CITY COUNCIL

Regular Meeting Minutes
September 28, 2026

Mayor Primmer called the regular meeting to order at 7:00pm. Present were Councilors Hayward, Roberts, McCarthy, Myers, Duron, Linton, Kelso, and Barron. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Richard Tovey, Finance Director Ignacio Palacios, Police Chief Jason Edmiston, Planning Director Clint Spencer, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Proclamation- Water Professionals Appreciation Week. Recognizing the dedicated water-related city staff for their role in supporting the public health, economy, and environment. – Mayor Primmer asked members of the Water, Recycled Water, and Street Department present to come before the Council to be recognized, read aloud the Water Professionals Appreciation Week Proclamation, and thanked these staff members for their diligence and dedication to their professions that allow the City to have safe drinking water and the like.

(Applause from all present.)

Presentation- Introduction of Youth Advisory Council

Hermiston High School Social Studies Department Teacher, Aaron Davis, stated the Youth Advisory Council is in its sixth year with the goal to encourage and engage youth to become involved in their community now and into the future, read aloud the Youth Advisory Council's purpose statement, and stated members of the Youth Advisory Council will also be attending the League of Oregon Cities Conference in October, thanks to the City, and National League of Cities Conference in Washington DC in March, thanks to a scholarship received from the Greater Hermiston Foundation.

Each Youth Advisory Council member introduced themselves stating their name, grade, and committees they are involved in.

Mayor Primmer thanked Mr. Davis for his leadership helping students get involved and the students for their civic engagement.

(Applause from all present.)

Presentation- Retail Strategies

Retail Strategies Portfolio Director Brooke Hill and Retail Development Manager John Mark Boozer presented information (attached) regarding Retail Recruitment Update into the Hermiston Market by bridging the gap between the private and public sector; this is done by obtaining data, working on-site seeing what land and buildings are available and what is needed, attending trade shows to market Hermiston, and more. Retail Strategies Team spoke regarding how important it is for municipalities to invest in retail resources as retail attracts workforce, enhances quality of life and future community growth. The Team spoke regarding past recruitment activity that led to new retail in Hermiston, leakage report, and continued outreach with potential retail development, as well as answered questions from the Council.

Citizen Input on Non-Agenda Items

Donna Romero and Tammy, Grace, and John Fisher- Spoke regarding their support of the proposed indoor aquatic center stating the indoor facility will bring water skills and safety opportunities to individuals, families and those with disabilities that are greatly needed in the area, help the Hermiston and Pendleton Swim Teams, and help bring swim competitions to Hermiston bringing in tourism.

Linda Stark, Hemlock Ave- stated the High School Homecoming Fireworks show is getting bigger and louder each year which causes disruptions for many people and animals and asked that this event be toned down.

Consent Agenda Items

Councilor Duron moved and Councilor Hayward seconded to approve Consent Agenda items A-G to include:

A. Liquor License Application- Change of Location- Ye Olde Pizza Shoppe to be located at 1823 S. HWY 395.
B. Liquor License Application- Change of Owner- Grocery Outlet located at 1875 N 1st Street
C. Committee Vacancy Announcement
D. Minutes of the July 13th, Public Safety Committee Meeting
E. Minutes of the August 10th, Public Finance Committee
F. Minutes of the August 24th, City Council Regular Meeting
G. Minutes of the September 14th, City Council Regular Meeting

Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.

Councilor Roberts recognized Eagle Scout Thomas Greenough for his gift of the Flag Retirement Box to the City and congratulated him on his accomplishments as presented at the last City Council meeting.

Items Removed from the Consent Agenda

No items were removed.

Ordinance No. 2385- Amend Article V of Chapter 33 Titled Initiative and Referendum

After City Attorney Tovey read the ordinance by title only, City Manager Smith explained the proposed Ordinance as provided in the agenda packet and answered questions from the Council, Youth Advisor Gabriel Richards, and a member of the public Krista Van Veen.

A majority of the Council voiced their support for the ordinance stating that individuals living inside City limits should be the only persons able to initiate laws that impact where they live, not people who do not live in the City and therefore do not have to live with the consequences of their initiatives.

Councilor Barron and McCarthy disagreed, stating that any person should be able to bring initiatives and referendums to the City as ultimately only City residents will vote on the issue at hand.

After additional Council comments, Councilor Duron moved and Councilor Roberts seconded to adopt Ordinance No. 2385 at a single meeting and become effective 30-days after adoption by the City Council. Motion passed 6-2 with Councilors Hayward, Roberts, Myers, Duron, Linton, and Kelso voting in favor, and Councilors McCarthy and Barron voting against. Mayor Primmer announced that because the vote was not unanimous another motion would be needed to approve the first reading of Ordinance No. 2385 and set for a second reading at the next City Council meeting. Councilor Roberts moved and Kelso seconded this motion, which was approved unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.

Ordinance No. 2386- Annexation 4N2814 BC Tax Lot 400 Thomas Property 1250 SE 4th St

After City Attorney Tovey read the ordinance by title only and Planning Director Spencer presented information about the annexation as provided in the agenda packet:

- Councilor McCarthy moved and Councilor Hayward seconded to approve the findings of fact as presented in the staff report. Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.
- Councilor McCarthy moved and Councilor Duron seconded to impose conditions of approval as presented in the staff report. Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.
- Councilor Myers moved and Councilor Kelso seconded to adopt Ordinance No. 2386 at a single meeting and become effective 30-days after adoption by the City Council. Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.

Resolution No. 2441- Wastewater & Domestic Water utility Agreement

At 8:17pm Councilor Hayward stated he had a conflict of interest and excused himself from the Council Chambers.

Assistant City Manager Morgan presented information (attached) and in the agenda packet regarding finalizes the agreement terms with Amazon Web Services (AWS) related to a wastewater and domestic water supply project which would install a new sewer main in Feedville Road and Highway 207 with 73.6% of the project funding coming from AWS and the remainder coming from the City with State of Oregon financing.

Mayor Primmer and Councilors Kelso and Roberts thanked AWS for their community contributions and City management for being forward thinking.

After additional Council questions and comments, Councilor McCarthy moved and Councilor Myers seconded to adopt Resolution No. 2441 and lay upon the record. Motion passed 6-1 with Councilors Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilor Linton voting against.

Councilor Hayward returned to the Council Chamber and dais at 8:40pm.

(Youth present excited the meeting at 8:44pm.)

TSP Final Revisions Briefing

Planning Director Spencer presented information (attached) and provided in the agenda packet regarding the Transportation System Plan (TSP) being presented in advance of the adoption hearing. The TSP update has been in progress for about 16 months with the feedback from the Council and Planning Commission has been incorporated in the final plan.

After staff answered questions from the Council, Mayor Primmer stated no Council action is being requested as this was presented as informational only.

Length of Loan Term on Local Improvement District Loans

City Manager Smith presented information as provided in the agenda packet regarding possibly offering other length-of-loan options for property owners participating in a local improvement district where they would like to take advantage of financing through the City.

Councilor Kelso spoke regarding other financing options property owners can utilize that does not involve the City. Councilor Linton spoke regarding her thoughts that the City should pay for street and sidewalk improvements in their entirety, so these improvements are not financial burdens to people. Councilor Kelso responded that these LID improvements and payments will be made by businesses with owners who do not live in the community, not people.

After additional Council questions and comments from Council members, Councilor McCarthy moved and Councilor Hayward seconded to take no action. Motion passed 6-2 with Councilors Hayward, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilors Roberts and Linton voting against.

Continue the Meeting

At 9:27pm it was announced that a vote of the Council must be made to continue the meeting per Council Rules as it was nearing 9:30pm. Councilor Linton moved and Councilor McCarthy seconded to extend the meeting by one hour, motion carried 7-1 with Councilors Hayward, Roberts, McCarthy, Duron, Kelso, Linton, and Barron voting to continue the meeting, Councilor Myers voting against.

August 2026 Monthly Financial Report

Councilor McCarthy moved and Councilor Hayward seconded to accept the August 2026 Monthly Financial Report as presented (attached) by Finance Director Palacios, Assistant City Manager Morgan, and City Manager Smith. Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.

Committee Reports

Airport Advisory Committee: Councilor Roberts gave updates regarding fuel sales and changes with fuel requirements in regard to high-performance engines and fuel needs, and the Airport's 5-year plan.
Hispanic Advisory Committee: Councilor Duron encouraged the public to attend the Hispanic Heritage Month Celebration on Saturday, October 3rd from 11am to 3pm at the Community Center.
Library Board: Councilor Roberts stated their most recent meeting was cancelled as there is not a Library Director as of yet.

Mayor's Report

Mayor Primmer spoke regarding:

- Many upcoming events that took place/are taking place in the City to include: Family Magic Night and Alpaca Fest
- LOC Annual Conference that will be taking place next month
- Apologized for not being able to attend the last meeting, thanked Council President McCarthy for leading the last meeting, and asked that Council members please let him know if they are unable attend meetings as soon as they know.

Council President's Report

Council President McCarthy encouraged the public to participate in Treats on Main on October 30th not October 31st.

Council Reports

Councilor Duron spoke regarding attending the September 4th City Chat at the Food Pod stating she was happy to witness the excitement on a high school students face when she met Hermiston's Mayor.

Councilor Linton spoke regarding attending the Governors Luncheon stating it was a good meeting and was well attended.

Councilor Kelso encouraged the Council to attend the Hispanic Heritage Month Celebration stating it is a great way to speak with other community members and encouraged the public to attend the Stepping Stones Alliance Annual Fundraising Banquet.

Councilor Barron thanked the Hispanic Advisory Committee for their work hosting the Hispanic Heritage Month Celebration.

Youth Advisory Report

None present.

City Manager's Report

City Manager Smith stated hats have been placed on the dais for each Council member as the City's sponsorship gift from the Farm-City Pro Rodeo.

Recess For Executive Session

At 9:51pm Mayor Primmer announced the City Council of the City of Hermiston will now meet in Executive Session in the Executive Session Room on the first floor for the purpose of discussing preliminary negotiations involving matters of trade or commerce.

The Executive Session is held pursuant to ORS 192.660 (2) (g) which allows the Council to meet in Executive Session to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations.

Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are excluded. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No final decision may be made in executive session. At the end of the executive session, the council will return to open session which the audience may attend. The executive session will last approximately 15 minutes.

Reconvene and Adjourn

There was no other business and Mayor Primmer reconvened and adjourned the regular City Council meeting at 10:25pm.

SIGNED: _____

Doug Primmer, Mayor

ATTEST: _____

Lilly Alarcon-Strong, CMC, City Recorder

retail strategies

Retail Recruitment Update

Hermiston, Oregon

www.retailstrategies.com
info@retailstrategies.com
+1 (205) 313-3676

retail strategies

Introduction

About us

Founded in 2011 as a full-service advisory firm that works with municipalities on business recruitment through commercial real estate connections and networks.

- Retail Recruitment
- Retail Academy
- Downtown Strategies
- Small Business Support

We actively recruit retail businesses into the markets we serve by bridging the private/public gap.

Our team employs a commercial broker's mindset with a fiduciary responsibility for our municipal clients.

Partnership with Hermiston began in 2017.

retail strategies

Introduction

Our Process

- Data & Demographic Analysis
- Boots on the Ground
- Pleasant Persistence
- Trade Show Representation
- Investment Multiplier
- Relationship Agent

Hermiston, Oregon

Retail Recruitment Ladder

Why Should a Municipality Invest Resources in Retail?

Retail builds on retail. Retail economic impact adds up quickly. Retail attracts the workforce that attracts the primary jobs. Retail influences executives looking to locate their company in your community. Retail enhances the quality of life. Quality of life encourages the future growth of your community.

A Real Estate Deal

Timeline

- Retailer Drives the Decision
- Small percentage of proposed sites equal new openings
- On average, this process takes **36 months** or more.

It's all about **PROFIT!**

Hermiston, Oregon

Our Toolbox

Retail Strategies uses the following industry-standard tools to help leverage opportunities in Hermiston

- Custom Trade Area Design
- Boots On The Ground Research
- Gap Analysis (Leakage report)
- Partner with Developers and Property Owners
- ESRI Tapestry Segmentation Profiles

Hermiston, Oregon

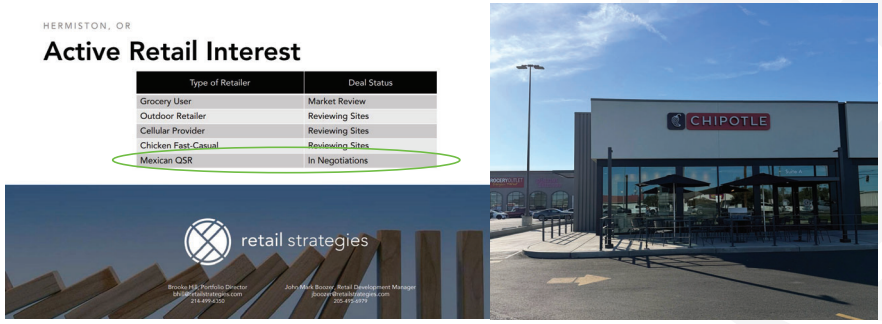
Active Retail Interest

Retailer	Status
National Grocer	In Negotiations
Soft Goods Retailer	Pending Win
National Hotel	Interested in the Market
Deli Fast-Casual Restaurant	Expressed interest
Burger Quick-Service Restaurant	Interested in Market
Burger Quick-Service Restaurant	Reviewing Market
Quick-Service Restaurant (multiple brands)	Needs Franchisee
Variety Discount Store	In Negotiations
National Coffee Brand	In Negotiations

Hermiston, Oregon

Recruitment In Action

Fall 2024 Presentation



Hermiston, Oregon

Retail Recruitment Wins

Brand
Panda Express
Marshalls
Famous Footwear
Chipotle
Planet Fitness
Grocery Outlet
Sherwin Williams
Soft Goods Retailer (pending)

Hermiston, Oregon

Recruitment Focus

Retail Types

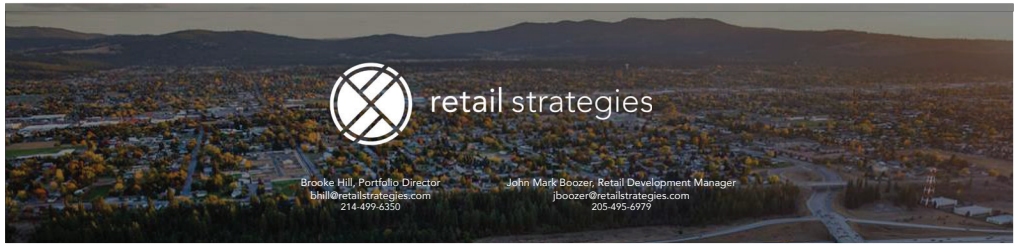
- National & Regional Grocers
- Full-service Restaurants
- Fast-Casual Restaurants
- Upgraded QSR Concepts
- Experiential Retail
- Clothing/Apparel Retailers
- Home Improvement Retailers
- Home Goods Retailers
- Beauty Retailers
- Shoe Retailers
- Hobby/Craft Retailers
- Automotive Service Retailers

Big Picture Vision

- Establish Hermiston's unique market position with national retailers, their brokers, and developers.
- Recruit large-market, OR-based developers to actively monitor market for opportunities
- Push regional brokers to see viability in Hermiston for clients.

Industry Trends

Expanding Retailers



Hermiston, Oregon

Continued Outreach

We share a common goal to generate new retail communication that would not otherwise happen and to create market influence in the retail industry.

We have conducted outreach to over 50 retail prospects ranging from: grocers, entertainment concepts, sit-down restaurants, coffee shops, quick serve restaurants, fast casual restaurants, pet stores, clothing and footwear, hotels, car service retailers, home furnishings, and more.

Together, we continue to collaborate and strategize with the Hermiston team to think creatively regarding new-to-market retail and available sites.

retail strategies

Thank You

Hermiston, Oregon

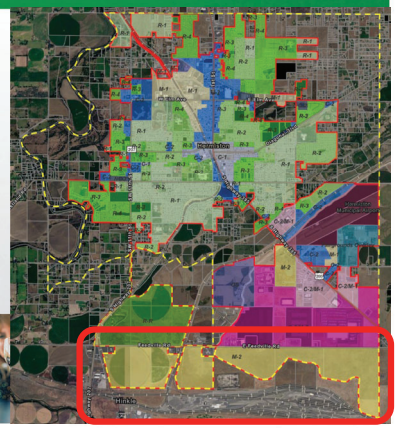
retailstrategies.com +1 (205) 313-3676 info@retailstrategies.com Birmingham/Fort Worth

Resolution 2441

- Permanent Drinking Water Supply
- Permanent Sewer Service
- Temporary Cooling Discharge

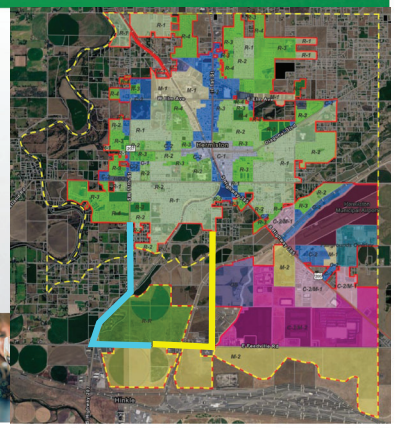
Background

- UGB Expanded: Jan., 2026
  - **Hyperscale Data Center Zoning**
  - **Approved Fall '25**
    - **Extensive Utility Analysis**



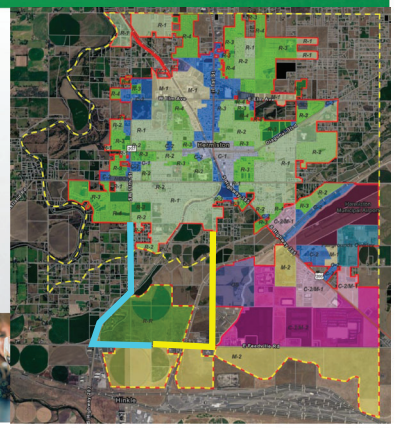
Background

- Sewer Options
  - S 1st ($4.6M)
  - SW 11th ($6.2M)



Background

- Sewer Options
  - S 1st ($4.6M)
  - SW 11th ($6.2M) = +26%
- March, 2026
  - Council Approved SW 11th Route
  - 74% from Developer
- Res. 2441 Ratifies 74/26 Split



Res. 2441: Agreement

- Employee Drinking Water
- Employee Sewage
- Temporary Cooling Discharge

Res. 2441: Agreement

- Employee Drinking Water
  - Up to 7,500 Gallons Per Day (GPD)
    - <Elementary School (50,000+ GPD)
    - <Car Wash (~9,000 GPD)
  - No infrastructure upgrades

Res. 2441: Agreement

- Permanent Sewer
  - Up to 7,500GPD
  - $4.6M Infrastructure Needed (piping/pumping)

Res. 2441: Agreement

- Temporary Cooling Discharge
  - No More than 2 Years
  - No More than 75 Gallons Per Minute (Seasonally 0 GPM)
  - Accepted Quality Governed by City Code

Res. 2441: Fiscal

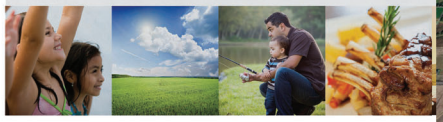
- Capital
  - City to Construct SW 11th Sewer Route ($6.2M)
  - Company to Pay for $4.6M

Res. 2441: Fiscal

- Capital
  - City $1.6M Portion
    - State CWSRF Loan (Undetermined portion 'forgivable')
    - ~~State Regional Infrastructure Fund Grant (requesting $1M)~~
    - Long-Term Savings
      - $600K(NPV) Lift Station Replacements Every 20-40 Years
      - Avoided Lift Station Maintenance (Daily Checks)
    - ~500 Acres of future residential development enabled

Res. 2441: Fiscal

- Future Housing
  - ~500ac within UGB
  - ~2,500 Housing Units (@5/ac)
    - ~6,000 Residents
    - ~$1.7M/yr: Sewer
    - ~$12M/yr: Local Taxes



Res. 2441: Fiscal

- Operational
  - Drinking Water: Standard City Water Rates
  - Sewer: Standard City Sewer Rates
  - Cooling: Standard City Sewer Rates + Any Applicable Industrial Fees
  - All Rates as they may exist in the future
    - Council retains full control over future rates

QUESTIONS

Where Life is Sweet™

Transportation System Plan Update

September 28, 2026

Project Synopsis

- Existing TSP adopted in 1997
  - **Four project-oriented updates**
  - **One major update in 2014 as part of periodic review process**
  - **Has worked well guiding growth**
  - **At end of planning life**
- Project is intended to repeal and replace 1997 TSP
- Updates several TSP components
  - **Intersection plans**
  - **Corridor plans**
  - **Street classification plan**
  - **Sidewalk and pedestrian plan**
  - **Bike plan**
- Updates development code

Project Team

- City staff
- Umatilla County
- ODOT
- DLCD
- First responders (Police and Fire)
- Hermiston School District
- Bike and Pedestrian Community
- Hermiston Chamber
- Citizen Representatives
- Kittelson and Associates (Transportation Engineers)
- Anderson Perry (Civil Engineers)
- Urbsworks (Land Use Planners)

Project Goals

VISION

Hermiston will strive towards a safe, efficient, and reliable transportation network that meets the needs of, enhances the quality of life of, and supports the mobility of all transportation users.

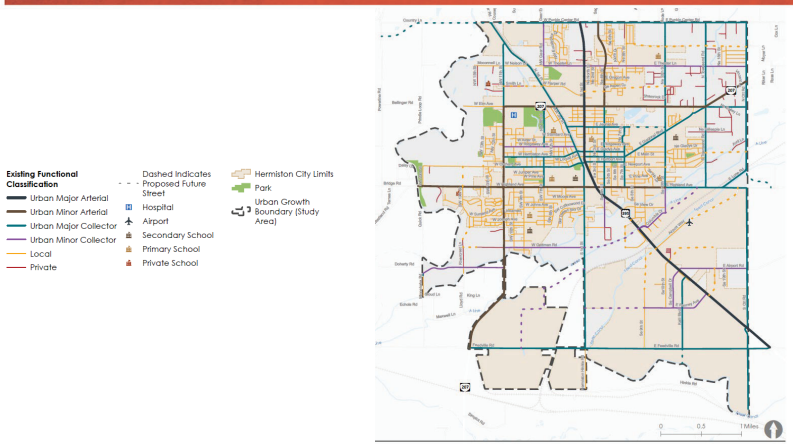
GUIDING PRINCIPLES

Safety	Community
Mobility	Environment
Connectivity	Fiscal Strategy

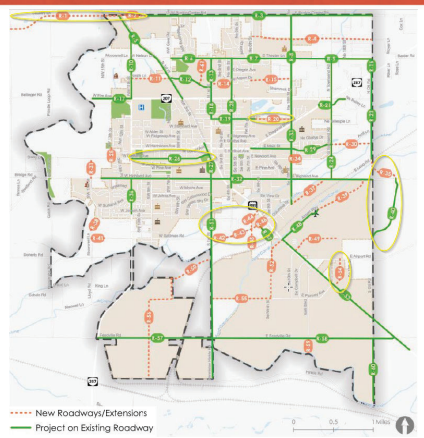
Public Outreach

- City chat at HHS football game
- Open house at Festival Street Christmas tree lighting
- Three school events
- Two virtual open houses
- Work sessions with city council and planning commission
- Standard noticing in paper
- Social media outreach
- Bilingual noticing for all events

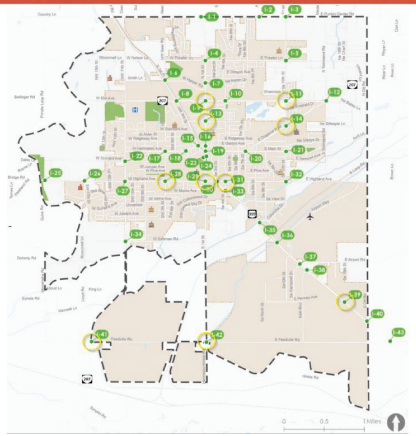
Street Classification



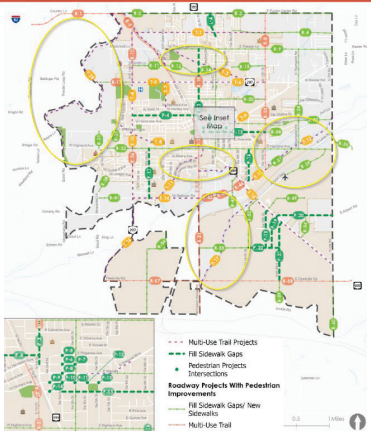
Road Projects



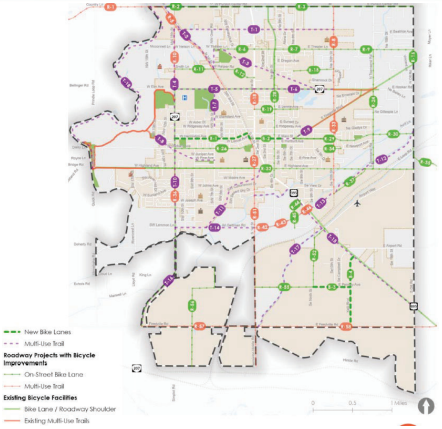
Intersection Projects



Pedestrian Projects



Bicycle Projects



Transit Updates

Development Code Update

- Amendment to zoning ordinance
  - **Current zoning ordinance does not establish a threshold for traffic study related to development**
  - **Public works standards require a traffic study at 1,000 trips per day**
  - **1,000 trip threshold is missing the majority of city development**
  - **Zoning ordinance and public works standards are amended to require a traffic study at 300 daily trips**
- Amendments to land division ordinance
  - **Lowers block length maximum from 600 to 350 feet**
  - **Lowers cul-de-sac length from 400 to 200 feet**
  - **Current block lengths do not encourage pedestrian activity and discourage connectivity with adjacent parcels**

Next Steps

- Adoption is planned for October 2026
  - **Planning commission hearing on October 14**
  - **City council hearing on October 26**
  - **Two ordinances to consider**
  - **One resolution to consider**

Hermiston Urban Renewal Agency (HURA)

- Hermiston URA
  - **Second month of fiscal year**
- North Hermiston Urban Renewal Area – Project awaits bidding, anticipated to begin Spring/Summer 2027

General Fund

- 2026-27 first month (16.7%) of fiscal year.
- Monthly Revenues ended under projection by ~$699k
  - **Timing of various revenues (franchise fees, etc.)**
    - **Franchise Fee structure changed (7% to 4%) for power utilities**
    - **Change in usage and 'market forces' altering trends and estimates**
    - **Temporary reduction in transfers to street capital reserves**

General Fund

- Monthly Expenses were under projection by ~$109k
  - **Several departments over budget in comparison to projection and further evaluated**
    - **City Council – annual membership**
    - **Airport – fuel purchases (offset by increased sales)**
    - **Parks, Parks/Utility Landscape, 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 ~$28k**
    - **Timing of federal allocation turnover**
  - **Regional Water Fund expenditures are ~$85k over projection – capital reserve transfers.**

Capital Projects

- **Various projects in design or underway:**
  - **Geer/Harper Realignment –construction in progress**
  - **SE 10th Street Bridge – design proceeding, anticipated construction winter '26-'27 during off-season**
  - **Dogwood Street – construction proceeding – paving expected September 2026**
  - **RWS Backup Generators – site prep continued, 2027 estimated delivery and install**
  - **Aquifer Storage/Recovery – testing complete, initial recharge underway, anticipated April completion**
  - **Orchard Water Line replacement – project underway, anticipated paving in September 2026**
  - **E. Highland Avenue Line Replacement – design underway**
  - **View Drive Booster Upgrade – design begun**
  - **Well #6 Chlorination Structure – project underway anticipate completion by late fall**
  - **E. Evelyn Avenue gravity sewer line – project underway with paving anticipated September 2026**
  - **Lift Station #7 Rebuild – contract awarded, construction to begin fall 2026**
  - **Recycled Water Treatment Plant UV Upgrades – equipment contract awarded, install planned 2027**
  - **E. Theater Lane Lift Station – design begun**
  - **NW 2nd Street Paving – project underway with paving anticipated September 2026**
- **TBD (budgeted and part of CIP):**
  - **Well #4 Controls – delays may require rescheduling project**
  - **Lift Station #5 – design to begin**

Capital Projects

- Sherman Park – Project scope in review, updates to come

HERMISTON OREGON

Discussion

Questions?

Where Life is Sweet™