026 Monthly Financial Report.

Councilor McCarthy moved and Councilor Duron seconded to accept the 2026 September Monthly Financial Report as presented. Motion passed unanimously 8-0 with Councilors Myers, Barron, McCarthy, Duron, Linton, Roberts, Kelso, and Hayward (via Zoom) voting in favor.

CITY COUNCIL

Regular Meeting Minutes
October 26, 2026

Committee Reports

Hispanic Advisory Committee: Councilor Duron reported the committee met last week and discussed the Hispanic Heritage Month event. It was a very well-attended event and the committee looks forward to planning a future event.

Mayor's Report

Mayor Primmer spoke regarding:

- Congratulations to Councilor Duron for being elected to the LOC Board of Directors
- EOTEC Land of Frights schedule
- Treats on Main
- Appreciate opportunity to include Proclamation

Council President's Report

Council President McCarthy congratulated Kelowna, BC city councilor-elect Brady Rogers. He ran a joke-filled campaign highlighting his lack of qualifications and reluctance for the job. Council President McCarthy reminded people to vote and change your clocks back on November 1st.

Council Reports

Councilor Kelso invited everyone to the Dia De Muertos festival Nov 1 at the high school. The event includes dancing and costumes.

Councilor Linton attended the LOC meeting. She attended the Women's Caucus and the People of Color meeting. Many communities have similar issues with homelessness and the effects on parks. It was suggested in one of the meetings she attended that information on the graduation and employment numbers for the AWS program with BMCC could be acquired by contacting the school.

Councilor Duron expressed thanks for the opportunity to attend the LOC conference. She attended two sessions with legal counsel; Managing Free-Speech Risks in City Government and Leaders Under the Microscope. She is honored to be on the LOC Board and representing the area. Councilor Duron also thanked everyone involved in the new Horizon Park, dedicated last week.

Councilor Barron mentioned his concern with DEQ and permitting. It affects the ability to attract businesses to the city which affects the ability to generate revenue. He met Officer Cody Sherman at a local football and had a good conversation.

Councilor Roberts encouraged people to get out and vote in the current election on the various items on the ballot.

Youth Advisory Report

None present.

City Manager's Report

None given.

CITY COUNCIL

Regular Meeting Minutes
October 26, 2026

Adjourn

There was no other business and Mayor Primmer adjourned the regular City Council meeting at 9:24pm.

SIGNED: _____

Doug Primmer, Mayor

ATTEST: _____

Heather La Beau, Planning Assistant

Resolution 2445 Sherman Park Bid Award





HERMISTON
OREGON



Res. 2446 Jennie Ave

October 26, 2026

Resolution 2446

- Award Contract to Bolen Construction



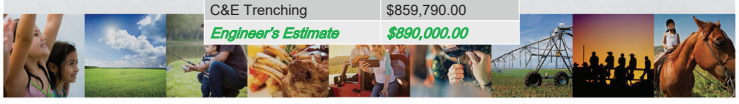
Background

- August: LID Created
  - Construct Jennie Ave (Center -Line + 11'): NE 8 – NE 10th



Oct. 20 Bids Opened

Bidder	Price
Bolen Construction	$692,835.00
Culbert Construction	$723,744.00
Wickwire Contracting	$773,250.00
Premier Excavation	$787,987.75
Humbert Asphalt	$795,387.50
Crestline Construction	$801,175.00
Corridor Contractors	$802,637.50
Silver Creek Contracting	$809,302.49
C&E Trenching	$859,790.00
Engineer's Estimate	*$890,000.00*



Financials

Preliminary Engineering Report		Updated Estimate w/Contract Price	
Construction	$862,000	Construction	$693,000
Contingency (20%)	$172,000	Contingency (10%)	$69,000
Total	$1,034,000	Total	$762,000

$272,000+ Savings



Timeline

- Construction Start: No Earlier than 1/1/27
- Contract End: August, ‘27
- LID Reconciliation: Fall, ‘27
- LID Assessments: Winter ‘27/’28
  - Current Estimate: 20% -30% Less than PER



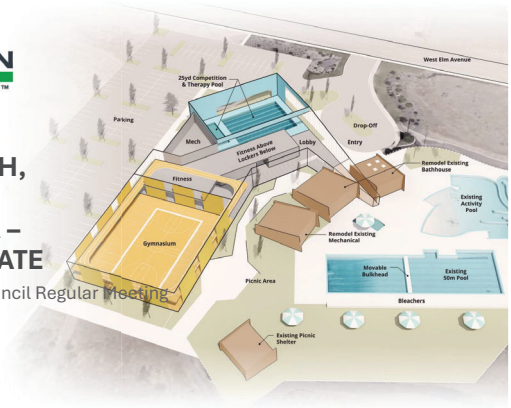
Questions



REGIONAL HEALTH, WELLNESS, AND AQUATIC CENTER – TASK FORCE UPDATE

City of Hermiston - City Council Regular Meeting
October 26, 2026

WENAHA GROUP



AGENDA

- Updates on Summer 2026 Community Feedback
- Partnership Updates
- Update to Operational Cost for preferred site
- Preliminary Schedule, Program, Budget
- Public Project Delivery Method
- Council Decision Points
- Questions



TIMELINE

2016 – Livable Hermiston Committee identified an indoor aquatics center as a community priority.

2018 – Initial aquatics program and cost study completed.

2018 – Hermiston City Council prioritized a Hermiston Area Wellness Center (HAWC) as Goal 1.

2019 – Hermiston City Council prioritized a HAWC as Goal 4 of 7.

2020 – PROS plan needs assessment feedback showed 60% of respondents selected "indoor aquatics/ swimming" as the #1 priority.

2022 – 2040 Community Action Plan had indoor recreation and aquatic center as the #1 goal.

Sep 2024 – Apr 2025 – Regional Task Force meets five times.

May 2025 – May 2026 – Partnership meetings continue while design concepts and operational analysis are refined.

Jun – Aug 2026 – Community feedback period gathers input on project priorities, partnerships, and potential next steps.

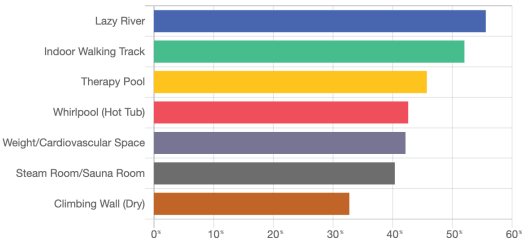
Survey Responses



- Three separate surveys on HAWC project page
- Surveys promoted online, in city newsletter, at in-person at events, and at Aquatic Center
- Social media promotion in English & Spanish
- 611 total survey completions (88.2% rate)
- Short-form survey (no demographic data collected)

What Should It Include?

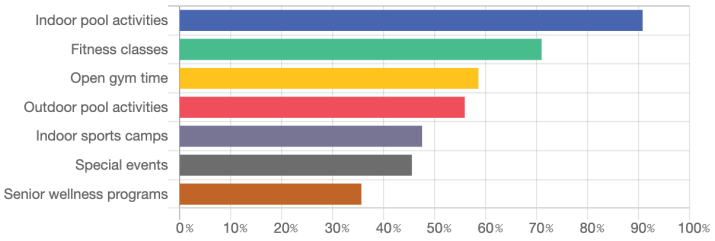
Which amenities would you most want to see?



Aerobics/Dance Room	29%
Party Room	29%
Slide Tower	28%
Basketball Court	26%
Splash Pad	26%
Senior Activity Space	24%
Indoor Playground	24%
Drop-in Child Care	21%
Ninja Course (Pool)	21%
Climbing Wall (Pool)	17%
Pickleball Court	17%
Multi-Purpose Room	13%
Racquetball Court	8%

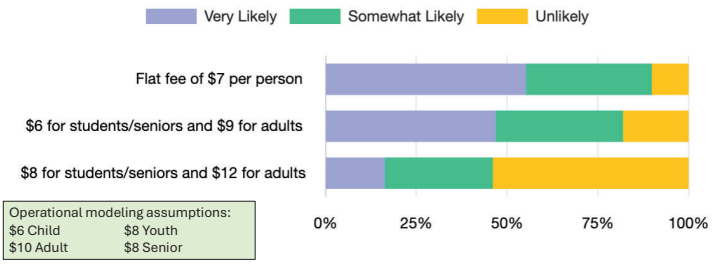
What Should It Include?

What programs would you or your family participate in?



How Much Should It Cost to Use?

How likely would your household be to use the facility with these daily rates?

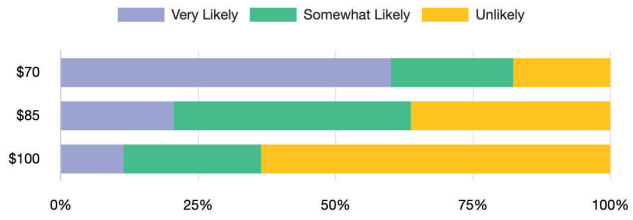


Operational modeling assumptions:

$6 Child	$8 Youth
$10 Adult	$8 Senior

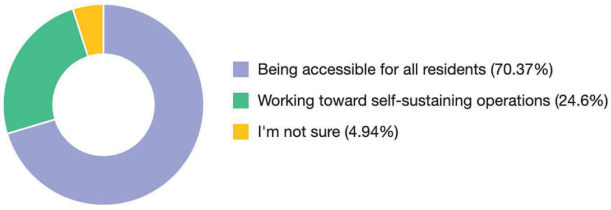
How Much Should It Cost to Use?

How likely would your household be to use the facility with these monthly rates?



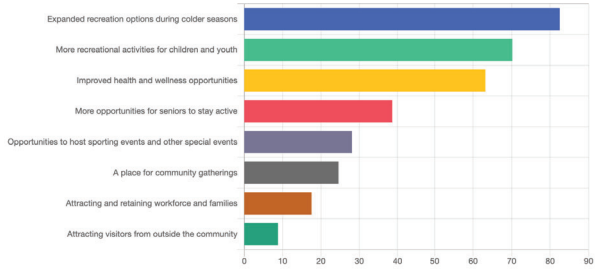
How Much Should It Cost to Use?

When thinking about pricing, what should the priority be?



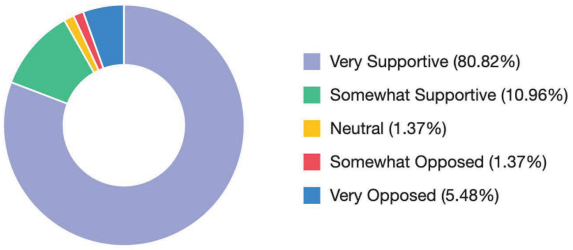
What Is Your Overall Opinion?

What benefits should an indoor aquatics & wellness center bring?



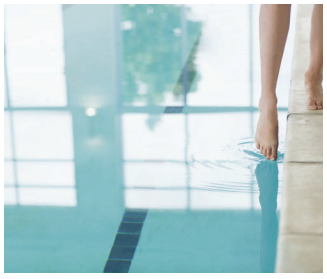
What Is Your Overall Opinion?

How supportive are you of developing an indoor recreation center in Hermiston?



PARTNERSHIP UPDATE

- Initial discussions with Good Shepherd have been positive, with a follow-up meeting scheduled for October.
- Discussions with other potential partners continue.



PRELIMINARY EXPENSES & REVENUE – UPDATED 7/2026

	Preferred Site
Expense	$2,358,636
Revenue	$2,037,039
	($321,597)
Cost Recovery	86.4%

*Ballard*King - Financial Projection Average Years 3-5*

Expenses in this model reflect an annual allocation to a capital sinking fund. The allocation for Year 1 of operations is $56,271. This fund is dedicated to improvements/repairs needed at the recreation center, not a full facility replacement. This allows Hermiston to replace critical components of the facility and pool operation without impacting the overall City budget. Typical items that may need to be replaced include pumps, motors, heaters and other mechanical systems.

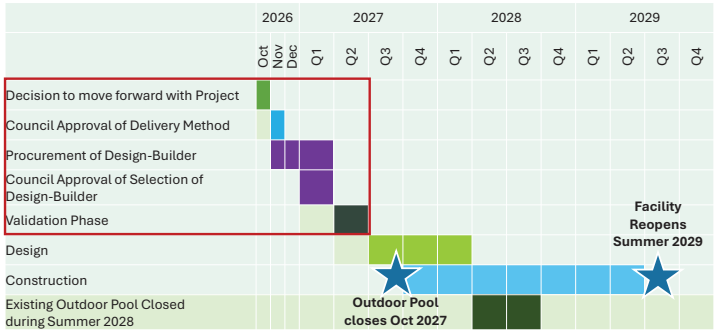
The typical range for cost recovery for comprehensive recreation centers is 60-80%. There are a number of factors that influence cost recovery:

- Operation Model and Fee Policies
- Facility Size and Scope
- Program Offerings and Utilization
- Target Market and Demographics
- Location and Accessibility

Changes to Expenses & Revenue reviewed by Council in May 2026:

- Updated resident and non-resident fee structure. Daily rates are equal for residents/non-residents; Non-resident rates are 25% higher than the resident rate for membership.
- Minor revisions to staffing assumptions.

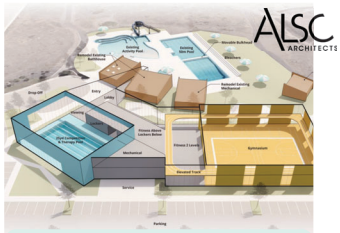
PRELIMINARY PROJECT SCHEDULE



PROGRAM & BUDGET

Program

- Refurbished existing outdoor 50m pool
- Refurbished existing outdoor recreation pool
- Remodel existing bath houses and mechanical
- Indoor 25yd competition pool
- Indoor therapy pool
- 2 gymnasium courts
- Fitness area
- Indoor track
- Support Spaces (Locker rooms, offices, childcare, party/meeting rooms, etc.)
- Parking and site improvements



Estimated Project Cost

$59,569,000-$63,536,000

Lower cost: Refinish existing pool with plaster and tile/grout
Higher cost: Line existing pool with liner/prefabricated panel system

Includes construction cost, development/soft costs, contingency, and escalation to midpoint of construction.

PUBLIC PROJECT DELIVERY METHOD OPTIONS

Design-Bid-Build

- The owner selects the lowest-bid contractor after design and bidding.
- *Recent Hermiston-area examples:*
  - *School district bond projects*
  - *City Hall*

(CM/GC)
Construction Manager/ General Contractor

- During the design phase, the owner selects the contractor based on qualifications and fee.
- *Recent Hermiston-area examples:*
  - *Library renovation*
  - *Harkenrider Center*
  - *Public Safety Center*

Progressive Design-Build

- The contractor and designer work as a single entity, the Design-Builder, who is selected based on qualifications and fee.
- Greater responsiveness to balance program and operational cost modeling
- *Recommended for the Regional Health, Wellness, and Aquatic Center*

COUNCIL DECISION POINTS

USING PROGRESSIVE DESIGN BUILD DELIVERY METHOD

Oct 26 2026
Council resolution to move forward with next steps

Nov 9 2026
Public Hearing at Council meeting for use of Progressive Design Build delivery method

Nov 2026-Feb 2027
Procurement of Design-Builder

Create charters for and form community steering committees

Feb 2027
Council approve selection of Design-Builder partner

Mar-May 2027
Design-Builder leads Validation process to refine:

- Total project cost
- Operational cost
- Financing structure
- Solidify partnerships

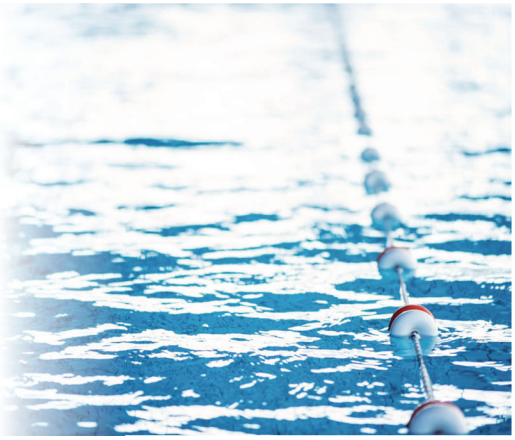
May 2027
Council approve Validation report, resolution to move forward with to full design

Oct 2027
Council approve Guaranteed Maximum Price (GMP), resolution to move forward with construction

Estimated cost through validation phase: $850,000-$1 million

HERMISTON OREGON

QUESTIONS?





Quarterly Investment Report

October 26, 2026

Investment Summary

- Total investments ending September 30, 2026, were approximately $30.6 million, including $20.5 million held in the Local Government Investment Pool (LGIP).
- ~$4.5 million (net) transferred for ongoing construction projects
- Interest earnings for the quarter ending, totaled $315k (Fidelity - $104k and LGIP - $211k, respectively).
- Fiscal YTD interest earnings were $1.77 million (LGIP - $1.18 million; Fidelity - $577k) or an average annual earning rate of 4.3%
- Market adjustments

Discussion

Questions?

Where Life is Sweet™



Hermiston Urban Renewal Agency (HURA)

- Hermiston URA
  - **Third month of fiscal year**
- North Hermiston Urban Renewal Area – Anticipated to begin Spring/Summer 2027

General Fund

- 2026-27 third month (25.0%) of fiscal year.
- Monthly Revenues ended under projection by ~$124k
  - **Timing of various revenues (franchise fees, etc.)**

General Fund

- Monthly Expenses were under projection by ~$649k
  - **Several departments over budget in comparison to projection and further evaluated**
    - **Airport – fuel purchases (offset by increased sales)**
    - **Parks, Parks/Utility Landscape and Municipal Pool – seasonal activity**
    - **Municipal Buildings - repairs**

Special Revenue Funds

- Observations:
  - **EOTEC**
    - **Event revenues and timing of project reimbursements**
    - **RV project continues**

Utility and Street Funds

- Observations
  - **Street – Revenues under projection by ~$44k**
    - **Timing of federal allocation turnover**

Capital Projects

- **Various projects in design or underway:**
  - **Geer/Harper Realignment – North 1st Pl paving completed, Geer/Harper at railroad crossing progressing**
  - **SE 10th Street Bridge – design proceeding, anticipated construction winter '26-'27 during off-season**
  - **Dogwood Street – construction proceeding – October 2026 estimated reopening**
  - **RWS Backup Generators – 2027 estimated delivery and install**
  - **Aquifer Storage/Recovery – testing complete, initial recharge underway, anticipated April completion**
  - **Orchard Water Line replacement – project underway, anticipated paving October 2026**
  - **Well #6 Chlorination Structure – project underway anticipate estimated completion by late fall**
  - **Well #4 Controls – work to progress through late fall**
  - **E. Evelyn Avenue gravity sewer line – reopened to traffic, punch list items remaining**
  - **Lift Station #7 Rebuild – Material acquisition delay pushing construction to winter/spring**
  - **Recycled Water Treatment Plant UV Upgrades – equipment contract awarded, install planned 2027**
  - **E. Theater Lane Lift Station – design begun**
  - **NW 2nd Street Paving – paving completed, reopening to traffic**
  - **E. Jennie Avenue – design complete, contract opened for bidding**
- **TBD (budgeted and part of CIP):**
  - **Lift Station #5 – design to begin**

Capital Projects

- Sherman Park – Project scope in review, revised contract anticipated soon

Discussion

Questions?

Where Life is Sweet™