



CITY COUNCIL

AGENDA

MONDAY, JUNE 22, 2026

COUNCIL CHAMBERS - 180 NE 2ND ST.

Where Life is Sweet

Meetings are always open to the public in-person. Other ways of viewing or participating in live meetings are as follows:

View live meetings on YouTube at: <https://bit.ly/HermistonYouTube>

To participate in live meetings through Zoom, registration is required no later than 8am the day of the meeting by emailing meetings@hermiston.gov and providing participants full name and place of residence. The City Recorder will respond to sender with Zoom meeting details prior to the start of the meeting.

Submit written electronic comments to meetings@hermiston.gov.

For written comments to be part of the official record, sender must provide their full name and place of residence and comments must be received within the time frame given for the item under discussion. The City Recorder will respond/confirm to sender that their electronic comment was received and will be made part of the record; or, if their electronic comment is not able to be made part of the record, the City Recorder will respond to the sender and state the reason(s) why.

1. CALL REGULAR MEETING TO ORDER – 7:00 PM

2. DECLARATION OF QUORUM

3. FLAG SALUTE

4. PRESENTATIONS

A. Presentations- Hermiston School District Updates for the 2025-26 School Year

5. CITIZEN INPUT ON NON-AGENDA ITEMS

Anyone wishing to bring anything before the council that is not on the agenda is asked to please do the following: 1. Please limit comments to not more than FIVE minutes; 2. State your name and place of residence; 3. Direct your comments to the Chair.

6. CONSENT AGENDA

A. E Theater Lane Dedication Deed – 4N 28 02BC TL 2300 – Horizon Project Inc.

B. Committee Vacancy Announcements

- C. Recommend Appointment of Erick Peterson to Position 4 of the Library Board for a four-year term ending June 30, 2030
- D. Recommend Appointment of Hawley Hawkes to Position 4 of the EOTEC Advisory Committee for a three-year term ending June 30, 2029
- E. Recommend Appointment of Hawley Hawkes to Position 9 of the Budget Committee for the remaining three-year term ending December 31, 2027
- F. Recommend Re-Appointment of Jessica De La Cruz to Position 2 of the Hispanic Advisory Committee for the three-year term ending June 30, 2029.
- G. Certifying the Ward Councilors and Municipal Judge Primary Election Results
- H. Minutes of the May 14th Budget Committee Meetings for the City and Hermiston Urban Renewal Agency
- I. Minutes of the May 26th, Regular Meeting of the City Council
- J. Minutes of the June 8th, Regular Meetings of the City Council and Hermiston Urban Renewal Agency

7. ITEMS REMOVED FROM CONSENT AGENDA

8. RESOLUTIONS

- A. Resolution No. 2433 – Renewal of IGA for IT Services with Cities of Milton-Freewater and Pilot Rock, Morrow County, and Umatilla Rural Fire Protection District and amendment to IGA for IT services with the City of Echo.
- B. Resolution No. 2434 – Refer Amendments to the Charter to the November 3, 2026 Election.

9. OTHER

- A. May 2026 Monthly Financial Report

10. COMMITTEE REPORTS

- A. City Committee and Liaison:

Airport Advisory, Budget, Hispanic Advisory, Library Board, Parks and Recreation, Planning Commission, Recreation Projects Fund, Faith-Based Advisory, Community Accountability, Public Safety, Public Infrastructure, Transit Planning, EOTEC, Stepping Stones Alliance (not a City Committee), Public Finance, Sanitary Disposal & Curbside Recycling, Vacancy Review

- B. Mayor's Report
- C. Council President's Report
- D. Council Report

E. Manager's Report

11. ADJOURN

**** AMERICANS WITH DISABILITIES ACT NOTICE****

Please contact Hermiston City Hall, 180 NE 2nd Street, Hermiston, OR 97838 (Phone No. 541-567-5521) at least 48 hours prior to the scheduled meeting time if you need an accommodation. TTY and TDD users please call Oregon Telecommunications Relay Service at 1-800-735-2900 or 711.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 22, 2026

Title/Subject

E Theater Lane Dedication Deed – 4N 28 02BC TL 2300 – Horizon Project Inc.

Summary and Background

The Horizon Project is constructing an affordable housing project on property located at 197 E Theater Lane. The project was approved by the city in 2025 subject to the provisions for affordable housing in commercial zones under ORS 197A.445. The developer is required by the city to install half-street improvements in E Theater Lane adjacent to the property frontage. E Theater Lane is classified as a minor collector street in the Hermiston transportation system plan. Minor collector streets have a right-of-way width of 56 to 66 feet depending on the required improvements. The existing right of way adjacent to the property frontage is 42 feet. The owner has prepared a dedication deed of 7.07 feet to widen the north line of E Theater Lane to the required standard.

Additional right of way will be required from property on the south side of E Theater Lane when those properties redevelop or develop.

Tie-In to Council Goals

N/A

Fiscal Information

There is no financial impact to the city as a result of accepting a right of way dedication.

Alternatives and Recommendation

Alternatives

The city council may choose to accept or reject the right of way dedication

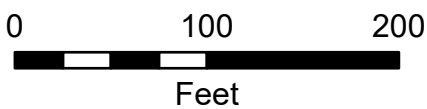
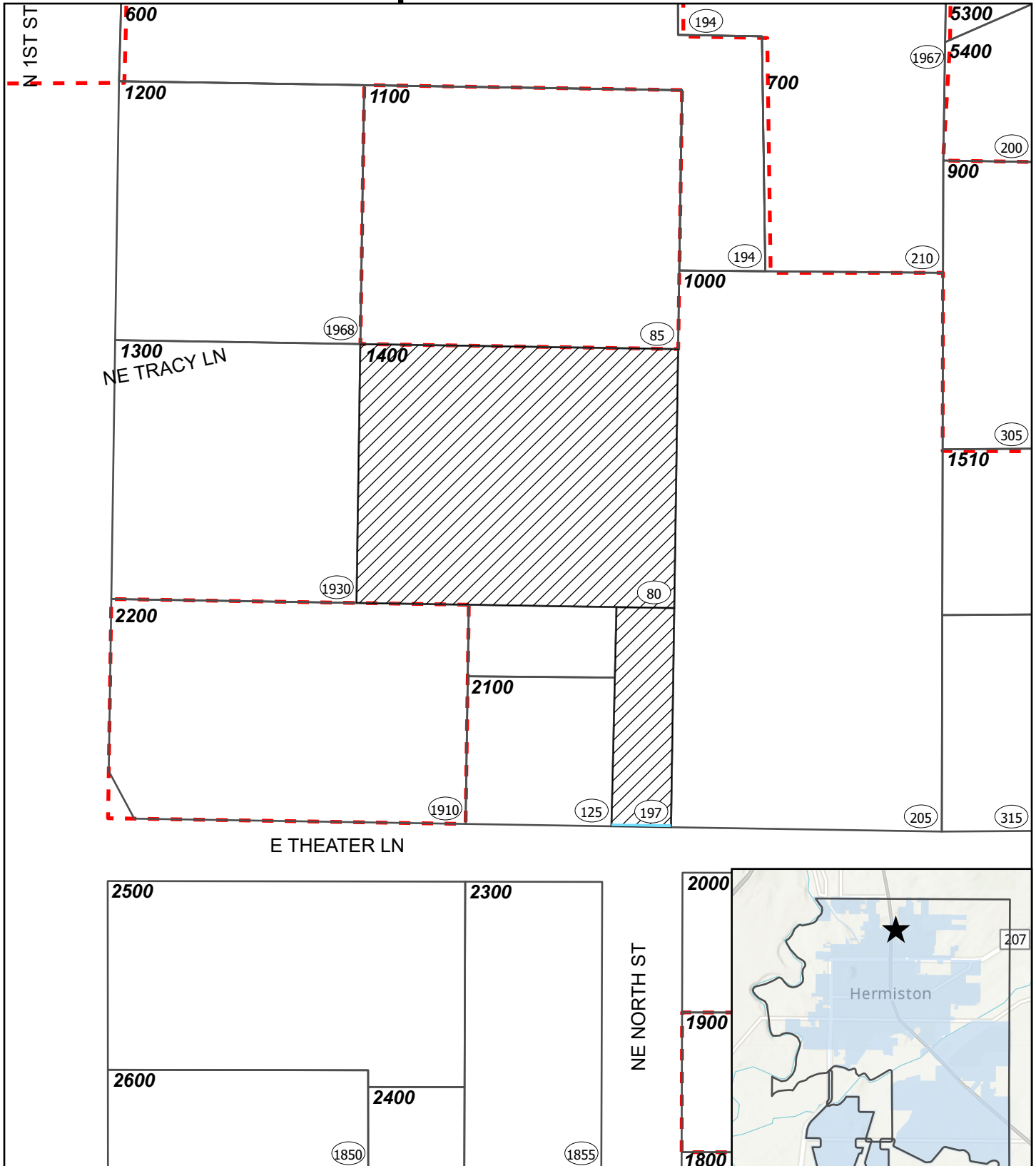
Recommended Action/Motion

Staff recommends that the city council accept the right of way dedication deed.

Submitted By:

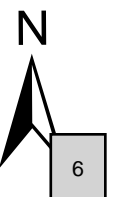
Clinton Spencer, Planning Director

Notice of Proposed Land Use Action



Legend

- Horizon Project Property
- Property Line
- City Limits



AFTER RECORDING, RETURN TO:

City of Hermiston
180 NE 2nd Street
Hermiston, OR 97838

DEDICATION DEED

HORIZON PROJECT INC. an Oregon nonprofit organization, (hereinafter referred to as the "Grantor"), does hereby dedicate, grant, transfer and convey to **CITY OF HERMISTON**, an Oregon municipal corporation (hereinafter referred to as the "City"), its successors and assigns, to be used and held by the CITY for public right-of-way for roadway and utility purposes, the following real property:

A 7.07-foot-wide strip of land for right-of-way purposes located in the Southwest Quarter of the Northwest Quarter of Section 2, Township 4 North, Range 28 East of the Willamette Meridian, Umatilla County, Oregon. Being more particularly described in Exhibit A and Exhibit B, attached hereto and by this reference made a part hereof.

The true and actual consideration for this conveyance is \$0 and includes other value given or promised

TO HAVE AND TO HOLD, the above described and granted premises unto the said CITY, its successors in interests and assigns forever.

The GRANTOR hereby covenants to the CITY, and the CITY'S successors in interest and assigns that GRANTOR is lawfully seized in fee simple of the above-named premises, free from all encumbrances and that GRANTOR and their heirs and personal representatives shall warrant and forever defend the said premises against all unlawful claims and demands of all persons claiming by, through, or under GRANTOR.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN

THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Dated this 10 day of June, 2026.

GRANTOR:


6/10/2026

Signature

Date

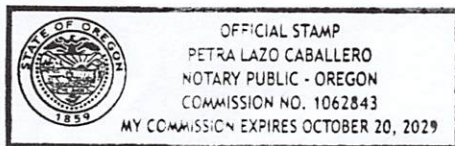
Terri Silvis, CEO
Name (Print) Title


STATE OF OREGON)

) ss.

County of UMATILLA)

THIS CERTIFIES that on this 10 day of June, 2026, before me appeared the above-named Terri Silvis, a CEO of Horizon Project Inc., known to me to be the identical person described in the foregoing instrument and who acknowledged to me that by a free and voluntary act s/he executed the same.




Notary Public for Oregon
My Commission Expires: 10/20/2029

CITY ACCEPTANCE

In accordance with ORS 93.808, the City of Hermiston, Oregon acknowledges and approves the conveyance set forth in this instrument.

CITY OF HERMISTON

By: _____
Byron Smith, City Manager

State of Oregon)
) ss.
County of Umatilla)

This record was acknowledged before me on _____, 2026 by Byron Smith,
City Manager of the City of Hermiston, Oregon, a municipal corporation.

Notary Public for Oregon
My Commission Expires: _____

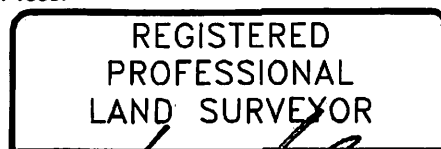
EXHIBIT A



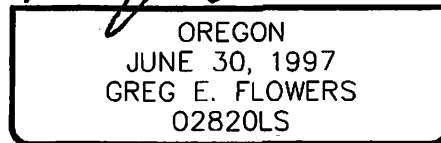
A 7.07-foot-wide strip of land for right-of-way purposes located in the Southwest Quarter of the Northwest Quarter of Section 2, Township 4 North, Range 28 East of the Willamette Meridian, Umatilla County, Oregon. Being more particularly described as follows:

Commencing at the Southwest corner of the Northwest Quarter of Section 2, Township 4 North, Range 28 East of the Willamette Meridian and running thence N89°35'47"E along the south line of the Northwest Quarter of said Section 2 a distance of 52.69 feet to the east right-of-way line of the Old Oregon Trail Highway; thence N00°35'26"W along said east right-of-way a distance of 20.00 feet to the north right-of-way of East Theater Lane; thence N89°35'47"E along said north right-of-way a distance of 411.21 feet to the southeast corner of that parcel of land conveyed to Horizon Project Inc by Deed recorded as Umatilla County instrument number 2022-7390265 and the True Point of Beginning for this right-of-way description; thence S89°35'47"W, along the north right-of-way line of said East Theater Lande, a distance of 49.92 feet to the southwest corner of said Horizon Project Inc parcel; thence N00°36'21"W, along the westerly line of said Horizon Project Inc parcel, a distance of 7.07 feet to the northerly line of that right-of-way established by Statutory Warranty Deed recorded as Umatilla County instrument number 2020-6960672; thence N89°35'47"E, along the easterly prolongation of said right-of-way as established by Statutory Warranty Deed recorded as Umatilla County instrument number 2020-6960672, a distance of 49.99 feet to the easterly line of said Horizon Project Inc; thence S00°03'54"E, along said easterly line, a distance of 7.07 feet to the Point of Beginning.

Having an area of 706 square feet, more or less.



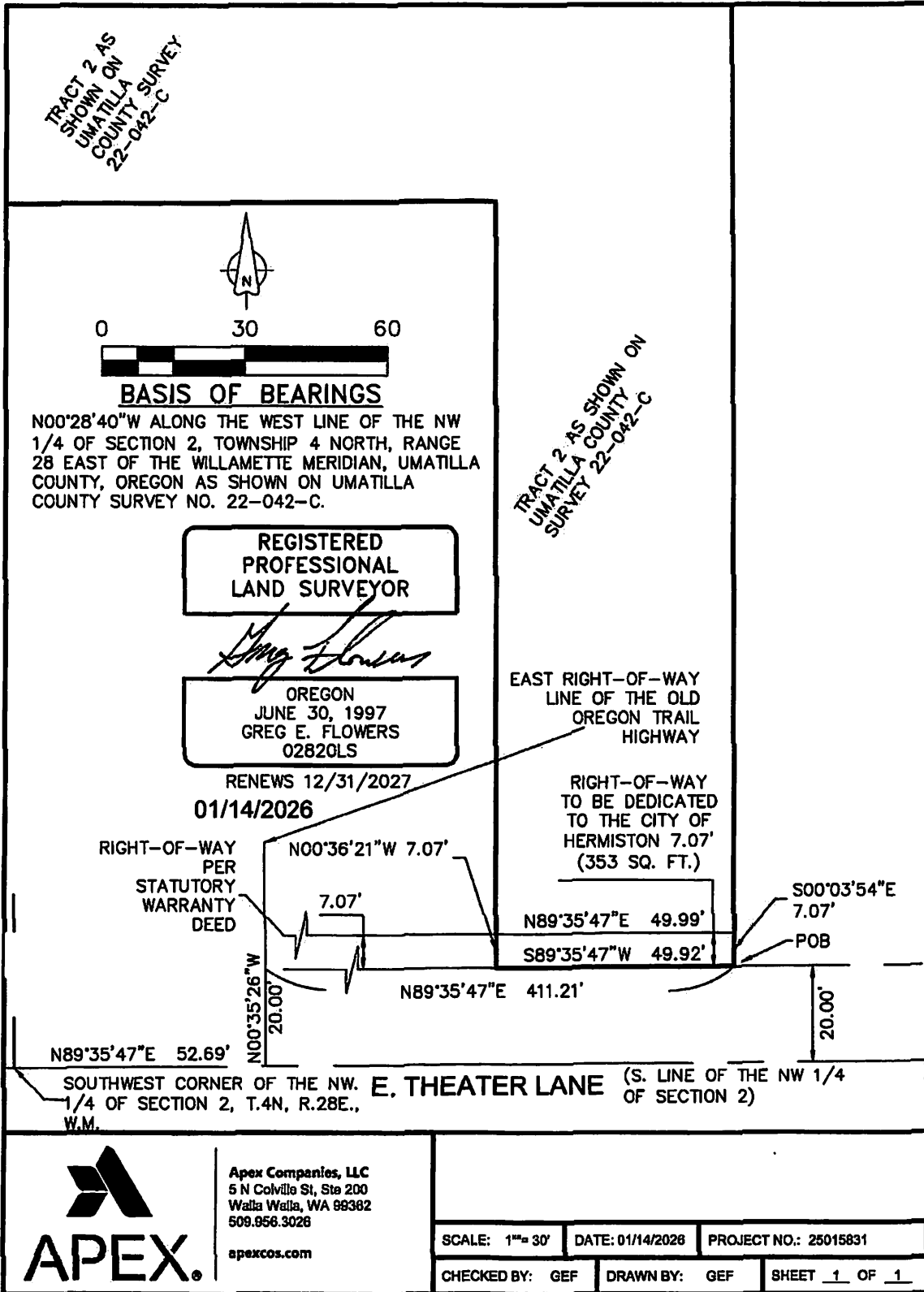
Greg E. Flowers



RENEWS 12/31/2027

01/14/2026

EXHIBIT D





Where Life is Sweet

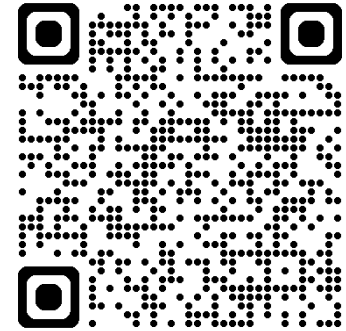
PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

1. [Eastern Oregon Trade and Event Center Advisory Committee](#) (Advertised 04/22/2026)
 - o Position 3, Representing the Greater Hermiston Hospitality and Tourism Committee with a 3-year term ending June 30, 2029
2. [Hispanic Advisory Committee](#) (Advertised 04/22/2026)
 - o Position 2, 3-year term ending June 30, 2029

Deadline to apply for Committees: Open Until Filled

Applications and more information about these and all other City Committee's, Board's, and Commission's can be found on the City's website at: <https://hermiston.or.us/volunteer> or by using the QR Code. Have questions or are interested in applying? Reach out to Lilly Alarcon-Strong at: City Hall, 180 NE 2nd Street, Hermiston, at lalarcon-strong@hermiston.gov, or at 541-567-5004.



Proposed appointment(s) and confirmation(s) of these positions are made by the City Council. All appointments to city boards and commissions shall be made in accordance with the ordinances and city charter. Appointees shall not be full-time employees of the city, shall not be elected officials of the city, shall not be appointed to more than two boards or commissions at a time, and shall not sell to the city or its boards and commissions over which the council has appointive powers and budget control either directly as a prime contractor or supplier, or indirectly as a first-tier subcontractor or supplier. Sales shall be construed to mean sales, services or fees aggregating \$20,000 or more in any one calendar year. Preference for appointees shall be given to city residents.



Department of Administrative Services

Elections Division

Director of Administrative Services
Dan Lonai

Supervisor of Elections & Records
Stephen Craigen

Chief Election Official
Kim Lindell

Umatilla County Elections Division
216 SE 4th St., Suite 18
Pendleton, OR 97801

Please provide the elections office with a letter of acceptance as soon as possible.

*ORS 255.295 Preparing abstract; notification of results. (1) Not later than the 27th day after the date of an election, the county clerk shall prepare an **ABSTRACT** of the votes and deliver it to the district elections authority. Not later than the **45th day** after the date of the election, the district elections authority shall determine from it the result of the election.*

(2) Subject to ORS 254.548, the election official may issue a certificate of election only after the district elections authority has notified the elections officer in writing of the result of the election. Your letter of acceptance need only state that you have accepted the election results, a statement indicating whether any candidate elected to district office is qualified to hold the office, the date of the election, your districts address and the signature of the district official sending the letter.

If you should have any questions, please feel free to call our office. Your prompt attention to this matter is very much appreciated.

Thank-you

Kim Lindell, Chief Election Official

Summary Results Report
 Umatilla County May 2026 Primary Election
 June 9, 2026 Final Official Report

Statistics	TOTAL
Registered Voters - Total	11,198
Registered Voters - Democrat	1,796
Registered Voters - Republican	2,828
Registered Voters - NonPartisan	6,574
Ballots Cast - Total	2,633
Ballots Cast - Democrat	586
Ballots Cast - Republican	1,300
Ballots Cast - NonPartisan	747
Ballots Cast - Blank	2

Municipal Judge City of Hermiston

Vote For 1	TOTAL
Cameron R Bendixsen	1,819
Write-In Totals	28
Not Assigned	28
Total Votes Cast	1,847
Overvotes	0
Undervotes	785
Contest Totals	2,632

Council, Ward I City of Hermiston

Vote For 1	TOTAL
Krista Van Veen	1,376
Jackie Linton	833
Write-In Totals	8
Not Assigned	8
Total Votes Cast	2,217
Overvotes	1
Undervotes	414
Contest Totals	2,632

Council, Ward II City of Hermiston

Vote For 1	TOTAL
Roy N Barron	1,538
Caleb Jacobs	565
Write-In Totals	9
Not Assigned	9
Total Votes Cast	2,112
Overvotes	0
Undervotes	520
Contest Totals	2,632

Summary Results Report
Umatilla County May 2026 Primary Election
June 9, 2026 Final Official Report

Council, Ward III City of Hermiston

Vote For 1	TOTAL
Barbara J Martin	1,148
Leeann Wornell	630
Write-In Totals	15
Not Assigned	15
Total Votes Cast	1,793
Overvotes	0
Undervotes	839
Contest Totals	2,632

Council, Ward IV City of Hermiston

Vote For 1	TOTAL
David Patrick McCarthy	1,310
Manuel Flores III	564
Write-In Totals	7
Not Assigned	7
Total Votes Cast	1,881
Overvotes	1
Undervotes	750
Contest Totals	2,632



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 22, 2026

Title/Subject

Certifying the Ward Councilors and Municipal Judge Primary Election Results

Summary and Background

In accordance with ORS 254.548 the City Council is required to accept election results and certify that the candidates elected are qualified to hold office.

Attached are the election results provided by the County Election Manager along with a summarized table below. The results of all elections must be made a matter of record of the Council and such record needs to contain the name of each person elected to office, the office to which they were elected, the total number of votes cast, and the votes cast for each person.

<u>Ward I</u>	<u>Votes</u>
Krista Van Veen	1,376
Jackie Linton	833
Write-In	8

<u>Ward II</u>	<u>Votes</u>
Roy N. Barron	1,538
Caleb Jacobs	565
Write-In	9

<u>Ward III</u>	<u>Votes</u>
Barbara J Martin	1,148
Leeann Wornell	630
Write-In	15

<u>Ward IV</u>	<u>Votes</u>
David Patrick McCarthy	1,310
Manuel Flores III	564
Write-In	7

<u>Municipal Court Judge</u>	<u>Votes</u>
Cameron R. Bendixsen	1,819
Write-In	28

The City Charter states the Municipal Judge and Ward Specific Council candidates will run in the Primary Election. If there are two or less candidates, then the Primary Election will determine who will be elected into office.

Tie-In to Council Goals

Fiscal Information

None.

Alternatives and Recommendation

Alternatives

Do not accept the Umatilla County Elections Office Primary Election Results.

Recommended Action/Motion

Accept and certify the results of the May 19, 2026 Ward Councilors & Municipal Judge Primary Election results from the Umatilla County Elections Office.

Submitted By:

Elections Officer/City Recorder Lilly Alarcon-Strong



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 14, 2026

City of Hermiston Budget Committee Meeting

Mayor Doug Primmer opened the meeting of the Budget Committee to consider the proposed budget for the 2026-2027 fiscal year at 5:33pm. Present were Budget Committee members: Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy. John Douglass was excused.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan (exited at 6:05PM and returned at 6:16PM), Chief Jason Edmiston, Finance Director Ignacio Palacios, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, City Attorney Richard Tovey, Library Director Mark Rose, Deputy City Recorder/Planner Heather La Beau, Hermiston Energy Services General Manager Nate Rivera, HR Manager Crystal Inners, Senior Financial Analyst Tasha Harrell, and Court Administrator Jillian Viles.

Mayor Primmer stated the committee must elect a chair and secretary. David Hanson moved and Lori Davis seconded the nomination of Brian Misner as Chair. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor. Josh Roberts moved and Lori Davis seconded to nominate Paul Wolverton as secretary. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor.

Budget Presentation

Budget Officer Byron Smith began the City of Hermiston's FY 2026-27 Proposed Budget (PowerPoint attached) by reviewing the current fiscal year standing and projects accomplished, overview of the FY 26-27 budget and a look at the Enterprise Zone Funds and the General Fund.

Projects accomplished include:

- Library remodel
- Public Safety Center remodel
- Data Center buildings (impacting Enterprise Zone Fund)
- Aquifer Storage & Recovery (ASR) well
- EOTEC North RV Park under construction
- EOTEC South RV Park out for bid

The current fiscal year's budget General Fund is doing well on the revenue side with most all revenue sources exceeding the budgeted amounts.

Budget Officer Smith thanked the Finance Department, specifically Finance Director Ignacio Palacios and Senior Financial Analyst Tasha Harrell, Department Heads, and budget committee members for their help.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 14, 2026

in reviewing the budget. The FY2026-27 budget has been prepared in accordance with the State of Oregon budget law and best practices established by the Government Finance Officers Association. It has also been developed on the foundation of the city's adopted financial policies.

Below are a few assumptions that affect our budget:

- 2.16% PERS rates change
- Property & Liability insurance increased ~4%
- Health insurance rates will increase in 2027 by ~27%
- 3.0% cost of living adjustment (COLA) for all City employees
- Proposed Longevity Pay/401a Plan

Discussion

The FY2026-27 all-funds budget of \$123,137,736 is 4% less than the previous year. The major reasons for this decrease in the overall budget are from the creation of a Building Department Fund and the completion of Capital Projects. Staffing changes include adding 2.75 positions and funding the frozen positions in Library and Parks and Recreation.

Information Technology (IT) Fund

The department currently has 7 employees with one additional employee proposed if additional customers or hours are added. Currently the number of existing employees is adequate to meet demands of the existing contract hours.

Street Fund

Proposed projects include the Geer/Harper Construction and the SE 10th St bridge/culvert. There was unused funding from the grant received for the N First PI project that the state has allowed to be used for the Geer/Harper realignment, which will fund a large portion of this project.

Utility Fund

Recycled Water-The Capital Projects for this budget year include cooling discharge for AWS, rebuilding Lift #7, Evelyn Ave gravity sewer replacement, and Recycled Water Treatment Plant Chlorination to UV treatment. To meet the deadlines of the state permit the UV treatment project is moving forward without receiving outside grant funding.

Water- The Capital Projects include an expansion of the Regional Water System, W Orchard Ave water main replacement, Well #6 chlorination, Well #4 controls, and View Drive booster station upgrades. The Orchard Ave project began this fiscal year. The Regional Water System expansion will be paid for by AWS.

Hermiston Energy Services- Work continues on the construction work plan that eliminates older wire and some underground work. Drought conditions may possibly cause Bonneville Power Administration to impose overcharges in the fall or at the first of the year. This may cause rate increases.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 14, 2026

Building Inspections Fund

A large amount of money is held in reserve for future expenses as building department funds can only be spent on building department expenses. A commercial electrical inspector has recently been hired after almost a two-year search. This will reduce operational costs.

Eastern Oregon Trade and Event Center (EOTEC) Fund

The RV Park construction continues and is a large portion of the budget. Discussions are ongoing regarding the marketing of the center.

Hermiston Enterprise Zone Fund

This budget includes the second year of AWS payments, for only one AWS campus. The fund also receives payments from Lamb Weston. Expenses included paying for debt incurred on building civic projects and payments to the Parks & Recreation reserves. External payments are made to all of the special districts that levee taxes in the zone.

General Fund

General fund revenues and expenditures are estimated to be \$23,065,700 for the fiscal year 2027. This is basically the same as the previous fiscal year. This is due to several factors including:

- Library and Parks & Rec staff positions returning
- Police Department fully staffed
- Increased franchise fees
- Enterprise Zone funds
- Traffic fines staying strong
- City Manager/Legal department full year of safety/risk management position
- Planning department completing Transportation System Plan update
- Reduction in cost for taxi contract
- Gas sales at airport down due to Life Flight moving to hospital
- Rentals & programs from Parks & Rec increasing
- Court budget decrease due to elimination of misdemeanor prosecution

Public Comment

Krista Van Veen 764 W Alder Ave- Ms. Van Veen questioned the current employee turnover rate, average employee tenure, and time open positions remain open as it appears some of the expenses in the budget appear to be there to ward off high turnover. Also asked was considering drought overcharges, are additional funds available in the budget to combat additional fires?

Budget Officer Smith replied it is more about warding off high turnover as other employers in the area entice city staff to leave. Approximately half the current employees would be eligible for longevity pay if it were available. Positions generally remain open for about 3–4-week average advertising period. The



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 14, 2026

fire department operates as its own special district. The city does not charge the district for water used during fire fighting operations.

Tax Levy & Budget Approval

Upon further discussion and answering budget committee questions, Lori Davis moved and Allen Hayward seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor. Allen Hayward moved and Lori Davis seconded to approve the FY 2026-27 proposed budget. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor.

Adjourn City of Hermiston Budget Committee Meeting and Convene the Urban Renewal Agency Budget Meeting- There was no other business and Chair Misner adjourned the City of Hermiston Budget Committee meeting at 6:41pm and announced the Hermiston Urban Renewal Agency Budget Committee meeting would convene after a short recess.

Hermiston Urban Renewal Agency Budget Committee Meeting

Chair Doug Primmer opened the meeting of the HURA Budget Committee to consider the proposed budget for the 2026-2027 fiscal year at 6:49pm. Present were Budget Committee members: Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy. John Douglass was excused.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Chief Edmiston, Finance Director Ignacio Palacios, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, City Attorney Richard Tovey, Library Director Mark Rose, Deputy City Recorder/Planner Heather La Beau, Hermiston Energy Services General Manager Nate Rivera, HR Specialist Crystal Inners, and Senior Financial Analyst Tasha Harrell, and Court Administrator Jillian Viles.

Chair Doug Primmer stated the committee must elect a chair and secretary. David McCarthy moved and Allen Hayward seconded the nomination of Brian Misner as Chair. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor. Doug Primmer moved and David McCarthy seconded to nominate Paul Wolverton as secretary. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 14, 2026

Budget Presentation

Urban Renewal Manager Clint Spencer presented the HURA budget message and information (PowerPoint presentation attached) stating the proposed Hermiston Urban Renewal Agency (HURA) Budget for the 2026-27 Fiscal Year is \$6,482,100 and includes three urban renewal areas.

Revenues for urban renewal agencies are based on tax-increment financing (TIF). TIF freezes the assessed value of an urban renewal area on the date it is established and diverts future property tax revenues over and above that frozen base into the urban renewal agency to pay for improvement projects.

North Hermiston Urban Renewal Area (NURA)

The North Urban Renewal Area is the youngest area and has the largest budget this year, with \$5,815,000. The only project for this district is construction of NE Aspen Drive to extend westward from NE 4th St to N First St. Bidding for this project is expected to be the Winter of 2026.

Downtown Hermiston Renewal District

The Downtown area's \$621,000 budget includes debt service for loans on Festival Street construction and façade grant startup funds, façade grants, downtown landscaping, and contingency savings.

Southwest Hermiston Urban Renewal Area SHURA

The Southwest Hermiston Urban Renewal Area was established for a residential project that is no longer being pursued. No projects or expenses are currently proposed. The \$2,100 budget is to accommodate the increase in assessed value.

Hermiston Urban Renewal Area (HURA) General Fund

The Urban Renewal Agency General Fund covers administrative overhead for the three districts and has a budget of \$44,000. An update to the 2013 Downtown Urban Renewal Plan is proposed. The major capital projects planned have been completed and an update will consider new projects for the remaining 8 years of the downtown district. A consultant would be used to engage the downtown businesses to help determine proposed projects for the plan update.

Public Comment

None given.

Budget Approval

After questions and discussion of the proposed budget, Allen Hayward moved and David McCarthy seconded to approve the FY 2026-27 proposed HURA budget. Motion carried unanimously with Doug Primmer, Rod Hardin, Lori Davis, Brian Misner, David Hanson, Paul Wolverton, Randall Gerard, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy all voting in favor.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 14, 2026

Adjourn Hermiston Urban Renewal Agency Budget Committee Meeting

The Committee thanked staff for their work on the budget and committee members for their participation. There was no further business and Chair Misner adjourned the Urban Renewal Agency meeting at 7:05pm.

APPROVED:

Brian Misner, Budget Chair

ATTEST:

Paul Wolverton, Budget Secretary

DRAFT



2026-27 Budget Message

May 14, 2026



Agenda

- Recap of 2025-26
- Budget Introduction
- Budget Overview
- Enterprise Funds
- General Fund
- Discussion/Questions



FY2025-26 Recap




Library



FY2025-26 Recap



Public Safety Center



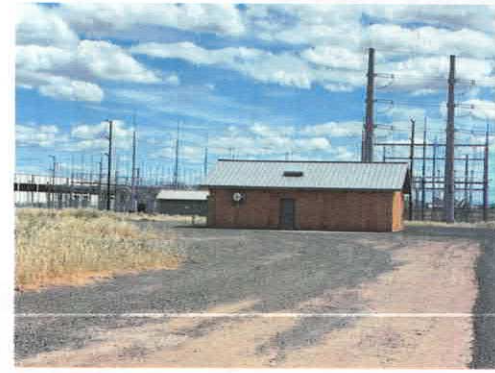
FY2025-26 Recap



AWS Development



FY2025-26 Recap



ASR Project



FY2025-26 Recap



Horizon Park



FY2025-26 Recap



RV Park at EOTEC



FY2025-26 Recap – General Fund

- As of 4/30/26 (83%)
 - **When compared to budget, revenues are meeting expectation at ~80.0%**
 - Property Taxes – 103% of budget
 - UEC Franchise Fees – over budget \$585,000
 - Business Licenses – Over 150% of budget
 - Fines (traffic) – 93% of budget
 - **Expenses are at 80% of budget**
 - Two departments over YTD % of budget



FY2025-26 Recap – Other Funds

- Enterprise Zone Fund
 - **First annual payments from AWS and out to all special districts**
- Utility Fund
 - **Revenue – 69% of budget**
 - **Expenses – 70% of budget**



FY2025-26 Recap – Capital Projects

- Library – Completed Fall 2025
- Public Safety Center – Completed Spring 2026
- EOTEC RV Park Construction underway



Budget Introduction



- Thank You Finance Department (Palacios, Harrell, etc.) for putting this document together.
- Thank you to the Department Heads for their efforts to put together thoughtful budgets.
- Thank You for being here to review the proposed budget.



Budget Introduction

- We will be using the labeled tabs in the physical document.
- We will also be using page numbers which are in the bottom right position.



Budget Introduction

- City of Hermiston is a conglomerate.
 - **Overarching company with very diverse lines of business**
 - Police Department
 - Library
 - Wastewater Department
 - **Berkshire-Hathaway is a prominent private sector example**
 - Dairy Queen
 - BNSF

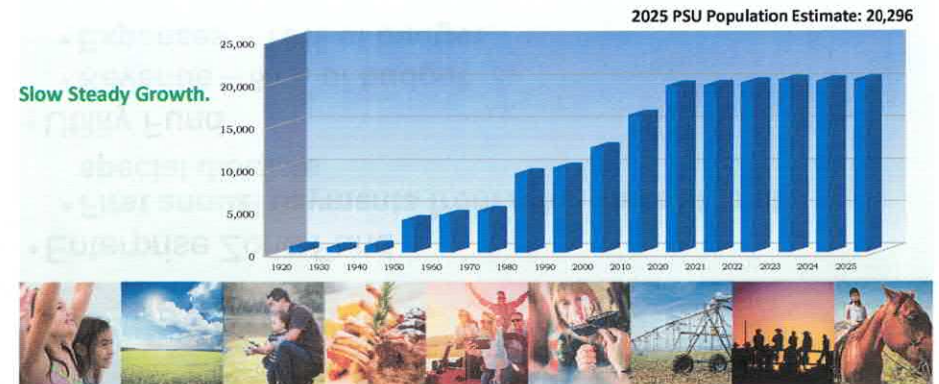


Budget Introduction

- Quick Review on a City Budget vs. Home Budget.
 - **We use funds and each fund has different characteristics related to its sources of revenue and types of expenses.**
 - For Example, the Utility Fund is composed 100% of water/sewer utility rate revenue and expenses.
 - Reserve Fund = Savings Accounts and Project Accounts
 - Fund accounting makes our budget seem larger
 - **The State of Oregon has a strict local budgeting law, and the city works within those parameters.**



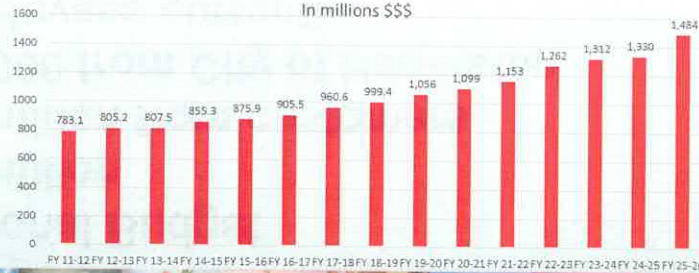
Budget Overview



HERMISTON Budget Overview

Hermiston Assessed Value
In millions \$\$\$

- Slow and Steady Growth
- 12% this year
- Averaging 4.7% annual increases



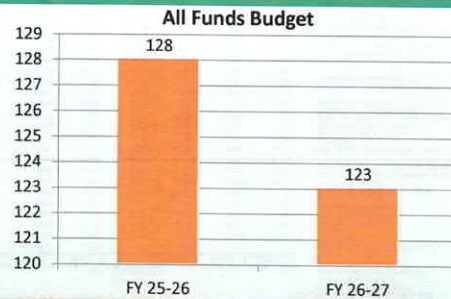
HERMISTON Budget Overview

- Overall Good Local Economy
 - Buildings Operational on Second Amazon Campus in the City
 - Ground broken on 250+ unit market rate apartment complex
 - Over 100 housing unit permits in 2025



HERMISTON Budget Overview

- All funds budget down 4%.
 - Building Fund Creation Completed
 - Capital Project Completion




HERMISTON Budget Overview

Basic Assumptions

- Based on Vision, Values and Goals
- Contains a 3.0% wage increase for all employees
- Contains 2.16% PERS rates changes
- Property and Liability insurance increased ~4%
- Health insurance rates will increase 1/1/27 by ~27%
- Costs for Longevity Pay/401a Plan





Budget Overview

SCHEDULE 6.0701.2024

POSITIONS GROUPED BY SALARY RANGE NUMBERS

Range Number

(31) 3,036 - 3,136 - 3,236 - 3,336 - 3,436 - 3,536
Park Facility Team Member

(32) 3,172 - 3,272 - 3,372 - 3,472 - 3,572 - 3,672
General Custodial
Library Assistant
Water Meter Technician

(34) 3,628 - 3,728 - 3,828 - 3,928 - 4,028 - 4,128
Municipal Service Worker I
Senior Library Assistant
Recycled Water Utility Worker I
Water Utility Worker I

(35) 4,180 - 4,280 - 4,380 - 4,480 - 4,580 - 4,680
Clerk/Clerk
Librarian I
Recreation Coordinator
Senior General Custodial
Water Utility Worker I.A.

(36) 4,732 - 4,832 - 4,932 - 5,032 - 5,132 - 5,232
Code Enforcement
Environmental Water Quality Compliance Specialist
Recreation Coordinator/Activity Manager

(37) 5,284 - 5,384 - 5,484 - 5,584 - 5,684 - 5,784
Librarian II
Municipal Service Worker II
Recycled Water Utility Worker II
Recreation Coordinator/Aquatics Center Manager
Water Utility Worker II

(38) 5,836 - 5,936 - 6,036 - 6,136 - 6,236 - 6,336
Librarian III
Municipal Service Worker III
Recycled Water Utility Worker III
Recreation Coordinator/Aquatics Center Manager
Technology Support Specialist
Water Utility Worker III

(39) 6,388 - 6,488 - 6,588 - 6,688 - 6,788 - 6,888
Water Utility Worker B.A.


(40) 6,940 - 7,040 - 7,140 - 7,240 - 7,340 - 7,440
Planning/Building Admin Assistant
Assistant City Planner/Deputy City Planner
Mechanics-Municipal Worker I
Recycled Water Operation Lab Manager
Water Utility Worker B

(41) 7,492 - 7,592 - 7,692 - 7,792 - 7,892 - 7,992
Customer Service Representative
Water Utility Worker B


(42) 8,044 - 8,144 - 8,244 - 8,344 - 8,444 - 8,544
Water Utility Worker B.A.

Schedule A
July 1, 2024 (04/22/24)

Range	Step A	Step B	Step C	Step D	Step E	Step F
30	3,115	3,244	3,373	3,502	3,631	3,760
31	3,098	3,170	3,242	3,314	3,386	3,458
32	3,170	3,300	3,430	3,560	3,690	3,820
33	3,930	4,070	4,210	4,350	4,490	4,630
34	4,310	4,510	4,710	4,910	5,110	5,310
35	4,530	4,770	5,010	5,250	5,490	5,730
36	4,980	5,240	5,500	5,760	6,020	6,280
37	4,530	4,770	5,010	5,250	5,490	5,730
38	4,880	5,140	5,400	5,660	5,920	6,180
39	4,470	4,640	4,810	4,980	5,150	5,320
40	5,020	5,210	5,400	5,590	5,780	5,970
41	5,340	5,550	5,760	5,970	6,180	6,390
42	5,420	5,630	5,840	6,050	6,260	6,470
43	5,830	6,040	6,250	6,460	6,670	6,880
44	5,890	6,100	6,310	6,520	6,730	6,940
45	6,090	6,300	6,510	6,720	6,930	7,140
46	6,270	6,480	6,690	6,900	7,110	7,320
47	6,450	6,700	6,950	7,200	7,450	7,700
48	6,730	7,010	7,290	7,570	7,850	8,130
49	6,990	7,290	7,590	7,890	8,190	8,490
50	7,280	7,610	7,940	8,270	8,600	8,930
51	7,480	7,830	8,180	8,530	8,880	9,230
52	7,890	8,240	8,590	8,940	9,290	9,640
53	7,980	8,330	8,680	9,030	9,380	9,730
54	8,240	8,600	8,960	9,320	9,680	10,040
55	8,520	8,880	9,240	9,600	9,960	10,320
56	8,800	9,170	9,540	9,910	10,280	10,650
57	9,120	9,490	9,860	10,230	10,600	10,970
58	9,360	9,730	10,100	10,470	10,840	11,210
59	9,700	10,070	10,440	10,810	11,180	11,550
60	10,040	10,410	10,780	11,150	11,520	11,890




- Pay Plan
 - Adopted Each Year
 - Salary study three years ago




Budget Overview-Staffing Changes

- Proposed Staffing Changes
 - Funding the frozen positions in Library and Parks and Rec
 - Adding a ¾ time records clerk position in Admin
 - Adding a position in each Water and Recycled Water



IT Fund – Pg. 103

- Operational Budget
 - \$1.7 million
 - \$1.2 million from customers
 - \$280,000 from City of Hermiston
 - 7 employees currently
 - One additional employee proposed if additional customers sign-on
- 

Street Fund – pg. 67

- Operational Budget
 - \$2.9 million
- Large Projects Planned - pg. 116
 - Geer/Harper Construction-\$1.7 million
 - SE 10th Culvert-\$500,000

Utility Fund – Recycled Water – pg. 78

- Operational Budget
 - \$9.7 million
- Page 125 – Capital Projects
 - Cooling Discharge for AWS - \$5.5 million
 - Lift #7 Rebuild - \$950,000
 - Evelyn Gravity Sewer Replacement-\$350,000
 - RWTP Chlorination to UV-\$1,500,000



Utility Fund – Water – pg. 81

- Operational Budget
 - \$10.1 million
- Page 122 – Capital Projects
 - AWS System Expansion (RWS) - \$3.0 million
 - Orchard Main Replacement - \$1.7 million
 - Well #6 Chlorination - \$700,000
 - Well #4 Controls - \$530,000
 - View Drive Booster Upgrade-\$1,020,000



Hermiston Energy Services – pg. 86

- Operational Budget
 - \$13.9 million
- Continuing Construction Work Plan
- Drought Conditions



Building Inspections – pg. 96

- Operational Budget
 - \$6.1 million
 - \$4.1 million in reserve for future expense
 - Working to fill Specialized Positions



EOTEC – pg. 99

- Total Budget – \$6.6 million
 - \$1.1 million Operations
 - \$5.5 million RV Park Construction



Hermiston Enterprise Zone – pg. 139

- Second year of AWS EZ payments
 - Only single campus
- Revenue
 - From Lamb Weston
 - From AWS



Hermiston Enterprise Zone – pg. 139

- First-time for ongoing EZ within City Limits
- Expenses
 - Internal Funds
 - City Hall
 - Civic Projects
 - NE Water Tower
 - Parks Reserve



Hermiston Enterprise Zone – pg. 139

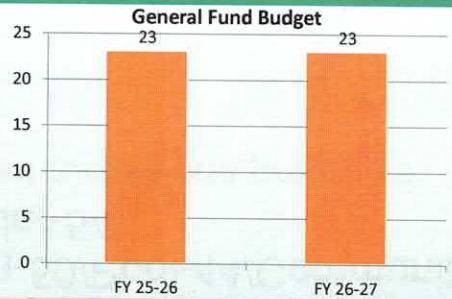
- External Payments
 - Umatilla County
 - UCFD#1
 - Stanfield School District
 - Hermiston School District
 - Blue Mountain Community College
 - Intermountain Educational Service District
 - Port of Umatilla
 - Umatilla/Morrow Radio Data District



HERMISTON General Fund- Pg. 25

• Compared to FY26

• Basically the same (\$35,887)



HERMISTON General Fund

• Why the Same?

- Returning the Library/Parks and Rec Staff
- Full staffing of the PD



HERMISTON General Fund

• Revenues

- Increased Franchise Fees from UEC
- 2nd Year of in lieu of Tax Revenue from EZ Fund
- Traffic Fines staying strong



HERMISTON General Fund

• City Manager/Legal – pg. 33

- Full year of safety/risk management position
- Computer replacements



 **General Fund**

- Court – pg. 59
 - **\$275,000 decrease due to elimination of misdemeanor prosecution**



 **General Fund**

- Police – pg. 63
 - **Anticipate fully staffed year**





DISCUSSION!

QUESTIONS?

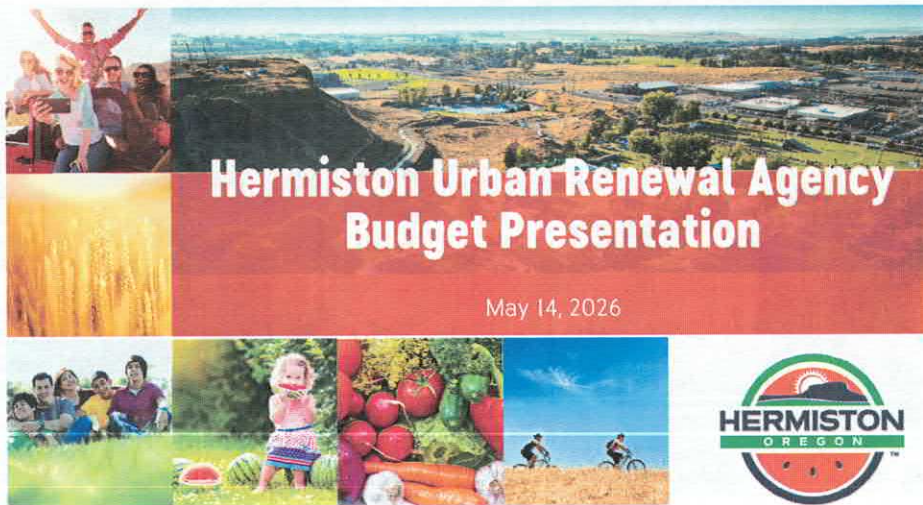
Thank You!

Where Life is Sweet™

Top Three Things


- **Charter Amendments**
- **Successful Leadership Transition**
- **Downtown Plan Update**



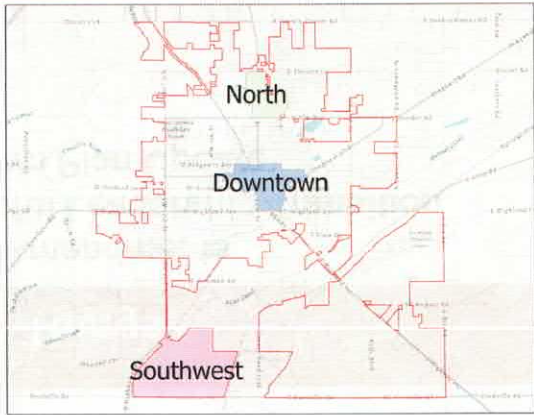


Hermiston Urban Renewal Agency Budget Presentation

May 14, 2026



Urban Renewal Areas

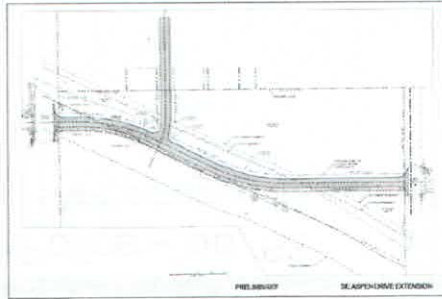


Urban Renewal Agency

- Manages three areas
- Operates through tax-increment financing
- Total budget of \$6,482,100 for all three areas



Urban Renewal Agency



- The North area is budgeted for \$5,815,000 for the construction of NE Aspen Ave construction
- Street right-of-way was accepted by city in May of 2026.
- City engineers are adjusting design to satisfy Bureau of Reclamation
- Bidding in winter 2026



Urban Renewal Agency

- The Downtown area is budgeted for \$621,000
- \$102,000 is budgeted for debt service covering loans for Festival Street and SE 2nd Street construction as well as the initial façade grant seed loan from the city
- \$60,000 continues in the façade grant budget
- \$3,000 is allocated for downtown landscaping and flowers
- \$449,800 is in contingency to build savings for future projects



Urban Renewal Agency



- The Southwest area has a \$2,100 budget
- No development has occurred but a small increase in assessed value is generating approximately \$1,000 in tax revenue
- Developer has decided not to pursue the residential project
- If a new residential project is proposed the infrastructure design work will recommence
- If a different user appears, such as an industrial project, district will terminate



Urban Renewal Agency

- The general fund is budgeted for \$44,000
- \$40,000 is proposed for work on revamping the Downtown urban renewal plan to reflect completed projects and consider new projects
- Budget document reflects transfers out of general fund to each district
- \$1,000 is reserved for legal publications for reporting compliance





CITY COUNCIL

Regular Meeting Minutes May 26, 2026

Mayor Primmer called the regular meeting to order at 7:00pm. Present were Councilors Hayward, Roberts, Myers, McCarthy (arrived at 7:50pm), 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, Assistant City Recorder Heather La Beau, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Citizen Input on Non-Agenda Items

None given.

Consent Agenda Items

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

- A. Committee Vacancy Announcements
- B. Appointment Confirmation for Kyleen Kosirog to the Budget Committee Position #6 ending December 31, 2029
- C. Appointment Confirmation for David Korb to the Airport Advisory Committee Position #2 ending October 31, 2029
- D. Appointment Recommendation for Ann Minton to the Budget Committee Position #6 ending December 31, 2029
- E. Right of Way Acceptance- E Jennie Ave.
- F. Minutes of the April 27, 2026 Public Safety Committee Meeting
- G. Minutes of the April 27th City Council & Urban Renewal Agency Work Session and Regular Meetings
- H. Minutes of the May 11, 2026 Solid Waste & Curbside Recycling Advisory Committee Meeting
- I. Minutes of the May 11, 2026 City Council Work Session & Regular Meetings

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

Items Removed from the Consent Agenda

No items were removed.

Public Hearing- Appeal of Planning Commission Decision- Henry K's Subdivision Phase 4 Preliminary Plat 4N2813 TL 210 1200 SE Columbia Dr- Hearing no conflicts of interest or ex parte contacts Mayor Primmer presented the hearing guidelines, Planning Director Clint Spencer confirmed that the entire file on this matter was physically before the City Council, and Mayor Primmer opened the hearing at 7:13pm.

Planning Director Spencer presented information from the agenda packet regarding the Hermiston Irrigation District filing an appeal of the Planning Commission's approval of the preliminary plat for Phase 4 of the Henry K's Subdivision specifically related to Condition #1.



CITY COUNCIL

Regular Meeting Minutes May 26, 2026

Public Testimony in Favor of Appeal

Marika Sitz, from Jordan Ramis, counsel for the Hermiston Irrigation District (HID) (appearing via Zoom) asked that the Council remand the Planning Commission decision and allow that new information to be reviewed and accepted. Ms. Sitz spoke regarding concerns impacting the A-Line Canal if development continues, HID did not know about the boundary change from HID to Stanfield Irrigation District (SID) and denies that the property in question is in fact in the SID's property boundary and would like additional time to find proof to dispute this claim, and stated the Planning Commission needs this correct and critical information to be added to the record. (Request for Remand Letter attached).

Public Testimony in Opposition to the Appeal

Tyler Brant representing Hermiston Home Works, Inc., asked the Council to uphold the Planning Commissions decision. Mr. Brant stated he believes HID's motivation to go through this process is to force him to pay for fencing and other unknown improvements, since his crews capped what appeared to be an unused underground pipe that was not shown on any infrastructure maps; a while later he was contacted by HID stating BMCC parking lot was flooding because the pipe had been capped, since then HID has been asking him to sign a Project Agreement with unknown conditions as the agreement has missing attachments and provisions that HID has refused to give him for review before he signs. After trying numerous times to obtain this information and have his questions answered by HID staff and the HID Board during Board meetings, he contacted attorney Wendi Kellington who discovered the property is in SID's boundary per the Umatilla County GIS System and therefore SID has the authority to sign off on the certification. SID also acknowledges that this is their property boundary as well.

Wendi Kellington, from Kellington Law Group, PC, counsel for Tyler Brant representing Hermiston Home Works, Inc., asked that the Council uphold the Planning Commission decision as the certification from Irrigation District's just acknowledges that the developer will not be using the irrigation districts water-nothing more. The reason HID is asking the Council to remand the Planning Commission decision is so that HID can try to force Mr. Brant into a development agreement to get extra things that they want and aren't entitled to, none of Mr. Brant's development will destroy HID's A-Line Canal as they have stated. HID and their attorney are asking for additional time to find proof that this property boundary is HID's and not SID's, however, they are gathering this information from the same sources that are confirming the property is in fact SID's, ie: Pioneer Title and Umatilla County Taxation and Assessment; yes, HID provides water to this property but that is all. HID was notified over two weeks prior to the Planning Commission meeting when information regarding the property being SID's was presented yet they chose not to attend the meeting in person or via Zoom. These proceedings are financially burdensome, and unfortunately these fees will be passed onto the costs associated with housing development making housing more expensive. Ms. Kellington asked the Council to uphold the Planning Commission decisions as if they don't it will be setting precedence that people don't have to take these meetings and hearings seriously. (Response to HID Request for Remand Letter attached).



CITY COUNCIL

Regular Meeting Minutes May 26, 2026

Councilors asked the following questions and were given responses to include:

- How the discrepancy in property boundaries happened and how long it would take HID to find the documents they are searching for.
 - Ms. Sitz and Karra Van Fossen, HID District Manager, stated property boundaries changed in 2003 by the Federal Government- however, HID did not keep records of these changes as they did not anticipate something like this could happen. HID's main concern is to make sure the facilities are protected and damage does not occur. HID does not believe it would take long as they are working with Pioneer Title and Umatilla County to find records confirming this as many records are in boxes and have not been scanned yet.

Mayor Primmer recognized the arrival of Councilor McCarthy at 7:50pm and Councilor McCarthy confirmed he did not have a conflict of interest or ex parte contacts.

- Why did HID not locate and provide this information prior- that this is HID's property boundary?
 - Ms. Sitz stated they did not know the applicant was going to provide information that the property boundary was SID and not HID and therefore did not prepare to provide this information. Ms. Sitz stated SID does not have any intention of providing water to this property and never has previously.

After additional questions were answered, Planning Director Spencer, after being asked by Mayor Primmer, spoke regarding how each plat was presented and approved by phase and not for the entire development and irrigation districts providing water to other properties/irrigation districts is common practice and confirmed that irrigation district water is not being used in this development.

Hearing no others who wished to provide testimony, Planning Director Spencer gave a staff summary stating he recommends the Council uphold the Planning Commission's recommendation and uphold their decision. If the Council would like to add conditions, staff would not oppose.

- Councilor McCarthy moved and Councilor Kelso seconded to close the hearing at 8:51pm. Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.
- Councilor Kelso moved and Councilor Barron seconded to affirm the Planning Commission's decision. Motion carried 7-1 with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor; and Councilor Linton voting against.
- Councilor McCarthy moved and Councilor Roberts seconded to direct the City Attorney to draft an Order consistent with this decision for adoption at the next meeting. Motion carried unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.

Resolution No. 2425- Rejecting the Recommendation to Rename E Airport Road

City Manager Smith stated this resolution confirms the Council's decision from the May 11th City Council meeting and public hearing, to not rename E Airport Road.



CITY COUNCIL

Regular Meeting Minutes May 26, 2026

Councilor Duron moved and Councilor Hayward seconded to approve Resolution No. 2425 and lay upon the record. Motion carried unanimously with Councilors Hayward, McCarthy, Roberts, Myers, Duron, Linton, Kelso, and Barron voting in favor.

Resolution No. 2426- Master Fee Schedule Including Garbage Rate and Franchise Fee Adjustments

Assistant City Manager Mark Morgan presented information (PowerPoint Presentation attached) found in the agenda packet specifically related to changes in the Garbage Rate as Sanitary Disposal requested a 5% rate increase. Sanitary Disposal has agreed to a 3.5% increase in exchange for reducing the City's portion of garbage revenue collection, known as the Franchise Fee, by 1.5% effective; if approved, this change would become effective July 1, 2026.

Assistant City Manager Morgan answered questions from the Council stating the City can expect to see small rate increases annually from Sanitary Disposal instead of larger increases periodically. Councilors asked if Sanitary Disposal can present future increases six months in advance and prior to Budget Committee meetings so this can be discussed as these increases are especially difficult for people on fixed incomes.

Public Comment

Virginia Rome-Garcia, City of Hermiston Resident- Asked if the Council knew that Sanitary Disposal charges an additional \$10.00 fee for leaving the garbage can lid open more than one inch and stated she does not know when this started but she is now making sure her can is completely closed and would like the Council to consider this and that this increase is difficult for people to pay as water and electricity rates have also increased.

Angela Pursell, City of Hermiston Resident- Stated there is an additional change for persons who can not close their lids all the way, but does believe that curbside recycling will help residents not incur additional actual garbage fees. Asked that the Council consider having all increases in July instead of spread throughout the year as it is easier for people to handle instead of hearing about various increases throughout the year.

After Assistant City Manager Morgan addressed further Council questions, Councilor Hayward moved and Councilor Roberts seconded to approve Resolution No. 2426 and lay upon the record. Motion carried 6-2 with Councilors Hayward, Roberts, Myers, Duron, Kelso, and Barron voting in favor; and Councilors McCarthy and Linton voting against.

Continuation of Meeting

City Manager Smith stated according to Council Rules, the Council must vote to continue or adjourn the Council meeting once the meeting has reached the hour of 9:30pm, which it is 9:18pm and there are additional items on the agenda that have yet to be heard.

Councilor Roberts moved and Councilor Linton seconded to continue the meeting for an additional hour. Motion carried unanimously with Councilors Hayward, McCarthy, Roberts, Myers, Duron, Linton, Kelso, and Barron voting in favor.



CITY COUNCIL

Regular Meeting Minutes May 26, 2026

Review, Discussion, and Next Steps of Charter Review Committee Results Including Term Limits

City Manager Byron Smith presented information (PowerPoint Presentation attached) and as provided in the agenda packet regarding previously presented Charter Review Committee recommendations and information regarding Term Limits that was inquired about when being presented this information previously.

After some discussion, Councilor McCarthy moved and Councilor Duron seconded to direct staff to prepare necessary documents to place the proposed Charter Amendments on the November 2026 ballot as presented with no term limits. Motion carried 7-1 with Councilors Hayward, McCarthy, Roberts, Myers, Duron, Kelso, and Barron voting in favor; Councilor Linton voted against.

April 2026 Monthly Financial Report

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

Committee Reports

Recreation Projects Fund Advisory Committee- Councilor McCarthy reminded the public that the application deadline is May 31st and the Committee plans to meet in June for review.

Airport Advisory Committee- Councilor Roberts gave updates regarding Life Flight's end of rental lease and discussion regarding a grass landing strip as many pilots prefer this.

Hispanic Advisory Committee- Councilor Kelso stated HAC welcomed their newest member Janziee Serrano and heard presentations from Good Shepard Health Care Systems, Oregon Rural Action, Kari Bazan from FFA regarding Agriculture and Immigrants in Oregon- stating she was an excellent speaker and did a great job, and also encouraged voter registration.

Vacancy Review Committee- Mayor Primmer stated the Committee has recommended appointments to many open positions.

Mayor's Report

Mayor Primmer spoke regarding:

- League of Oregon Cities Conference
- Armed Forces Day at the Rees Training Center
- Groundbreaking ceremony for Veterans Housing by the Umatilla County Housing Authority
- City Chat at Kopacz was not well attended and encouraged public participation

Council Presidents Report

Council President McCarthy spoke regarding the unofficial election results, thanked all those who ran, and congratulated victors.



CITY COUNCIL

Regular Meeting Minutes May 26, 2026

Council Reports

Councilor Barron thanked the public members of the Budget Committee for their dedication and preparedness.

Councilor Hayward thanked all those who participated in I Love My City Event that was very successful and asked property owners to look at their property for potential fire hazards and correct those issues.

Councilor Linton read comments (attached) into the record, thanked Captain Karen Primmer for her previously presented report and Mayor Primmer and Councilor Roberts for their professionalism and decorum. Councilor Linton spoke regarding the passive aggressiveness she has faced because she is thorough and reviews all financial department documents supplied and asks many questions. She is not a Councilor for any other reason but to represent the public as everyone has value.

Councilor Kelso spoke regarding the Cinco de Mayo Event at EOTEC, his participation in another Hermiston Police Department ride-a-long and how he is impressed by the professionalism and enthusiasm of PD staff along with Oregon State Patrol staff when he has also participated in ride-a-longs, I Love My City event – specifically the participants in the recycling area in which he volunteers were much more respectful and kinder than in years past which he and other volunteers really appreciate, Donkey Basketball at the High School, Juneteenth Holiday, HHS Scholarship Night with some of the best and brightest kids, and thanked the School District for everything they do for our youth.

Youth Advisory Report

None present.

City Manager's Report

City Manager Smith thanked City Staff and PAC West for their facilitation and design of a printed monthly newsletter for those individuals who are unable to access technology, and stated the next City Chat is scheduled for September 4th at the Food Pod from 11:30am to 1:30pm, the next scheduled City Chat will be held in the evening.

Adjourn

There was no other business and Mayor Primmer adjourned the regular City Council meeting at 10:00PM.

SIGNED:

Doug Primmer, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder



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 T (541) 550-7900
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May 22, 2026

VIA EMAIL ONLY

Clinton Spencer
 Planning Director
 Hermiston Planning Department
 180 NE 2nd St.
 Hermiston, OR 97838

Re: ***Request for Remand Following April 28, 2026 Notice of Appeal for Henry K's Phase 4 Subdivision Preliminary Plat Approval***
 Our File No. 52415-79110

Dear Mr. Spencer:

The purpose of this letter is to notify the Hermiston Planning Department ("Department") that Hermiston Irrigation District (the "District") will request that the Hermiston City Council ("Council") remand the Hermiston Planning Commission's ("Commission") decision to approve the amended conditions of approval for the Henry K's Phase 4 Subdivision Preliminary Plat ("Commission Decision") to the Commission for additional fact finding. For the reasons set forth in this letter, the evidentiary record that the Commission relied upon is deficient and should be appropriately supplemented to allow the Commission to evaluate all evidence regarding the location of the Henry K's Phase 4 subdivision, which will be located on a portion of 4N2813 Tax Lot 210 ("Phase 4 Property"), in relation to the District's boundaries.

A. Matter Background

As you know, the District submitted a Notice of Appeal on April 28, 2026 ("District Appeal") pursuant to 157.231 and 154.76 of the Hermiston City Code ("Code"). The District Appeal identified five documents that are directly relevant to the relationship between the Phase 4 Property and the District boundaries but were not included in the record before the Planning Commission. As further explained in this letter, the sole document that the Phase 4 Preliminary Plat applicant ("Applicant") relied upon to demonstrate to the Planning Commission that the Phase 4 Property is not within District boundaries is not legally sufficient and does not meet the substantial evidence standard.

In order to address the deficient record and avoid future proceedings before the Land Use Board of Appeals ("LUBA"), the District will request that the Council remand the Commission Decision to the Planning Commission pursuant to 157.231(4) of the Code.

B. District Interest

The District is a public, quasi-municipal entity that is charged with protecting its water supply and water supply systems on behalf of its patrons. Additionally, it is contractually obligated to protect

Clinton Spencer, Planning Director
 May 22, 2026
 Page 2

federal infrastructure owned by the U.S. Bureau of Reclamation. As relevant here, the District operates and maintains the A-Line Canal pursuant to a contract with the U.S. Bureau of Reclamation, and HID is obligated to protect the A-Line Canal from damage and to ensure the canal remains operational. The northern boundary of the Phase 4 Property receives water deliveries from the District under District water rights and is located less than 100 feet from the A-Line Canal.

In the course of managing District lands, the District must protect the public interest and public safety. Any actions the District takes to advance these goals are driven by the District's statutory obligations, not by profit or by other motivations unrelated to the District's legal and contractual obligations.

C. Incomplete Evidentiary Record

The evidentiary record that the Planning Commission relied upon to make the Commission Decision is deficient. For the reasons set forth below, the Council should remand the Planning Decision to the Planning Commission pursuant to 157.231(4) of the Code.

1. The evidentiary record is missing critical evidence.

In the District Appeal, the District identified five documents that provide evidence related to the District's boundary. Further, the District is continuing to review its own historic records and Umatilla County ("County") records to identify additional relevant documents. The Planning Commission must have the opportunity to review this evidence.

2. The GIS screenshot the Applicant relied upon is not legally sufficient.

To support its assertion that the Phase 4 Property is not within District boundaries, the Applicant relied on a single document on the record: a screenshot from the County online GIS mapping application ("GIS Screenshot").

However, the Applicant cropped out the disclaimer that appears on the bottom of the screen in the County's GIS mapping application, which states: "The Umatilla County Interactive Map is prepared for and intended for Assessment & Taxation purposes only. This map is NOT prepared nor is it suitable for determining property boundaries, legal documentation, or professional engineering/surveying work." ***The GIS Screenshot is not legally sufficient for boundary determinations, and this disclaimer must be included on the record for review by the Planning Commission.***

3. The Applicant's reliance on the title report is not sufficient and its characterization of the title report is erroneous.

In the Applicant's Response to Hermiston Irrigation District Objections, submitted April 15, 2026, ("Applicant Objection Response"), the Applicant referenced a "title report from Pioneer Title Company of Umatilla County dated March 21, 2024" that that purportedly states that the Phase 4 Property is within District boundaries ("Title Report"). However, the Applicant did not include a copy of the Title Report in its Applicant Objection Response, nor is the Title Report contained in the record that the Planning Commission reviewed.

Clinton Spencer, Planning Director
 May 22, 2026
 Page 3

Given that the Applicant failed to submit the Title Report and its attached documents for review by the Planning Commission, the Planning Commission could only rely upon the Applicant's representations regarding the implications of the Title Report for the District boundary question.

Further, in the Applicant's Response to the Notice of Appeal, dated May 19, 2026, the Applicant provides a screenshot from the Title Report showing that, at one point in time, Stanfield Irrigation District owned the Phase 4 Property and sold it to a third party subject to undefined reservations. The Applicant uses this screenshot to support its argument that the Phase 4 Property is within Stanfield Irrigation District boundaries. However, an irrigation district's reservation of rights on a property *does not* mean that the property is within the district's boundaries.

To the extent the Applicant relied on this logic in its Applicant Objection Response to assert that the Phase 4 Property is located within the boundaries of Stanfield Irrigation District, such an assertion is legally unsupportable.

D. Timing Considerations

The District understands that remanding the Commission Decision back to the Planning Commission may delay this process by a few weeks. However, the issue underlying the District Appeal is of critical importance to the District in the management of its state and federal public affairs. Therefore, it is imperative that the evidentiary record is supplemented as appropriate to remedy the deficiencies noted in this letter. Ultimately, a delay of weeks will be far less time and resource-intensive than a delay associated with future LUBA proceeding.

Please do not hesitate to reach out if you have any questions.

Sincerely,

JORDAN RAMIS PC



Marika E. Sitz
 Admitted in Oregon and Washington



Wendie L. Kellington
 P.O. Box 2209
 Lake Oswego Or
 97035

Phone (503) 636-0069
 Mobile (503) 804-0535
 Email: wk@klgpc.com

May 26, 2026

City Council of the City of Hermiston
 c/o City of Hermiston Planning Department
 180 NE 2nd Street
 Hermiston, OR 97838

Re: Henry K's Phase 4 Subdivision Preliminary Plat Approval — Response to Hermiston Irrigation District Request for Remand — 4N2813 Tax Lot 210

Dear Council President McCarthy and Councilmembers:

This firm represents Hermiston Home Works, Inc., the applicant for Henry K's Phase 4 Subdivision Preliminary Plat approval. Please include this letter in the record of the above matter. This letter responds to Hermiston Irrigation District's May 22, 2026 letter requesting that the City Council remand the Planning Commission's decision to the Planning Commission for additional fact finding. For the reasons below, the Council should deny HID's request for remand and affirm the Planning Commission's decision.

I. Summary

HID's request for remand does not identify a legal error in the Planning Commission's decision. Instead, HID asks for a second opportunity to submit documents it did not present to the Planning Commission, and even now says it is still searching for additional historic documents. That is not a proper basis for remand. Remand is for the correction of errors committed by the Planning Commission. The Planning Commission committed no error and HID does not identify any error.

Respectfully, the delay HID requests is unreasonable. This is an application for the development of housing. Under ORS 197A.400, the City may apply only clear and objective standards, conditions, and procedures. The question HID wishes to pursue is not based upon any clear and objective standard, procedure or condition. The applicant should be able to look at the Umatilla County GIS system and a title report, determine which irrigation district is the certifying entity under ORS 92.090(7), and then its land use conditions should require certification from that district. HID seeks to turn a clear and objective exercise into an impermissibly unclear one.

Further, under ORS 197A.400(b)(B), the City is not permitted to impose requirements or conditions that add unreasonable cost or delay to the development of housing. The application here is for the development of housing. If granted, HID's request would add unreasonable and wholly unnecessary time and cost to this application for the development of housing based on

speculation that some still-unidentified historic document may exist and may matter. That is exactly the type of uncertain and open-ended process ORS 197A.400 is intended to prevent and the kind of added cost and delay that is unreasonable.

HID is also mistaken in asserting that the Pioneer Title report was not included in the record below. It was. The applicant submitted and relied on the Pioneer Title materials before the Planning Commission, and those materials were discussed at the Planning Commission hearing. The Planning Commission also had Umatilla County GIS information and the applicant's testimony, all showing the same thing: the subject property is within Stanfield Irrigation District's boundary, not HID's.

HID has shown nothing, in or out of the record, that would change the outcome. None of HID's materials identifies an ORS Chapter 545 boundary order, inclusion order, recorded district-boundary document, or any other operative legal document placing the Phase 4 property within HID's boundaries. At most, HID's materials concern historic water delivery, water-right place of use, federal project service relationships, or proximity to HID facilities. Those things are not the same as irrigation-district boundaries and they do not make HID the certifying district under ORS 92.090(7).

If HID intends to appeal to LUBA on the theory that the property is in HID or that the City must require ORS 92.090(7) certification from HID – the wrong irrigation district, then HID is apparently going to do so regardless of what occurs on remand. Nothing HID has submitted, and nothing HID says it is still searching for, demands that the City require certification from the wrong irrigation district. Remand would therefore not avoid a LUBA appeal. It would only delay housing, increase applicant costs, and reward an appellant for failing to submit its evidence when the record was open.¹¹

II. HID's Request for Remand Is an Improper Attempt to Supplement the Record

HID's remand request is built on the premise that additional documents should be considered because HID did not submit them to the Planning Commission. HID says its appeal identified five documents "directly relevant" to the boundary issue that "were not included in the record before the Planning Commission." HID also says it is continuing to review historic HID and County records to identify additional documents.

¹ The applicant does not suggest that attorney-fee issues should distract the Council from deciding the merits of the local appeal. However, HID's threatened LUBA appeal should not be treated as a reason to remand where HID has identified no document, in or out of the record, showing that the Phase 4 property is within HID's boundaries. Under ORS 197.830(15)(b), LUBA may award attorney fees against a party who presents a position "without probable cause to believe the position was well-founded in law or on factually supported information." LUBA has stated that a position is presented without probable cause where "no reasonable lawyer would conclude that any of the legal points asserted on appeal possessed legal merit." *Contreras v. City of Philomath*, 32 Or LUBA 465, 469 (1996). Respectfully, an appeal asserting that the City must require ORS 92.090(7) certification from HID, despite the absence of any proper boundary document placing the property in HID and despite record evidence identifying SID and the certifying district, would raise serious questions under that standard.

Respectfully, that admission defeats HID's request. The issue is not that the Planning Commission ignored evidence. The issue is that HID did not submit the evidence it now wants considered.

The City Council appeal is on the Planning Commission record. HID cannot transform an on-the-record appeal into an open-ended evidentiary proceeding simply by asserting that it now wishes to submit more documents. Nor should the Council remand for the purpose of allowing HID to do indirectly what it cannot do directly on appeal.

It is respectfully submitted that remand is not appropriate where the alleged "deficiency" is caused by the appellant's own failure to timely submit evidence. HID's position would reward a wait-and-see strategy: submit a narrow objection below, see how the Planning Commission rules, and then ask for remand to build a broader evidentiary record after the fact. That is not how limited land use decision processes are supposed to work.

III. The Planning Commission Had Sufficient Evidence to Amend Condition 1

HID argues that the Planning Commission lacked sufficient evidence to determine that Condition 1 should refer to SID rather than HID. That argument overstates both the legal issue and the evidentiary burden.

Condition 1 is not a general irrigation-facility-protection condition. It is the condition that implements ORS 92.090(7), which concerns certification from the irrigation district within whose boundaries the subdivision is located. The question before the Planning Commission was therefore narrow: for purposes of ORS 92.090(7), which irrigation district's certification is required before final plat approval?

The Planning Commission considered that question. Staff reviewed ORS 92.090(7), explained that the property was not within HID's boundary and was instead within SID's boundary, and recommended amending Condition 1 to require SID certification. The applicant also explained that Pioneer Title materials and Umatilla County GIS information showed the property within SID, not HID.

Based on that record, the Planning Commission amended Condition 1 to require certification from SID before final plat approval. The motion approving the amended condition expressly changed Condition 1 to require Stanfield Irrigation District certification. That was a reasonable decision based on the record before the Planning Commission. HID does not really claim otherwise. HID's disagreement with the evidence or wish it showed something else, does not make the evidence legally insufficient. Nor does HID's desire to submit additional materials after the hearing make the Planning Commission's decision unsupported.

IV. HID's Pioneer Title Argument Is Factually Mistaken and Legally Immaterial

HID's May 22, 2026 letter asserts that the Pioneer Title report was not in the Planning Commission record. That is incorrect. The Pioneer Title materials were included in the record below and were relied upon before the Planning Commission.

But even if HID were correct about that point, which it is not, HID's argument still would not justify remand. HID does not identify any competing legally operative boundary document showing that the property is within HID. HID instead attacks the weight of evidence showing SID is the ORS 92.090(7) certifying district and then asks for more time to search for evidence that might support HID playing that role. That is not substantial evidence of HID boundaries. It is speculation.

Nor is the applicant's position that a deed reservation alone, in isolation, redraws irrigation-district boundaries. The point is much simpler: the record contains evidence identifying SID, not HID, as the relevant irrigation district, and HID has produced no operative boundary document showing otherwise. HID's water delivery, water-right, assessment, and federal-project arguments do not answer the ORS 92.090(7) boundary question.

V. HID's GIS Disclaimer Argument Does Not Support Remand

HID argues that the applicant's GIS screenshot omitted the County's disclaimer stating that the map is for assessment and taxation purposes and is not suitable for determining property boundaries, legal documentation, or surveying work. Regardless of that disclaimer, it certainly does not prove that the Planning Commission erred. If a document is for assessment and taxation purposes, it better be right.

Moreover, the disclaimer at most bears on the weight of the GIS evidence.; it does not establish that the subject property is within HID's boundary. It does not supply an ORS Chapter 545 boundary order, inclusion order, recorded district-boundary document, or other operative evidence placing the subject property within HID. It also does not defeat the other record evidence and testimony that identified SID as the relevant district.

At most, HID's disclaimer argument says that one piece of evidence should not be treated as conclusive. But the Planning Commission was not required to treat the GIS material as conclusive. It was entitled to consider the record as a whole, including staff's analysis, the applicant's testimony, the Pioneer Title materials, and the absence of any timely-submitted HID boundary document showing that the subject property is within HID.

VI. HID Still Confuses Water Delivery and Facility Concerns with ORS 92.090(7) Boundary Certification

HID emphasizes that it operates the A-Line Canal, has obligations to protect federal infrastructure, delivers water to the northern boundary of the property, and has public-safety

concerns. The applicant does not dispute that HID may have legitimate operational interests in the A-Line Canal. And nothing suggests that anything the applicant will do, will harm that interest.

But those interests do not make HID the ORS 92.090(7) certifying district – which is HID’s issue. ORS 92.090(7) turns on whether the subdivision is located within the boundaries of an irrigation district. It does not turn on whether a district delivers water nearby, operates infrastructure nearby, has a federal contract, or has concerns about drainage. Those issues may be relevant to engineering coordination, civil drawings, public works standards, or separate legal relationships. They do not justify rewriting Condition 1 to require certification from a district whose boundaries do not include the subdivision.

The Planning Commission and staff understood that distinction. Staff explained that stormwater and drainage issues would be addressed through the civil design process, that the applicant’s stormwater design must comply with City standards, and that Condition 11 addressed wetland-related requirements. The Planning Commission also amended the findings to make clear that civil details, including storm drainage facilities, were waived at the preliminary plat stage but required at the civil drawing/final plat stage.

That is the correct procedural path. HID’s canal-protection concerns do not require remand, and they do not authorize HID to become the ORS 92.090(7) certifying district for property outside HID’s boundaries.

VII. Remand Would Add Unreasonable Delay and Cost Contrary to ORS 197A.400

HID argues that remand would cause only “a few weeks” of delay and might avoid a LUBA appeal. That is not a legal basis for remand. It is also not accurate in any practical sense. A remand would add delay, professional costs, engineering/legal coordination costs, carrying costs, and procedural uncertainty to a housing application. ORS 197A.400 does not permit an open-ended process driven by unclear, uncodified, and non-objective concerns. HID’s remand request is based on precisely that type of uncertainty: it asks the City to delay a housing approval while HID continues searching historic files for documents that may or may not exist and that HID has not shown would matter even if located.

The City should not delay housing based on speculation. HID has already submitted the materials it says support its position. Those materials do not show that the property is in HID’s boundary. They do not require HID certification under ORS 92.090(7). They do not undermine the Planning Commission’s decision to require SID certification. And they do not establish any basis to remand.

If HID appeals, it will apparently do so regardless of remand. The Council should not impose delay and cost on the applicant merely to give HID another opportunity to search for a legal theory and documents it did not timely present.

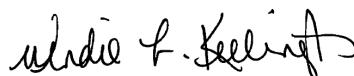
VIII. Conclusion

It is respectfully submitted that HID's May 22, 2026, request should be denied. HID has not shown that the Planning Commission erred. HID has shown only that it wants the Planning Commission to review documents HID failed to submit before the Planning Commission acted, and that it wants more time to look for still more documents.

The Council should affirm the Planning Commission's decision and retain Condition 1 as amended to require certification from Stanfield Irrigation District under ORS 92.090(7). If the Council wishes to add a redundant condition expressly requiring compliance with the City's public works stormwater standards, the applicant does not object. Perhaps that will resolve HID's concern. But the Council should not remand the decision, reopen the evidentiary record, or revise Condition 1 to name HID, the wrong irrigation district.

Thank you for your consideration.

Very truly yours,



Wendie L. Kellington

WLK:wlk
CC: Clients

Res 2426- Garbage Rates

City Council: May 26, 2026

Resolution 2426

- Increases Garbage Rates by 3.5%
- Reduces Franchise/Billing Fee from 15% to 13.5%



Timeline

- March, 2024: Current Garbage Rates Approved
- November, 2025: Rates adopted for State-Mandated Recycling
- April, 2026: Request for 5% Garbage Increase



Franchise Fee & Billing

- City Currently Receives 15% of all Garbage Revenue
 - 12%: **Billing Fee (staff, postage, etc.)**
 - 3%: **Franchise Fee**



HERMISTON Franchise Fee & Billing

- City Currently Receives 15% of all Garbage Revenue
 - 12%: Billing Fee (staff, postage, etc.)
 - 3%: Franchise Fee
- Prior to February, 2023 (13.5%)
 - 11% Billing Fee
 - 2.5%: Franchise Fee



HERMISTON Recommendation

- Dial-Back Franchise & Billing Fees to 13.5%
- Data Center Industry Growth Allows
 - Offset impact of latest rate request
 - Right-Size Revenues
 - Preserve Future Flexibility



HERMISTON Timeline

- May 11, 2026: Solid Waste Committee
 - **Recommends**
 - 3.5% Rate Increase
 - Dial-Back Billing/Franchise Fee
- July 1, 2026: New Rates Take Effect



HERMISTON City "Eats" 1.5% of Increase?

- Projected Franchise Fee Revenue Loss: ~\$65,000
- Projected FF New Revenue from Recycling: ~\$65,000
- Projected Net-Zero Fiscal Impact to City.





Fiscal Information

- 35 Gallon Garbage: \$0.61/month Increase
- 90 Gallon Garbage: \$1.02/month Increase



Fiscal Information

- CPI Inflation since March, 2024: 6.62% (3.18% annualized)
- Proposed Increase 3.5% = 1.62% (annualized)
- Social Security Payments Since 2024: +5.37% (2.69% annualized)
- Umatilla County Avg. Wage Since 2024: +7.7% (3.85% annualized)



QUESTIONS?

Where Life is Sweet™



City Charter Follow-up

May 26, 2026



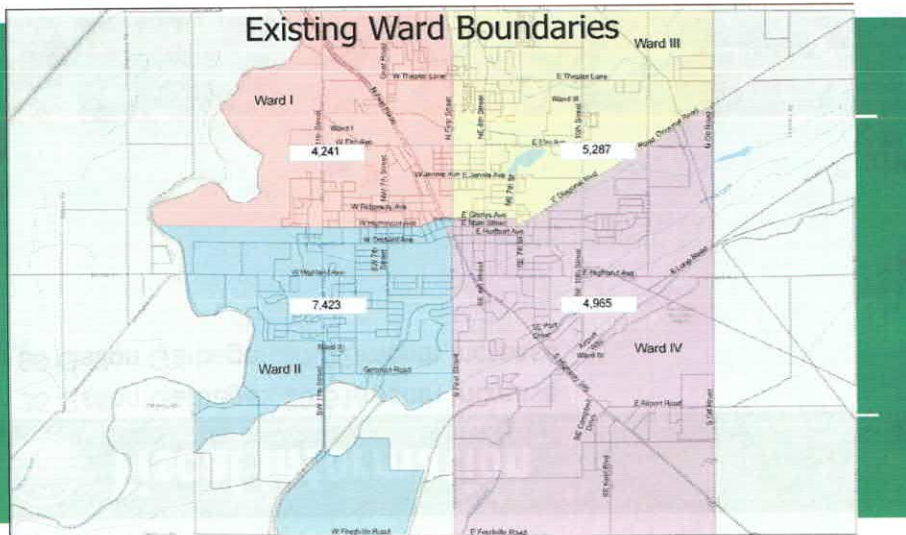
Outline

- Quick Review Proposed Changes
- Discuss Term Limits Research
- Possible Action on Ballot Referral



Recommended Changes

- **Elections**
 - Redraw City Council Ward boundaries
 - Ward councilors elected by voters in the individual wards
- **Elected Official Roles**
 - Changing to an appointed municipal court judge
 - Changing the selection of city council president to every year from every other year



Recommended Changes

- **City Manager Roles**
 - Allowing a newly hired city manager up to 12 months to move inside city limits
 - Clarifying day to day supervision of the city attorney lies with the city manager
- **Charter Maintenance**
 - Requires a review of the charter at least once every 10 years.
 - Makes various minor language changes to align the charter with the League of Oregon Cities Model Charter.





Term Limits

- Looked at 45 Oregon cities
 - Only three of these cities are smaller than 10,000
 - 10 have some form of term limits
 - Various forms



COMMENTS/QUESTIONS??

Where Life is Sweet



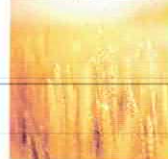
Next Steps

- Include some Term Limit language
- Refer committee recommendations to ballot (+term limits/not)



Monthly Financial Report

May 26, 2026



Hermiston Urban Renewal Agency (HURA)

- Hermiston URA
 - **83% through current fiscal year**
 - **Property tax receipts - 100%+**
- North Hermiston Urban Renewal Area – ROW acquisition complete, design finalizing, bidding anticipated fall/winter 2026.



General Fund

- Tenth month (or 83.0%) of 2025-26 fiscal year
- Monthly Revenues ended over projection by ~\$1.7 million
 - **Primarily due to receipt of property taxes and franchise fees**
 - **Received 100% of budgeted property taxes**



General Fund

- Monthly Expenses were under projection by ~\$379k
 - **Several Departments are 'over' projected budget (City Council, Finance, Parks/Utility, Community Center, PS Center & Non-Departmental) and were further evaluated**
 - **City Council and Non-Departmental are over budget due to annual LOC membership and transfer to building inspection fund, respectively.**
 - **Public Safety Center over budget due to single time purchases for PD building renovation.**



Special Revenue Funds

- Observations:
 - **EOTEC**
 - **revenues reflect partial reimbursement from campground project**
 - **RV project underway**



Utility and Street Funds

• Observations

- Regional Water Fund ~\$174k under revenue projections and expenditures are ~\$291k under projection.



Capital Projects

• A number of projects in design:

- Geer/Harper Realignment – contract awarded, construction anticipated early summer
- NW 2nd Street Paving – anticipated construction through Fall
- RWS Backup Generators – purchase contract awarded, 2027 estimated install
- Aquifer Storage/Recovery – ASR testing has begun
- Orchard Water Line replacement – project anticipated Summer through Fall
- Well #6 Chlorination Structure – contract awarded, construction through 2026
- Dogwood Street – contract awarded, construction anticipated summer through fall 2026
- SE 10th Street Bridge – design proceeding, anticipated construction during winter '26-'27 during off-season
- E. Evelyn Avenue gravity sewer line – contract awarded, anticipated summer construction
- Lift Station #7 Rebuild – bid package released, construction anticipated summer/fall


• TBD (budgeted and part of CIP):

- Well #4 Controls – delays may require rescheduling project
- Lift Station #5 – design to begin



Capital Projects

- Sherman Park – Bid package in review
- Public Safety Center – Move-in complete, punch list items remaining

Discussion

Questions?

Where Life is Sweet™

Myrtle Thompson

The high school I went to had a pool. The walls were glass and slide opened for nice days if it was cold and rainy the doors were closed. It was a Olympic size pool. It was open year round. I can't believe a pool with metal and glass would be 20 million. Some one is gouging the system. Just my opinion.

May 25, 2026

To Whom it May Concern:

In regards to Councilor Linton, the failings in those opposing her are glaringly apparent. Her informed constituents both see through them, and see them for what they are: smear campaigners, being the most repugnant.

A handwritten signature in cursive script that reads "Susan Brooks". The signature is written in dark ink and is positioned to the right of the main text block.



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
June 8, 2026

Mayor Primmer called the regular meeting to order at 7:00pm. Present were Councilors Hayward, Roberts, Duron, Linton, Kelso, and Barron (arrived at 7:50pm). Councilors Myers and McCarthy were excused. 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, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Citizen Input on Non-Agenda Items

Karen Wilson, 2065 NE 6th St (email attached).

City Manager Smith stated the email was forwarded to City Council earlier today but does want to mention that the increase in her water bill, as mentioned in the email, is due to a significant increase in water usage.

Mayor Primmer thanked City Manager Smith for investigating the claim and giving Council the information.

Consent Agenda Items

Councilor Hayward moved and Councilor Roberts seconded to approve Consent Agenda items A-C, to include:

- A. Committee Vacancy Announcements
- B. Appointment Confirmation for Ann Minton to the Budget Committee Position #6 ending December 31, 2029
- C. Liquor License Application for Circle K located at 1430 N 1st Street

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

Items Removed from the Consent Agenda

No items were removed.

Public Hearing- 2026-27 Budget of the City of Hermiston (Resolutions 2429-2432)

Hearing no conflicts of interest City Manager Smith presented the hearing guidelines and Mayor Primmer opened the hearing at 7:04pm.

City Manager Smith presented information (PowerPoint Presentation attached), answered questions from the Council, and spoke regarding the Budget Committee meeting and their recommendation to the Council to adopt the proposed resolutions for the 2026-27 fiscal year budget.

Hearing no public testimony, Mayor Primmer closed the hearing at 7:24pm.



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
June 8, 2026

Resolutions Related to the adoption of FY 2026-27 City of Hermiston Budget

City Manager Smtih stated these resolutions to adopt the FY 2026-27 budget were discussed during the public hearing and provided in the agenda packet and briefly explained each one, as well as answered questions from the Council, specifically from Councilor Linton regarding employee longevity pay.

- **Resolution No. 2430- Declaring the City of Hermiston's Election to Receive State Revenues**
Councilor Hayward moved and Councilor Duron seconded to adopt Resolution No. 2430 and lay upon the record. Motion carried unanimously with Councilors Hayward, Roberts, Duron, Linton, and Kelso voting in favor.
- **Resolution No. 2430- Adopting the City of Hermiston's Budget, Make Appropriations, and Impose and Categorize Taxes for FY 2026-27-** Councilor Hayward moved and Councilor Roberts seconded to adopt Resolution No. 2430 and lay upon the record. Motion carried unanimously with Councilors Hayward, Roberts, Duron, Linton, and Kelso voting in favor.
- **Resolution No. 2431- Establishing Reserve Funds for the City of Hermiston for FY 2026-27**
Councilor Kelso moved and Councilor Duron seconded to adopt Resolution No.2431 and lay upon the record. Motion carried unanimously with Councilors Hayward, Roberts, Duron, Linton, and Kelso voting in favor.
- **Resolution No. 2432- Establishing City Compensation Plan for the City of Hermiston for FY 2026-27-** Councilor Hayward moved and Councilor Kelso seconded to adopt Resolution No. 2432 and lay upon the record. Motion carried unanimously with Councilors Hayward, Roberts, Duron, Linton, and Kelso voting in favor.

Resolution No. 2427- Initiate LID for E Jennie Ave

Assistant City Manager Mark Morgan presented information (PowerPoint Presentation attached) regarding seeking an engineering report to consider forming a Local Improvement District (LID) for street improvements on E Jennie Ave between NE 8th and NE 10th, as described in the staff report.

(Councilor Hayward left the Council Chambers at 7:34pm and returned at 7:35pm)

After staff answered questions from the Council, Councilor Hayward moved and Councilor Duron seconded to approve Resolution No. 2427 and lay upon the record. Motion carried 4-1 with Councilors Hayward, Roberts, Duron, and Kelso voting in favor; and Councilor Linton voting against.

Resolution No. 2428- Declare Intent to Form LID for E Jennie Ave

Assistant City Manager Mark Morgan presented information (PowerPoint Presentation attached) regarding allowing the City to set a public hearing date to consider whether to form the Local LID or not.

(Councilor Barron arrived at 7:50pm)



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
June 8, 2026

Public Comment

Tyler and Tara Bendixsen, owners of 992 E Jennie Ave (email attached).

City Manager Smith stated this email was forwarded to Council when it was received.

Assistant City Manager Morgan answered Council questions stating all impacted property owners have non-remonstrance agreements and the City Council may choose to extend the 10-year City loan repayment for property owners who wish to take advantage of the option instead of paying in full. Councilor McCarthy moved and Councilor Hayward seconded to approve Resolution No. 2428 and lay upon the record. Motion carried 5-1 with Councilors Hayward, Roberts, Duron, Kelso, and Barron voting in favor; and Councilor Linton voting against.

Order No. 2026-1- Affirming the Decision of the Planning Commission in Henry K's Subdivision Phase 4 Preliminary Plat 4N2813 TL 210, 1200 SE Columbia Drive- City Manager Smith stated at the May 26th City Council meeting, the Council voted to affirm the Planning Commissions decision, this order is to confirm this action.

Planning Director Spencer answered Councilor Barron's question stating, if approved, the Hermiston Irrigation District has 21 days to appeal this decision to the State Land Board of Appeals. Councilor Roberts moved and Councilor Hayward seconded to approve Order No. 2026-1. Motion carried 5-1 with Councilors Hayward, Roberts, Duron, Kelso, and Barron voting in favor; and Councilor Linton voting against.

Committee Reports

Airport Advisory Committee- Councilor Roberts gave updates regarding Life Flight, fuel sales in Oregon continue to be less expensive than Washington which is increasing fuel sales at HMA, continued discussion and research into a grass landing strip, Amateur Radio Emergency Services Club will help fill gaps in services in case the Oregon Disaster Response Team needs assistance- in case of an emergency, discussion of a 500ft runway extension planned for 2031, and reminded the public that HMA is not a commercial airport- please do not fall victim of scammers instructing you to send them money and then telling you that Willy Nelson or a \$30,000 ring will be flying into HMA for you.

Mayor's Report

Mayor Primmer spoke regarding:

- Congratulated Hermiston High School and all area graduates
- Thanked the Hermiston High School Metal Shop Class for their construction of the new metal Bridge at Belt Park, and gave special thanks to Mr. Wright, who was also present and originally constructed the wood bridge during his time as a boy scout
- Manager/Mayor regular meeting
- Upcoming CarTunes Music Festival
- Veterans Stand Down event on June 13th at Wildhorse Resort & Casino
- Flag Day
- Juneteenth Holiday



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
June 8, 2026

Council Presidents Report

Not present.

Council Reports

Councilor Linton asked if the City would be testing the Columbia River Water due to the chemical explosion in Washington and if City Council meeting minutes were available for public view.

Councilor Kelso responded that the explosion happened in Longview Washington which is downriver. City Recorder Alarcon-Strong stated the last several years of City Council Minutes are available online, however all other minutes are in archive and would have to be retrieved with a public records request.

City Manager Smith stated the new Records Clerk position, that was funded in the budget and part of Council Goals, will begin scanning in paper documents to have those items readily available to the public online.

Councilor Hayward asked the community to be cognizant of fire during the dry weather and ground conditions especially during the 4th of July Holiday.

Councilor Kelso spoke regarding the Good Shepherd Community Health Foundation Annual Golf Fundraiser, Parks and Recreations Birdies & Beyond Youth Golf Camp Event in conjunction with Kiwanis, and congratulated the Hermiston School District and its Finance Department for its 20th consecutive award for financial reporting excellence.

Councilor Duron congratulated, by name, the 2026 graduates of City Staff and spoke regarding the June 18th OLLG Conference at the Harkenrider Senior Center, and the June 26th LOC Board Meeting in La Pine.

Councilor Barron thanked City staff and administration for prioritizing and implementing beautification standards throughout the City to make our community look better.

Councilor Linton thanked those who donated diapers and formula to those in need at the I Love My City event.

Youth Advisory Report

None present.

City Manager's Report

None given.

Adjourn City Council Meeting and Convene Hermiston Urban Renewal Agency (HURA) Meeting

At 8:18pm Mayor Primmer adjourned the City Council Meeting as there was no other business and convened the Urban Renewal Agency Meeting.



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
June 8, 2026

Public Hearing- HURA 2026-27 Fiscal Budget (HURA Resolution 26)

Hearing no conflicts of interest from the members, City Manager Smith read the hearing guidelines and Chair Primmer opened the hearing at 8:19pm. City Manager Smith gave information regarding the Budget Committee meeting held and their recommendation to the Agency to adopt proposed Resolution No. 26 for the 2026-27 fiscal year budget.

There was no one present who wished to give public testimony and the hearing was closed at 8:21pm.

HURA Resolution No. 26- Adopting the FY 2026-2027 Budget for the Hermiston Urban Renewal Agency

City Manager Smith stated this resolution was discussed during the public hearing and information was provided in the agenda packet.

Member Kelso moved and Member Hayward seconded to adopt HURA Resolution No. 26 and lay upon the record. Motion carried unanimously with Members Hayward, Roberts, Duron, Linton, Kelso, and Barron voting in favor.

Adjourn Urban Renewal Agency Meeting

Chair Primmer adjourned the HURA meeting at 8:28pm as there was no other HURA business.

SIGNED:

Doug Primmer, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder

From:
To: [City of Hermiston Meetings](#)
Date: Sunday, June 7, 2026 11:20:37 AM

[EXTERNAL EMAIL] - STOP and VERIFY - This message came from outside of the City of Hermiston

Karen Wilson
2065 NE 6th St
Hermiston, Oregon 97838

I hope this message gets to the right eyes to see. I will make this short and I don't know if it will be sweet. If you guys keep going up on the water bill my grass will become dirt. Because we all know it doesn't rain in Hermiston. My bill went from 150 to 235 and we are not using anymore water then we did last month. So if it's going up again let me know, because two people will not have my business anymore, the lawn guy and the people who spray my grass.

Thank you,

Karen Wilson



2026-27 City Council Budget

June 8, 2026



Agenda

- Budget Overview
- Enterprise Funds
- General Fund
- Discussion/Questions
- Tonight's Resolutions



HERMISTON OREGON Budget Overview

- City of Hermiston is a conglomerate.
 - **Overarching company with very diverse lines of business**
 - Police Department
 - Library
 - Wastewater Department
 - **Berkshire-Hathaway is a prominent private sector example**
 - Dairy Queen
 - BNSF



HERMISTON OREGON Budget Overview

Basic Assumptions

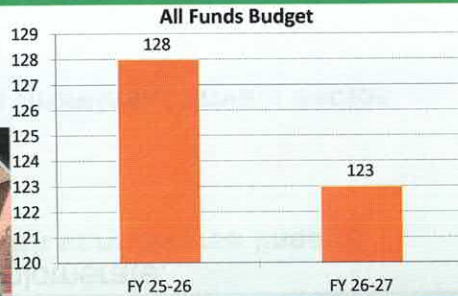
- Based on Vision, Values and Goals
- Contains a 3.0% wage increase for all employees
- Contains 2.16% PERS rates changes
- Property and Liability insurance increased ~4%
- Health insurance rates will increase 1/1/27 by ~27%
- Costs for Longevity Pay/401a Plan





Budget Overview

- All funds budget down 4%.
- Building Fund Creation Completed
- Capital Project Completion



Budget Overview

- Proposed Staffing Changes
 - Funding the frozen positions in Library and Parks and Rec
 - Adding a ¾ time records clerk position in Admin
 - Adding a position in each Water and Recycled Water



IT Fund

- Operational Budget
 - \$1.7 million
 - \$1.2 million from customers
 - \$280,000 from City of Hermiston
 - 7 employees currently
 - One additional employee proposed if additional customers sign-on



Street Fund

- Operational Budget
 - \$2.9 million
- Capital Projects
 - Geer/Harper Construction-\$1.7 million
 - SE 10th Culvert-\$500,000



Utility Fund – Recycled Water

- Operational Budget
 - \$9.7 million
- Capital Projects
 - Cooling Discharge for AWS - \$5.5 million
 - Lift #7 Rebuild - \$950,000
 - Evelyn Gravity Sewer Replacement-\$350,000
 - RWTP Chlorination to UV-\$1,500,000



Utility Fund – Water

- Operational Budget
 - \$10.1 million
- Capital Projects
 - AWS System Expansion (RWS) - \$3.0 million
 - Orchard Main Replacement - \$1.7 million
 - Well #6 Chlorination - \$700,000
 - Well #4 Controls - \$530,000
 - View Drive Booster Upgrade-\$1,020,000



Hermiston Energy Services

- Operational Budget
 - \$13.9 million
- Continuing Construction Work Plan
- Drought Conditions



Building Inspections

- Operational Budget
 - \$6.1 million
 - \$4.1 million in reserve for future expense



EOTEC

- Total Budget – \$6.6 million
 - \$1.1 million Operations
 - \$5.5 million RV Park Construction



Hermiston Enterprise Zone

- Second year of AWS EZ payments
 - Only single campus
- Revenue
 - Lamb Weston
 - AWS



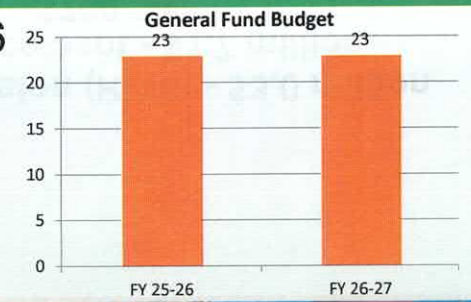
Hermiston Enterprise Zone

- Expenses
 - Internal Funds
 - City Hall
 - Civic Projects
 - NE Water Tower
 - Parks Reserve
 - External Payments
 - Umatilla County
 - UCFD#1
 - Every Taxing District impacting that property



General Fund

- Compared to FY26
 - Basically the same (\$35,887)





DISCUSSION!
QUESTIONS?

Where Life is Sweet™

Tonight's Budget Resolutions

- **Resolution 2429**
 - Election to Receive State Revenues
- **Resolution 2430**
 - Budget Adoption and Imposition of Property Tax
- **Resolution 2431**
 - Establishing Reserve Funds
- **Resolution 2432**
 - Establishing City Compensation Plan



Discussion!
Questions?

Where Life is Sweet™



Res 2427- Initiate LID: Jennie

City Council: June 8, 2026





Resolution 2427

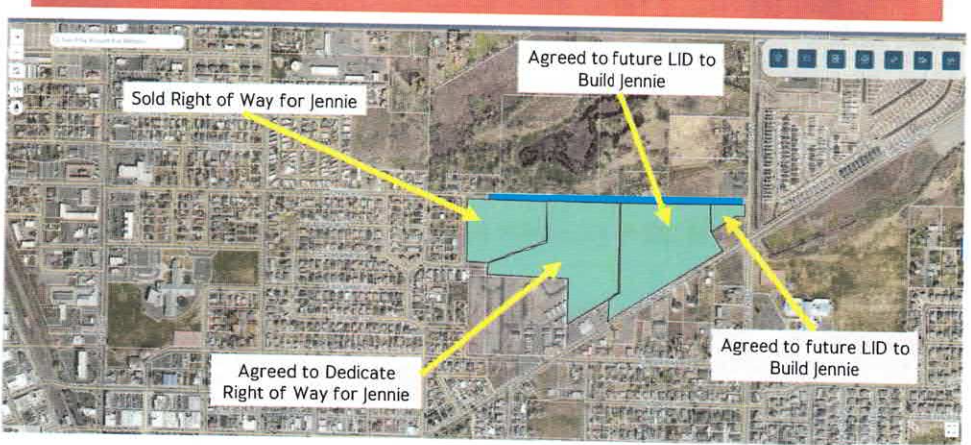
- Calls for Engineering Report
- Most relevant questions have no answer until engineering report complete



HERMISTON **Dispersing Traffic**



HERMISTON **Preparing for Jennie**



HERMISTON **Local Improvement District (LID)**

- Financing Tool for Infrastructure
- City Constructs Improvement (i.e. road)
- Adjacent Properties Levied for Proportional Cost
- City of Hermiston Initiated 322 LIDs to-date



HERMISTON **LID Process**

- Step 1. City Council Requests Report
 - Defines Scope of Project
 - Estimates Costs
 - Establishes Method to Assign Cost (i.e. frontage)
 - Identifies Benefitting Properties & Their Share of Cost





LID Process

- Step 2. City Council Accepts Report & Sets Hearing Date
 - Sets Future Date for Hearing on LID
 - Begins Official notice



LID Process

- Step 3. Public Hearing
 - Properties may formally "remonstrate"
 - "More than 60%" remonstrances may block LID formation



LID Process

- Step 4. Establish LID
 - City Council creates LID



LID Process

- Step 5. Construction
 - City constructs improvements according to LID scope



HERMISTON LID Process

- Step 6. Cost Reconciliation
 - LID Formula Recalibrated Based on actual costs
 - Actual costs may be more or less than estimate



HERMISTON LID Process

- Step 7. Properties Assessed
 - Owners May choose two options
 - Pay Assessment upfront
 - Pay over 10 years
 - Lien on Property
 - City's best interest rate available



HERMISTON What Step are We?

- Resolution 2427: Step 1- Call for a Report
- No Financial Obligation to Property Owners.



HERMISTON

QUESTIONS?

Where Life is Sweet™

Res 2428- Intent to Form LID

City Council: June 8, 2026

Resolution 2428: Step 2

- Resolution 2427: Step 1- Call for a Report
- Resolution 2428: Step 2- Declare Intent to Form LID
 - **Established Hearing Date: July 27, 2026**
 - **Notices & Information Mailed to Property Owners Upon Adoption**

Scope

- Street & Sidewalk
- NE 8th to NE 10th
- Southern Half, Plus 10'

Scope

- Sidewalk along south side
- Build North to Center-Line; plus 10'
- Remainder to North to be built by others in future

HERMISTON **Fiscal**

- Total Cost Estimate: \$1,206,000
- City Taxpayer Recommended Contribution: \$293,000
 - 10' north of Centerline
 - Recognizes benefit to general motoring-public

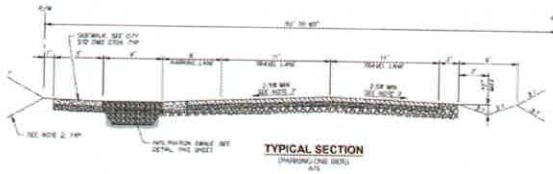


HERMISTON **Res. 2428**

- If Approved
 - July 27 Public Hearing
 - Notice Mailed to all 5 Properties
 - Does NOT Create LID



HERMISTON **Questions?**



From:
To: [City of Hermiston Meetings](#)
Subject: 6.8.26 City Council Meeting
Date: Monday, June 8, 2026 6:31:48 PM

[EXTERNAL EMAIL] - STOP and VERIFY - This message came from outside of the City of Hermiston

Dear Hermiston City Council Members,

We, Tyler and Tara Bendixsen, are the owners of 992 E Jennie Ave, Hermiston, OR 97838 or tax lot 4N2811AD00101.

We are writing to express opposition to the proposed Local Improvement District currently being considered by the council. We understand the importance of maintaining and improving public infrastructure; however, we do not believe this proposal is in the best interest of all impacted property owners. As the owners of the parcel with the lowest assessed fair market value, the estimated cost as it currently stands presents an extreme financial burden. According to the preliminary estimates the portion we would be financially responsible for far exceeds the current fair market value.

We are also concerned about whether the benefits of this project would be distributed fairly among those expected to pay for it. For instance, a neighboring property that is currently under development with a value in the millions is better able to absorb this cost than we as individuals. We are one of the few property owners that would see little direct benefit while still being required to absorb substantial costs. The costs involved would not improve the value of our property enough to make it marketable for resale.

For these reasons, we respectfully ask the city council to reject any further action regarding the formation of the proposed Local Improvement District.

Thank you for your consideration,
Tyler and Tara Bendixsen



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 22, 2026

Title/Subject

Adoption of Resolution No. 2433 – Renewal of IGA for IT Services with Cities of Milton-Freewater and Pilot Rock, Morrow County, and Umatilla Rural Fire Protection District and amendment to IGA for IT services with the City of Echo.

Summary and Background

The City entered into intergovernmental agreements with the Cities of Milton-Freewater and Pilot Rock and the Umatilla Rural Fire Protection District in 2023 for a three-year term of service and it is time to renew the IGA's for an additional three-year term. Morrow County entered into a one-year agreement in 2025 and it is time to renew. The City of Echo renewed their IGA in 2025 but have asked to amend the hours and consideration required.

Tie-In to Council Goals

N/A

Fiscal Information

Each entity but the City of Echo has maintained their number of service hours. Their hourly rates have only increased by the agreed upon inflationary increase.

The City of Echo is the only entity changing their hours. Initially, they had an on-call only contract. They have requested a monthly contract of 4 hours per month at \$130 per hour and \$6,240 per year.

Alternatives and Recommendation

Alternatives

1. Adopt Resolution No. 2433 and attached IGA without modification.
2. Adopt Resolution No. 2433 and attached IGA with minor modifications.
3. Direct staff to make major changes to Resolution No. 2433 and/or the attached IGA and return at a later date.

Recommended Action/Motion

Adopt Resolution No. 2433 and attached IGAs without modification.

Submitted By:

Richard Tovey

Byron Smith

RESOLUTION NO. 2433**A RESOLUTION AUTHORIZING THE RENEWAL OR AMENDMENT OF INTERGOVERNMENTAL AGREEMENTS WITH THE CITIES OF ECHO, MILTON-FREEWATER, AND PILOT ROCK, MORROW COUNTY, AND URFPD FOR THE CITY OF HERMISTON TO PROVIDE INFORMATION TECHNOLOGY SERVICES AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

WHEREAS, the City of Hermiston (City) has established a full-service internal Information Technology (IT) department; and

WHEREAS, the City has the means to provide ongoing IT services to additional agencies outside of the City; and

WHEREAS, the Cities of Milton-Freewater and Pilot Rock, Morrow County, and the Umatilla Rural Fire Protection District (URFPD) entered into Intergovernmental Agreements (the "Agreements") to receive ongoing IT services from the City for a term ending June 30, 2026; and

WHEREAS, the City and the Cities of Milton-Freewater and Pilot Rock, and the Umatilla Rural Fire Protection District (URFPD) have proposed to renew the Agreement, the renewal term to run until June 30, 2029; and

WHEREAS, the City and City of Echo entered into a renewal of IT services commencing on July 1, 2025 with the term ending June 30, 2028 have proposed to amend consideration term of the Agreement, leaving the renewal term to run until June 30, 2028; and

WHEREAS, the City and Morrow County have proposed to renew the Agreement, the renewal term to run until June 30, 2027; and

WHEREAS, City staff believe it is in the best interest of the City to approve and execute the Agreements as attached.

NOW, THEREFORE, THE CITY OF HERMISTON RESOLVES AS FOLLOWS:

1. That the Renewal of Intergovernmental Agreement for Ongoing Information Technology Services between the City of Hermiston and the cities of Milton-Freewater and Pilot Rock, Morrow County, and the Umatilla Rural Fire Protection District (URFPD) to provide ongoing IT services are hereby approved.
2. That the First Amendment to the Intergovernmental Agreement for Ongoing Information Technology Services between the City of Hermiston and the City of Echo is hereby approved.
3. That the City Manager is authorized to sign the Intergovernmental Agreements.

4. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 22nd day of June 2026.

SIGNED by the Mayor this 22nd day of June 2026.

Doug Primmer, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT FOR ONGOING INFORMATION TECHNOLOGY SERVICES

This First Amendment to Intergovernmental Agreement for Ongoing Information Technology Services ("Amendment") is made and entered into as of the last date signed below, ("Effective Date") by and between the City of Hermiston ("COH") and the City of Echo ("ECHO").

RECITALS

This Amendment is made with reference to the following facts and circumstances:

- A. COH and ECHO are parties to that certain Intergovernmental Agreement between the City of Hermiston and the City of Echo for Ongoing Information Technology Services originally commencing on July 1, 2022, and expiring on June 30, 2025 (the "Agreement") and a renewal of that agreement commencing on July 1, 2025, and expiring on June 30, 2028 (the "Renewal").
- B. The section titled "Consideration" describes the amount that ECHO will be charged monthly for IT service performed by COH.
- C. The parties wish to amend, pursuant to Section 17 of the Agreement, the Section titled "Consideration" of the Agreement to modify the compensation and billing structure for IT services provided by COH to ECHO.

TERMS AND CONDITIONS

Now therefore, in consideration of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree that the above recitals are made a part of this Amendment and otherwise do hereby agree as follows:

- 1. Consideration. The Section titled "Consideration" of the Agreement is hereby amended and restated in its entirety as follows:

Consideration. ECHO agrees to pay COH \$6240.00 per year for approximately 4 hours of IT service per month at \$130/hour beginning July 1, 2026. The fees referred in this section of this Agreement shall increase by three (3) % per year on July 1 of each year in which this Agreement is in effect, beginning July 1, 2027. ECHO will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for ECHO, ECHO agrees to reimburse COH for those costs. COH agrees to notify ECHO prior to purchasing anything over \$500 and to provide adequate documentation and invoice ECHO for the cost. In the event that there is a future change in the need for basic services by ECHO, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

2. **Miscellaneous.** As expressly amended and modified by this Amendment, the terms and provisions of the Agreement are hereby ratified and affirmed in their entirety. This Amendment may be amended only by an agreement in writing, signed by the City of Hermiston and the City of Echo. This Amendment shall be governed by and construed in accordance with the laws of Oregon, and without regard to any principles of conflict of laws. This Amendment may be signed in any number of Counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Any such Counterpart may be executed by facsimile or electronic transmission. This Amendment constitutes the entire agreement of with respect to the amendment of the Agreement, and all prior or contemporaneous agreements or communications between the parties on this matter are superseded in entirety by this Amendment.

IN WITNESS WHEREOF, the City of Hermiston and the City of Echo, by their respective duly authorized representatives, have executed this Amendment on the date shown below.

CITY OF ECHO

Signature: *Chad Ray* Title: Mayor
Name (print): Chad Ray Date: 6-9-26

CITY OF HERMISTON

Signature: _____ Title: _____
Name (print): _____ Date: _____

RENEWAL OF INTERGOVERNMENTAL AGREEMENT FOR ONGOING INFORMATION TECHNOLOGY SERVICES

This Renewal of Intergovernmental Agreement for Ongoing Information Technology Services (“Renewal”) is made and entered into as of the last date signed below, (“Effective Date”) by and between the City of Hermiston (“COH”) and the City of Milton-Freewater (“COM-F”).

RECITALS

This renewal is made with reference to the following facts and circumstances:

- A. COH and COM-F are parties to that certain Intergovernmental Agreement between the COH and COM-F for Ongoing Information Technology Services commencing on July 1, 2023, and expiring on June 30, 2026 (the “Agreement”).
- B. The Agreement provides that at the expiration of the above term that there is an optional three-year renewal option.
- C. The parties wish to renew the Agreement for a three-year term, with all terms and conditions of the original IGA not amended herein remaining in full force and effect.

TERMS AND CONDITIONS

Now therefore, the parties hereby agree that the above recitals are made a part of this Renewal and otherwise do hereby agree as follows:

1. Term. The paragraph titled “Term of Agreement” is hereby amended and restated in its entirety as follows:

Term of Agreement. This Agreement shall be for a term of three years commencing on July 1, 2026, and expiring on June 30, 2029. Upon expiration of that term, this Agreement shall automatically renew for successive one (1) year periods, unless either party provides written notice of non-renewal to the other party at least ninety (90) days prior to expiration of the then current term.

2. Consideration. The paragraph titled “Consideration” is hereby amended and restated in its entirety as follows:

Consideration. COM-F agrees to pay COH \$131.13 per hour for approximately sixteen (16) hours of IT service per week beginning July 1, 2026, for a total of \$109,101 per year. The fees referred to in this section of this Agreement shall increase by three percent (3%) per year during each subsequent year in which the Agreement is in effect, such increase to be effective as of each July 1. COM-F will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for

Attachment A: Statement of Work**Managed Help Desk**

- Monitor, triage and remediate IT issues submitted by COM-F staff
- Provide SLA agreement
- Ensure Help Desk solution is updated/patched and configured, adhering to best practices
- Train COM-F staff on process for submitting help requests

Managed Server and Infrastructure Support

- Monitor servers and infrastructure
- Configure for optimal performance
- Maintain updates/patches for hardware and software
- Ensure compliancy for licensing/usage

Managed Workstations/Laptops/Software

- Windows OS patch management
- Maintain hardware/firmware updates
- Maintain updates for standard add-on software (i.e. Adobe Reader, Java, etc.)
- Remote management/support
- Installation and configuration of any new hardware such as servers, PCs, printers, peripherals, etc.
- Installation and configuration of any new software such as MS Office, version upgrades, etc.

Active Directory

- Audit current AD environment
- Remediate issues
- Configure for best practices
- Review group policy

Expectations:

To ensure COH's ability to provide satisfaction to COM-F, the following provisions apply as appropriate to services contracted with COH. COH is pleased to offer a complete package of IT support services for COM-F. The IT support package is designed to handle all COM-F's technology-related needs. All servers, workstations, and other network devices and Microsoft Operating Systems are considered covered items that will be maintained or serviced.

What this service covers and includes:

Vendor Liaison: COH will act as COM-F's duly appointed representative and advocate. COH IT Team will diagnose problems and dispatch or contact third parties such as Internet service providers, hardware manufacturers, IT contractors, etc. when deemed necessary. The COH IT Team is not intended to replace third party/line-of-business applications support. COM-F agrees to refrain from interacting with third parties (except line-of-business application support) because it may result in misdirected activity and/or delay of resolution.

Best Interest: In the event of a failure or problem, remedial activities may commence prior to notifying COM-F of the problem. This will allow the COH IT Team the ability to begin problem resolution, open trouble tickets with other vendors, or dispatch personnel with replacement parts when deemed necessary. In doing so, COH is acting in COM-F's best interest to resolve the issue as quickly as possible. All efforts will be made to communicate any technology-related issues that arise to COM-F as soon as possible.

Administrative Access: It is imperative that COH IT Team maintain and control administrative access to the COM-F's network and be responsible for providing all other third parties with needed or requested access.

Approval of Hardware and Software: The COH IT Team will collaborate with COM-F's appointed staff to procure hardware and software. COH's role will be to research, evaluate and recommend with final approval coming from COM-F's designated IT liaison.

Advisory Role: To assist with proper planning and third-party services involving the network, telecommunications, data access, future growth or down-sizing, COM-F will involve the COH IT Team in such discussions as an advisor.

IT Policy and Procedure: The COH IT Team will work with COM-F's designated liaison to establish relevant IT policies and procedures based on best practices.

Support Tiers: The Help Desk will be the first point of contact for IT support requests and is considered Tier 1. Almost all support incidents begin in Tier 1, where the initial trouble ticket is created, the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated. Support incidents that cannot be resolved in Tier 1 immediately move to Tier 2 support. Generally, these are more complex support techniques on hardware/software issues that can be provided by more experienced support staff. Support incidents that cannot be resolved by Tier 2 support are escalated to Tier 3, where support is provided by the most qualified and experienced support staff who can collaborate with third party (vendor) support engineers to resolve the most complex issues.

Criminal Justice Information Systems Compliance: COH IT staff will maintain Criminal Justice Information Systems (CJIS) certifications for compliance in supporting law enforcement agencies and municipal court operations if applicable.

Service Level Agreements (SLAs):

SLA 1: Service not available (not able to work, network down, workstation not turning on, etc.) This is an instant contact scenario. Submitting Help Desk Ticket is not required and may not be available. Contact information will be provided to COM-F staff. Response time is immediate as possible.

SLA 2: Significant degradation in services (obvious slow network, internet, etc., but still functional). Submitting Help Desk Ticket required if possible. Depending on resources, impacted COM-F staff will be provided with contact information for COH IT Team and instructed on appropriate time for direct contact. COH IT Team response time is within two hours during normal business hours.

SLA 3: Limited degradation of service. This is impacting resources, but business process can continue. Submitting Help Desk Ticket required. COH IT Team response time is within four hours during normal business hours.

SLA 4: Slight service degradation. This is when an issue needs to be researched or resolved but is not having a significant impact on business process. Submitting Help Desk Ticket required. COH IT Team will respond within one business day.

SLA 5: After hours support will be available for critical widespread outages as needed by COM-F staff.

COM-F, COM-F agrees to reimburse COH for those costs. COH agrees to notify COM-F prior to purchasing anything over \$500 and to provide adequate documentation and invoice COM-F for the cost. In the event that there is a future change in the need for basic services by COM-F, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

- 3. Scope of Work. An updated Statement of Work is attached as Exhibit A.
- 4. Miscellaneous. As expressly amended and modified by this Renewal, the terms and provisions of the Agreement are hereby ratified and affirmed in their entirety. This Renewal may be amended only by an agreement in writing, signed by COH and COM-F. This Renewal shall be governed by and construed in accordance with the laws of Oregon, and without regard to any principles of conflict of laws. This Renewal may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Any such counterpart may be executed by facsimile or electronic transmission. This Renewal constitutes the entire agreement with respect to the renewal of the Agreement.

IN WITNESS WHEREOF, the City of Hermiston and the City of Milton-Freewater, by their respective duly authorized representatives, have executed this Renewal of Intergovernmental Agreement on the date shown below.

CITY OF MILTON-FREEWATER

Signature:  Title: Mayor

Name (print): Mike Odman Date: June 8, 2026

CITY OF HERMISTON

Signature: _____ Title: _____

Name (print): _____ Date: _____

RENEWAL OF INTERGOVERNMENTAL AGREEMENT FOR ONGOING INFORMATION TECHNOLOGY SERVICES

This Renewal of Intergovernmental Agreement for Ongoing Information Technology Services (“Renewal”) is made and entered into as of the last date signed below, (“Effective Date”) by and between the City of Hermiston (“COH”) and the City of Pilot Rock (“COPR”).

RECITALS

This renewal is made with reference to the following facts and circumstances:

- A. COH and COPR are parties to that certain Intergovernmental Agreement between the COH and COPR for Ongoing Information Technology Services commencing on July 1, 2023, and expiring on June 30, 2026 (the “Agreement”).
- B. The Agreement provides that at the expiration of the above term that there is an optional three-year renewal option.
- C. The parties wish to renew the Agreement for a three-year term, with all terms and conditions of the original IGA not amended herein remaining in full force and effect.

TERMS AND CONDITIONS

Now therefore, the parties hereby agree that the above recitals are made a part of this Renewal and otherwise do hereby agree as follows:

1. Term. The paragraph titled “Term of Agreement” is hereby amended and restated in its entirety as follows:

Term of Agreement. This Agreement shall be for a term of three years commencing on July 1, 2026, and expiring on June 30, 2029. Upon expiration of that term, this Agreement shall automatically renew for successive one (1) year periods, unless either party provides written notice of non-renewal to the other party at least ninety (90) days prior to expiration of the then current term.

2. Consideration. The paragraph titled “Consideration” is hereby amended and restated in its entirety as follows:

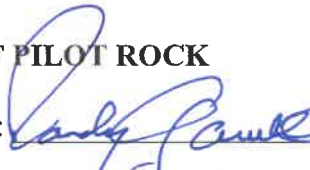
Consideration. COPR agrees to pay COH \$131.13 per hour for approximately eight (8) hours of IT service per month beginning July 1, 2026, for a total of \$12,589 per year. The fees referred to in this section of this Agreement shall increase by three percent (3%) per year during each subsequent year in which the Agreement is in effect, such increase to be effective as of each July 1. COPR will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for COPR, COPR agrees to reimburse COH for those costs. COH agrees to notify

COPR prior to purchasing anything over \$500 and to provide adequate documentation and invoice COPR for the cost. In the event that there is a future change in the need for basic services by COPR, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

- 3. Scope of Work. An updated Statement of Work is attached as Exhibit A.
- 4. Miscellaneous. As expressly amended and modified by this Renewal, the terms and provisions of the Agreement are hereby ratified and affirmed in their entirety. This Renewal may be amended only by an agreement in writing, signed by COH and COPR. This Renewal shall be governed by and construed in accordance with the laws of Oregon, and without regard to any principles of conflict of laws. This Renewal may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Any such counterpart may be executed by facsimile or electronic transmission. This Renewal constitutes the entire agreement with respect to the renewal of the Agreement.

IN WITNESS WHEREOF, the City of Hermiston and the City of Pilot Rock, by their respective duly authorized representatives, have executed this Renewal of Intergovernmental Agreement on the date shown below.

CITY OF PILOT ROCK

Signature:  Title: Mayor
 Name (print): Randy Gawith Date: 6/2/2026

CITY OF HERMISTON

Signature: _____ Title: _____
 Name (print): _____ Date: _____

Attachment A: Statement of Work

Managed Help Desk

- Monitor, triage and remediate IT issues submitted by COPR staff
- Provide SLA agreement
- Ensure Help Desk solution is updated/patched and configured, adhering to best practices
- Train COPR staff on process for submitting help requests

Managed Server and Infrastructure Support

- Monitor servers and infrastructure
- Configure for optimal performance
- Maintain updates/patches for hardware and software
- Ensure compliancy for licensing/usage

Managed Workstations/Laptops/Software

- Windows OS patch management
- Maintain hardware/firmware updates
- Maintain updates for standard add-on software (i.e. Adobe Reader, Java, etc.)
- Remote management/support
- Installation and configuration of any new hardware such as servers, PCs, printers, peripherals, etc.
- Installation and configuration of any new software such as MS Office, version upgrades, etc.

Active Directory

- Audit current AD environment
- Remediate issues
- Configure for best practices
- Review group policy

Expectations:

To ensure COH's ability to provide satisfaction to COPR, the following provisions apply as appropriate to services contracted with COH. COH is pleased to offer a complete package of IT support services for COPR. The IT support package is designed to handle all COPR's technology-related needs. All servers, workstations, and other network devices and Microsoft Operating Systems are considered covered items that will be maintained or serviced.

What this service covers and includes:

Vendor Liaison: COH will act as COPR's duly appointed representative and advocate. COH IT Team will diagnose problems and dispatch or contact third parties such as Internet service providers, hardware manufacturers, IT contractors, etc. when deemed necessary. The COH IT Team is not intended to replace third party/line-of-business applications support. COPR agrees to refrain from interacting with third parties (except line-of-business application support) because it may result in misdirected activity and/or delay of resolution.

Best Interest: In the event of a failure or problem, remedial activities may commence prior to notifying COPR of the problem. This will allow the COH IT Team the ability to begin problem resolution, open trouble tickets with other vendors, or dispatch personnel with replacement parts when deemed necessary. In doing so, COH is acting in COPR's best interest to resolve the issue as quickly as possible. All efforts will be made to communicate any technology-related issues that arise to COPR as soon as possible.

Administrative Access: It is imperative that COH IT Team maintain and control administrative access to the COPR's network and be responsible for providing all other third parties with needed or requested access.

Approval of Hardware and Software: The COH IT Team will collaborate with COPR's appointed staff to procure hardware and software. COH's role will be to research, evaluate and recommend with final approval coming from COPR's designated IT liaison.

Advisory Role: To assist with proper planning and third-party services involving the network, telecommunications, data access, future growth or down-sizing, COPR will involve the COH IT Team in such discussions as an advisor.

IT Policy and Procedure: The COH IT Team will work with COPR's designated liaison to establish relevant IT policies and procedures based on best practices.

Support Tiers: The Help Desk will be the first point of contact for IT support requests and is considered Tier 1. Almost all support incidents begin in Tier 1, where the initial trouble ticket is created, the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated. Support incidents that cannot be resolved in Tier 1 immediately move to Tier 2 support. Generally, these are more complex support techniques on hardware/software issues that can be provided by more experienced support staff. Support incidents that cannot be resolved by Tier 2 support are escalated to Tier 3, where support is provided by the most qualified and experienced support staff who can collaborate with third party (vendor) support engineers to resolve the most complex issues.

Criminal Justice Information Systems Compliance: COH IT staff will maintain Criminal Justice Information Systems (CJIS) certifications for compliance in supporting law enforcement agencies and municipal court operations if applicable.

Service Level Agreements (SLAs):

SLA 1: Service not available (not able to work, network down, workstation not turning on, etc.) This is an instant contact scenario. Submitting Help Desk Ticket is not required and may not be available. Contact information will be provided to COPR staff. Response time is immediate as possible.

SLA 2: Significant degradation in services (obvious slow network, internet, etc., but still functional). Submitting Help Desk Ticket required if possible. Depending on resources, impacted COPR staff will be provided with contact information for COH IT Team and instructed on appropriate time for direct contact. COH IT Team response time is within two hours during normal business hours.

SLA 3: Limited degradation of service. This is impacting resources, but business process can continue. Submitting Help Desk Ticket required. COH IT Team response time is within four hours during normal business hours.

SLA 4: Slight service degradation. This is when an issue needs to be researched or resolved but is not having a significant impact on business process. Submitting Help Desk Ticket required. COH IT Team will respond within one business day.

SLA 5: After hours support will be available for critical widespread outages as needed by COPR staff.

RENEWAL OF INTERGOVERNMENTAL AGREEMENT FOR ONGOING INFORMATION TECHNOLOGY SERVICES

This Renewal of Intergovernmental Agreement for Ongoing Information Technology Services (“Renewal”) is made and entered into as of the last date signed below, (“Effective Date”) by and between the City of Hermiston (“COH”) and Morrow County (“COUNTY”).

RECITALS

This renewal is made with reference to the following facts and circumstances:

- A. COH and COUNTY are parties to that certain Intergovernmental Agreement between the COH and COUNTY for Ongoing Information Technology Services commencing on July 1, 2025, and expiring on June 30, 2026 (the “Agreement”).
- B. The parties wish to renew the Agreement for a one-year term, with all terms and conditions of the original IGA not amended herein remaining in full force and effect.

TERMS AND CONDITIONS

Now therefore, the parties hereby agree that the above recitals are made a part of this Renewal and otherwise do hereby agree as follows:

1. Term. The paragraph titled “Term of Agreement” is hereby amended and restated in its entirety as follows:

Term of Agreement. This Agreement shall be for a term of one year commencing on July 1, 2026, and expiring on June 30, 2027. Upon expiration of that term, this Agreement shall automatically renew for successive one (1) year periods, unless either party provides written notice of non-renewal to the other party at least ninety (90) days prior to expiration of the then current term.

2. Consideration. The paragraph titled “Consideration” is hereby amended and restated in its entirety as follows:

Consideration. COUNTY agrees to pay COH \$127.31 per hour for approximately fifty-two (52) hours of IT service per week beginning July 1, 2026, for a total of \$344,229 per year. COUNTY agrees that the stated fees shall increase annually by an amount equal to the annual percentage change in the Western Region CPI, however, the increase shall be no lower than 2% and be capped at a maximum of 5%, such increase to be effective July 1, 2027 and will apply to each subsequent year in which the agreement is in effect. COUNTY will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for COUNTY, COUNTY agrees to reimburse COH for those costs. COH agrees to notify

Attachment A: Statement of Work**Managed Help Desk**

- Monitor, triage and remediate IT issues submitted by COUNTY staff
- Provide SLA agreement
- Ensure Help Desk solution is updated/patched and configured, adhering to best practices
- Train COUNTY staff on process for submitting help requests

Managed Server and Infrastructure Support

- Monitor servers and infrastructure
- Configure for optimal performance
- Maintain updates/patches for hardware and software
- Ensure compliancy for licensing/usage

Managed Workstations/Laptops/Software

- Windows OS patch management
- Maintain hardware/firmware updates
- Maintain updates for standard add-on software (i.e. Adobe Reader, Java, etc.)
- Remote management/support
- Installation and configuration of any new hardware such as servers, PCs, printers, peripherals, etc.
- Installation and configuration of any new software such as MS Office, version upgrades, etc.

Active Directory

- Audit current AD environment
- Remediate issues
- Configure for best practices
- Review group policy

Expectations:

To ensure COH's ability to provide satisfaction to COUNTY, the following provisions apply as appropriate to services contracted with COH. COH is pleased to offer a complete package of IT support services for COUNTY. The IT support package is designed to handle all COUNTY's technology-related needs. All servers, workstations, and other network devices and Microsoft Operating Systems are considered covered items that will be maintained or serviced.

What this service covers and includes:

Vendor Liaison: COH will act as COUNTY's duly appointed representative and advocate. COH IT Team will diagnose problems and dispatch or contact third parties such as Internet service providers, hardware manufacturers, IT contractors, etc. when deemed necessary. The COH IT Team is not intended to replace third party/line-of-business applications support. COUNTY agrees to refrain from interacting with third parties (except line-of-business application support) because it may result in misdirected activity and/or delay of resolution.

Best Interest: In the event of a failure or problem, remedial activities may commence prior to notifying COUNTY of the problem. This will allow the COH IT Team the ability to begin problem resolution, open trouble tickets with other vendors, or dispatch personnel with replacement parts when deemed necessary. In doing so, COH is acting in COUNTY's best interest to resolve the issue as quickly as possible. All efforts will be made to communicate any technology-related issues that arise to COUNTY as soon as possible.

Administrative Access: It is imperative that COH IT Team maintain and control administrative access to the COUNTY's network and be responsible for providing all other third parties with needed or requested access.

Approval of Hardware and Software: The COH IT Team will collaborate with COUNTY's appointed staff to procure hardware and software. COH's role will be to research, evaluate and recommend with final approval coming from COUNTY's designated IT liaison.

Advisory Role: To assist with proper planning and third-party services involving the network, telecommunications, data access, future growth or down-sizing, COUNTY will involve the COH IT Team in such discussions as an advisor.

IT Policy and Procedure: The COH IT Team will work with COUNTY's designated liaison to establish relevant IT policies and procedures based on best practices.

Support Tiers: The Help Desk will be the first point of contact for IT support requests and is considered Tier 1. Almost all support incidents begin in Tier 1, where the initial trouble ticket is created, the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated. Support incidents that cannot be resolved in Tier 1 immediately move to Tier 2 support. Generally, these are more complex support techniques on hardware/software issues that can be provided by more experienced support staff. Support incidents that cannot be resolved by Tier 2 support are escalated to Tier 3, where support is provided by the most qualified and experienced support staff who can collaborate with third party (vendor) support engineers to resolve the most complex issues.

Criminal Justice Information Systems Compliance: COH IT staff will maintain Criminal Justice Information Systems (CJIS) certifications for compliance in supporting law

enforcement agencies and municipal court operations if applicable.

Service Level Agreements (SLAs):

SLA 1: Service not available (not able to work, network down, workstation not turning on, etc.) This is an instant contact scenario. Submitting Help Desk Ticket is not required and may not be available. Contact information will be provided to COUNTY staff. Response time is immediate as possible.

SLA 2: Significant degradation in services (obvious slow network, internet, etc., but still functional). Submitting Help Desk Ticket required if possible. Depending on resources, impacted COUNTY staff will be provided with contact information for COH IT Team and instructed on appropriate time for direct contact. COH IT Team response time is within two hours during normal business hours.

SLA 3: Limited degradation of service. This is impacting resources, but business process can continue. Submitting Help Desk Ticket required. COH IT Team response time is within four hours during normal business hours.

SLA 4: Slight service degradation. This is when an issue needs to be researched or resolved but is not having a significant impact on business process. Submitting Help Desk Ticket required. COH IT Team will respond within one business day.


SLA 5: After hours support will be available for critical widespread outages as needed by COUNTY staff.

COUNTY prior to purchasing anything over \$500 and to provide adequate documentation and invoice COUNTY for the cost. In the event that there is a future change in the need for basic services by COUNTY, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

- 3. Scope of Work. An updated Statement of Work is attached as Exhibit A.
- 4. Miscellaneous. As expressly amended and modified by this Renewal, the terms and provisions of the Agreement are hereby ratified and affirmed in their entirety. This Renewal may be amended only by an agreement in writing, signed by COH and COUNTY. This Renewal shall be governed by and construed in accordance with the laws of Oregon, and without regard to any principles of conflict of laws. This Renewal may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Any such counterpart may be executed by facsimile or electronic transmission. This Renewal constitutes the entire agreement with respect to the renewal of the Agreement.

IN WITNESS WHEREOF, the City of Hermiston and Morrow County, by their respective duly authorized representatives, have executed this Renewal of Intergovernmental Agreement on the date shown below.

MORROW COUNTY

Signature:  Title: Chair, Board of Commissioners

Name (print): David Sykes Date: June 17, 2026

CITY OF HERMISTON

Signature: _____ Title: _____

Name (print): _____ Date: _____

RENEWAL OF INTERGOVERNMENTAL AGREEMENT FOR ONGOING INFORMATION TECHNOLOGY SERVICES

This Renewal of Intergovernmental Agreement for Ongoing Information Technology Services (“Renewal”) is made and entered into as of the last date signed below, (“Effective Date”) by and between the City of Hermiston (“COH”) and the Umatilla Rural Fire Protection District (“RFPD”).

RECITALS

This renewal is made with reference to the following facts and circumstances:

- A. COH and RFPD are parties to that certain Intergovernmental Agreement between the COH and RFPD for Ongoing Information Technology Services commencing on September 1, 2023, and expiring on August 31, 2026 (the “Agreement”).
- B. The Agreement provides that at the expiration of the above term that there is an optional three-year renewal option.
- C. The parties wish to renew the Agreement for a three-year term, with all terms and conditions of the original IGA not amended herein remaining in full force and effect.

TERMS AND CONDITIONS

Now therefore, the parties hereby agree that the above recitals are made a part of this Renewal and otherwise do hereby agree as follows:

1. Term. The paragraph titled “Term of Agreement” is hereby amended and restated in its entirety as follows:

Term of Agreement. This Agreement shall be for a term of three years commencing on July 1, 2026, and expiring on June 30, 2029. Upon expiration of that term, this Agreement shall automatically renew for successive one (1) year periods, unless either party provides written notice of non-renewal to the other party at least ninety (90) days prior to expiration of the then current term.

2. Consideration. The paragraph titled “Consideration” is hereby amended and restated in its entirety as follows:

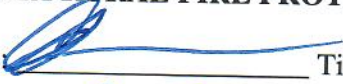
Consideration. RFPD agrees to pay COH \$127.31 per hour for approximately eight (8) hours of IT service per month beginning July 1, 2026, for a total of \$12,222 per year. The fees referred to in this section of this Agreement shall increase by three percent (3%) per year during each subsequent year in which the Agreement is in effect, such increase to be effective as of each July 1. RFPD will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for

RFPD, RFPD agrees to reimburse COH for those costs. COH agrees to notify RFPD prior to purchasing anything over \$500 and to provide adequate documentation and invoice RFPD for the cost. In the event that there is a future change in the need for basic services by RFPD, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

- 3. Scope of Work. An updated Statement of Work is attached as Exhibit A.
- 4. Miscellaneous. As expressly amended and modified by this Renewal, the terms and provisions of the Agreement are hereby ratified and affirmed in their entirety. This Renewal may be amended only by an agreement in writing, signed by COH and RFPD. This Renewal shall be governed by and construed in accordance with the laws of Oregon, and without regard to any principles of conflict of laws. This Renewal may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Any such Counterpart may be executed by facsimile or electronic transmission. This Renewal constitutes the entire agreement of with respect to the renewal of the Agreement.

IN WITNESS WHEREOF, the City of Hermiston and the Umatilla Rural Fire Protection District, by their respective duly authorized representatives, have executed this Renewal of Intergovernmental Agreement on the date shown below.

UMATILLA RURAL FIRE PROTECTION DISTRICT

Signature:  Title: FIRE CHIEF

Name (print): CHRIS BAKER Date: 6-15-2026

CITY OF HERMISTON

Signature: _____ Title: _____

Name (print): _____ Date: _____

Attachment A: Statement of Work

Managed Help Desk

- Monitor, triage and remediate IT issues submitted by RFPD staff
- Provide SLA agreement
- Ensure Help Desk solution is updated/patched and configured, adhering to best practices
- Train RFPD staff on process for submitting help requests

Managed Server and Infrastructure Support

- Monitor servers and infrastructure
- Configure for optimal performance
- Maintain updates/patches for hardware and software
- Ensure compliancy for licensing/usage

Managed Workstations/Laptops/Software

- Windows OS patch management
- Maintain hardware/firmware updates
- Maintain updates for standard add-on software (i.e. Adobe Reader, Java, etc.)
- Remote management/support
- Installation and configuration of any new hardware such as servers, PCs, printers, peripherals, etc.
- Installation and configuration of any new software such as MS Office, version upgrades, etc.

Active Directory

- Audit current AD environment
- Remediate issues
- Configure for best practices
- Review group policy

Expectations:

To ensure COH's ability to provide satisfaction to RFPD, the following provisions apply as appropriate to services contracted with COH. COH is pleased to offer a complete package of IT support services for RFPD. The IT support package is designed to handle all RFPD's technology-related needs. All servers, workstations, and other network devices and Microsoft Operating Systems are considered covered items that will be maintained or serviced.

What this service covers and includes:

Vendor Liaison: COH will act as RFPD's duly appointed representative and advocate. COH IT Team will diagnose problems and dispatch or contact third parties such as Internet service providers, hardware manufacturers, IT contractors, etc. when deemed necessary. The COH IT Team is not intended to replace third party/line-of-business applications support. RFPD agrees to refrain from interacting with third parties (except line-of-business application support) because it may result in misdirected activity and/or delay of resolution.

Best Interest: In the event of a failure or problem, remedial activities may commence prior to notifying RFPD of the problem. This will allow the COH IT Team the ability to begin problem resolution, open trouble tickets with other vendors, or dispatch personnel with replacement parts when deemed necessary. In doing so, COH is acting in RFPD's best interest to resolve the issue as quickly as possible. All efforts will be made to communicate any technology-related issues that arise to RFPD as soon as possible.

Administrative Access: It is imperative that COH IT Team maintain and control administrative access to the RFPD's network and be responsible for providing all other third parties with needed or requested access.

Approval of Hardware and Software: The COH IT Team will collaborate with RFPD's appointed staff to procure hardware and software. COH's role will be to research, evaluate and recommend with final approval coming from RFPD's designated IT liaison.

Advisory Role: To assist with proper planning and third-party services involving the network, telecommunications, data access, future growth or down-sizing, RFPD will involve the COH IT Team in such discussions as an advisor.

IT Policy and Procedure: The COH IT Team will work with RFPD's designated liaison to establish relevant IT policies and procedures based on best practices.

Support Tiers: The Help Desk will be the first point of contact for IT support requests and is considered Tier 1. Almost all support incidents begin in Tier 1, where the initial trouble ticket is created, the issue is identified and clearly documented, and basic hardware/software troubleshooting is initiated. Support incidents that cannot be resolved in Tier 1 immediately move to Tier 2 support. Generally, these are more complex support techniques on hardware/software issues that can be provided by more experienced support staff. Support incidents that cannot be resolved by Tier 2 support are escalated to Tier 3, where support is provided by the most qualified and experienced support staff who can collaborate with third party (vendor) support engineers to resolve the most complex issues.

Criminal Justice Information Systems Compliance: COH IT staff will maintain Criminal Justice Information Systems (CJIS) certifications for compliance in supporting law enforcement agencies and municipal court operations if applicable.

Service Level Agreements (SLAs):

SLA 1: Service not available (not able to work, network down, workstation not turning on, etc.) This is an instant contact scenario. Submitting Help Desk Ticket is not required and may not be available. Contact information will be provided to RFPD staff. Response time is immediate as possible.

SLA 2: Significant degradation in services (obvious slow network, internet, etc., but still functional). Submitting Help Desk Ticket required if possible. Depending on resources, impacted RFPD staff will be provided with contact information for COH IT Team and instructed on appropriate time for direct contact. COH IT Team response time is within two hours during normal business hours.

SLA 3: Limited degradation of service. This is impacting resources, but business process can continue. Submitting Help Desk Ticket required. COH IT Team response time is within four hours during normal business hours.

SLA 4: Slight service degradation. This is when an issue needs to be researched or resolved but is not having a significant impact on business process. Submitting Help Desk Ticket required. COH IT Team will respond within one business day.

SLA 5: After hours support will be available for critical widespread outages as needed by RFPD staff.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 22, 2026

Title/Subject

Adoption of Resolution No. 2434 – Refer Amendments to the Charter to the November 3, 2026, election.

Summary and Background

The city council convened a charter review committee to review and propose amendments to the city charter. The charter review committee met in public meetings to review the 2015 City of Hermiston Charter and suggested multiple amendments that would bring the Charter into alignment with the Model Charter published by the League of Oregon Cities and also held a public meeting to receive public comment regarding the proposed amendments and then voted to recommend the amendments to the city council. The city council reviewed the recommendations over multiple open meetings and finds that the amendments to the charter will improve governmental efficiency and will meet present and future needs of the city. The amendments include:

- Changing the method of electing ward councilors from at large to elected by those electors within the ward boundary
- Removing the description of the ward boundaries from the charter to allow the wards to be adjusted by ordinance from time to time as needed to balance the population of the wards
- Changing the municipal court judge position from an elected role to an appointed role and removing the language related to an elected role throughout the charter
- Changing the selection of City Council President from every other year to every year
- Allowing any newly hired city manager up to 12 months from the date of their employment to establish residence in the city
- Clarifying that day-to-day supervision of the city attorney is the responsibility of the city manager
- Requiring the city charter to be reviewed every 10 years

- Making various language changes clarifications to better align the charter with the League of Oregon Cities Model Charter

Tie-In to Council Goals

N/A

Fiscal Information

N/A

Alternatives and Recommendation

Alternatives

1. Adopt Resolution No. 2434 without modification.
2. Adopt Resolution No. 2434 with minor modifications.
3. Direct staff to make major changes to Resolution No. 2434 and return at a later date.

Recommended Action/Motion

Adopt Resolution No. 2434 without modification.

Submitted By:

Richard Tovey

Byron Smith

RESOLUTION NO. 2434

A RESOLUTION REFERRING A MEASURE PROPOSING AMENDMENTS TO THE CITY CHARTER TO THE VOTERS FOR THE NOVEMBER 3, 2026, ELECTION

WHEREAS, the city council convened a charter review committee to review and propose amendments to the city charter; and

WHEREAS, the charter review committee met in public meetings to review the 2015 City of Hermiston Charter and suggested multiple amendments that would bring the Charter into alignment with the Model Charter published by the League of Oregon Cities and also held a public meeting to receive public comment regarding the proposed amendments and then voted to recommend the amendments to the city council; and

WHEREAS, the city council reviewed the recommendations over multiple open meetings and finds that the amendments to the charter will improve governmental efficiency and will meet present and future needs of the city; and

WHEREAS, the amendments, which are attached and hereby incorporated, include:

- Changing the method of electing ward councilors from at large to elected by those electors within the ward boundary
- Removing the description of the ward boundaries from the charter to allow the wards to be adjusted by ordinance from time to time as needed to balance the population of the wards
- Changing the municipal court judge position from an elected role to an appointed role and removing the language related to an elected role throughout the charter
- Changing the selection of City Council President from every other year to every year
- Allowing any newly hired city manager up to 12 months from the date of their employment to establish residence in the city
- Clarifying that day-to-day supervision of the city attorney is the responsibility of the city manager
- Requiring the city charter to be reviewed every 10 years
- Making various language changes clarifications to better align the charter with the League of Oregon Cities Model Charter

WHEREAS, the city council finds that it is in the best interests of the City to submit the recommended amendments to the City voters for approval or rejection.

NOW, THEREFORE, THE CITY OF HERMISTON RESOLVES AS FOLLOWS:

1. That an election is called for the City of Hermiston, Umatilla County, Oregon to submit to City voters amendments to the City Charter attached as Exhibit A to this resolution.

2. That Tuesday, November 3, 2026, is designated as the date for holding the election for voting on this measure.
3. That the Umatilla County Elections Office will conduct the election.
4. That the precincts for this election will include all of the territory within the corporate limits of the City of Hermiston.
5. That the proposed ballot title will read as follows:

Ballot Title

Caption:

AMEND CITY OF HERMISTON CHARTER

Question:

Shall the City of Hermiston amend the 2015 Hermiston Charter?

Summary:

This measure amends the City's home rule charter adopted in 2015. The Oregon Constitution gives city voters the right to adopt and amend charters.

This measure amends the following sections:

- 1, amends year the title;
- 5, powers of the city, aligns with model charter;
- 7 and 25, amends ward councilors elected by ward electors only;
- 8, council wards defined, allow boundaries to be defined by ordinance;
- 10, council president elected annually;
- 12, relating to meetings, aligns with model charter;
- 25, amends ward councilors elected by ward electors only;
- 26, 27, 28, 29, 30, 32, 33, 34 and 37, adds City council appointment of municipal judge and removes all election references;
- 32, amends oath;
- 35, adds deadline for city manager residency, also aligns language with model charter;
- 36, amends city attorney supervision by city manager;
- 46, relating to amendment and revisions;
- 47, adds Charter review every ten years;
- 48, amends date of effect.

No other provisions of the Charter would be changed by this measure.

The measure was referred to the voters by the City Council.

6. That if permitted by the County, the Mayor is authorized to sign, and the City Recorder is authorized to submit an impartial explanatory statement for the Umatilla County voters' pamphlet on behalf of the City.
7. That the City Manager, City Recorder, and City Attorney are authorized to and shall take any and all steps on behalf of the City as necessary to carry out the intent and purposes of this resolution to cause the measure to appear on the ballot for the November 3, 2026, election.
8. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 22nd day of June 2026.
SIGNED by the Mayor this 22nd day of June 2026.

Doug Primmer, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

THE CITY OF
HERMISTON

~~2015~~-2027

CHARTER

PREAMBLE

We, the voters of Hermiston Oregon exercise our power to the fullest extent possible under the Oregon Constitution and laws of the state, and enact this Home Rule Charter.

Chapter I

NAMES AND BOUNDARIES

Section 1. Title. This charter may be referred to as the [2015-2027](#) Hermiston Charter.

Section 2. Name. The City of Hermiston, Umatilla County, Oregon, continues as a municipal corporation with the name "City of Hermiston."

Section 3. Boundaries. The city includes all territory within its boundaries as they now exist or are legally modified. The city will maintain as a public record an accurate and current description of the boundaries.

Chapter II

POWERS

Section 4. Powers. The city has all powers that the constitutions, statutes and common law of the United States and Oregon expressly or impliedly grant or allow the city, as fully as though this charter specifically enumerated each of those powers.

Section 5. Construction. The charter will be liberally construed so that the city may exercise fully all powers possible under this charter and under United States and Oregon law. The powers of the city under this charter shall be construed liberally in favor of the city, and the specific mention of particular powers in the charter shall not be construed as limiting in any way the general power granted in this article. This Charter's interpretation shall be examined in its entirety.

Section 6. Distribution. The Oregon Constitution reserves initiative and referendum powers as to all municipal legislation to city voters. This charter vests all other city powers in the council except as the charter otherwise provides. The council has legislative, administrative and quasi-judicial authority. The council exercises legislative authority by ordinance, administrative authority by resolution, and quasi-judicial authority by order. The council may not delegate its authority to adopt ordinances.

Chapter III

COUNCIL

Section 7. Council. The council shall be made up of eight councilors, one person from each ward who must be a resident of that ward and is elected by the [city-at-large, electors of each respective ward](#)- and four persons who are residents of the city and are elected by the [electors of the city at large](#).

Section 8. Council Wards.

For the purpose of electing members to the city council, the city shall be divided into four wards of approximately equal population. The boundaries of the wards in existence at the time this Charter is adopted shall remain in effect until such time as the wards are redefined by Council. The council shall, by ordinance, redefine the boundaries of the wards as necessary to accord persons in the city equal protection of the laws. When the boundaries of the wards are redefined, each ward shall have one continuous boundary. Ward boundaries shall conform to the principles of neighborhood groupings, compactness of area, and regularity of boundaries insofar as can reasonably be attained.

Whenever the ward boundaries are reapportioned to comply with this section, the council members in office at that time shall not lose their qualification for office by reason of the boundary change and shall continue in office for the remainder of their terms unless otherwise disqualified.

The city of Hermiston is ~~hereby~~ currently divided into four wards, designated and bounded as follows:

~~Ward I shall consist of the northwest quarter of the city having its easterly boundary being First Street commencing at Gladys Avenue and thence north to the city limits and its southern boundary being Gladys Avenue and Hermiston Avenue with extension thereto commencing at Gladys Avenue and First Street thence west to the city limits.~~

~~Ward II shall consist of the southwest quarter of the city having its northern boundary being Gladys Avenue and Hermiston Avenue with extension thereto commencing at Gladys Avenue and First Street thence west to the city limits and its easterly boundary being First Street commencing at Gladys Avenue thence south to the city limits.~~

~~Ward III shall consist of the northeast quarter of the city having its westerly boundary being First Street commencing at Gladys Avenue thence north to the city limits and its southern boundary being Gladys Avenue from First to 7th streets thence south on 7th Street to Diagonal Boulevard thence northeast along Diagonal Boulevard to the east city limits.~~

~~Ward IV shall be the southeast quarter of the city having its northern boundary being Gladys Avenue from First to 7th streets thence south on 7th Street to Diagonal Boulevard thence northeast along Diagonal Boulevard to the city limits and its westerly boundary being First Street commencing at Gladys Avenue thence south to the city limits.~~

All ward ~~quadrant~~ boundary lines will extend to the Urban Growth Boundary so that annexed territory will automatically become part of the appropriate ward.~~be extended upon annexation.~~

Section 9. Mayor. The mayor presides over and facilitates council meetings, preserves order, enforces council rules, and determines the order of business under council rules. The mayor has no veto authority and shall sign all ordinances passed by the council within ten days after their passage. The mayor has no vote on council matters unless there is a tie vote, and in the case of a tie vote on any matter before the council, the mayor shall cast the deciding vote. The Mayor shall be deemed a member of the Council for the purposes of any voting requirements set forth in this Charter whenever the Mayor votes to break a tie on any matter before the Council. The mayor must sign all approved records of council proceedings. The mayor shall appoint members of the council to commissions, boards and committees that are established by state law, ordinance, council rules, resolution or motion, and with the consent of council, shall appoint non-council members to commissions, boards and committees established by state law, ordinance or resolution. The mayor serves as the political head of the city government.

Section 10. Council President. At its first meeting ~~in each odd-numbered~~ year, the council must elect a president from its membership. The president presides in the absence of the mayor and acts as mayor when the mayor is unable to perform his or her duties on account of absence, illness, or other cause. The president retains the right to vote on all matters while presiding over the council, but does not have authority to cast an additional vote to break a tie.

Section 11. Rules. The council must by resolution adopt rules to govern its meetings.

Section 12. Meetings. The council must meet at least once a month at a time and place designated by its rules, and may meet at other times in accordance with council rules and the rules and laws of the State of Oregon.

Section 13. Quorum. Five members of the council shall constitute a quorum to conduct business, but a smaller number may meet and compel attendance of absent members as prescribed by council rules. The mayor shall be deemed a member of the council for the purpose of constituting a quorum.

Section 14. Vote Required. The express approval of a majority of councilors present is necessary for any council decision, except when this charter requires approval by a majority of the council.

Section 15. Record. A record of council meetings must be kept in a manner prescribed by the council rules.

Chapter IV

LEGISLATIVE AUTHORITY

Section 16. Ordinances. The council will exercise its legislative authority by adopting ordinances. The enacting clause for all ordinances must state "The City of Hermiston ordains as follows:"

Section 17. Ordinance Adoption.

- (a) Except as authorized by subsection (b), adoption of an ordinance requires approval by at least five members of the council at two meetings.
- (b) The council may adopt an ordinance at a single meeting by the unanimous approval of all councilors present, provided at least five members of the council are present and the proposed ordinance is available in writing to the public at least three business days before the meeting.
- (c) Any substantive amendment to a proposed ordinance must be read aloud or made available in writing to the public before the council adopts the ordinance at that meeting.
- (d) After the adoption of an ordinance, the vote of each member must be entered into the council minutes.
- (e) After adoption of an ordinance, the city custodian of records must endorse it with the date of adoption and the custodian's name and title.

Section 18. Effective Date of Ordinances. Ordinances take effect on the 30th day after adoption, or on a later day provided in the ordinance. An ordinance may take effect as soon as adopted or other date less than 30 days after adoption if it contains an emergency clause.

Chapter V

ADMINISTRATIVE AUTHORITY

Section 19. Resolutions. The council will normally exercise its administrative authority by approving resolutions or motions. The approving clause for resolutions may state "The City of Hermiston resolves as follows:".

Section 20. Resolution Approval.

- (a) Approval of a resolution or any other council administrative decision requires approval by the council at one meeting.
- (b) Any substantive amendment to a resolution must be read aloud or made available in writing to the public before the council adopts the resolution at that meeting.
- (c) After approval of a resolution or other administrative decision, the vote of each member must be entered into the council minutes.
- (d) After approval of a resolution, the city custodian of records must endorse it with the date of approval and the custodian's name and title.

Section 21. Effective Date of Resolutions. Resolutions and other administrative decisions take effect on the date of approval, or on a later day provided in the resolution.

Chapter VI

QUASI-JUDICIAL AUTHORITY

Section 22. Orders. The council will normally exercise its quasi-judicial authority by approving orders. The approving clause for orders may state "The City of Hermiston orders as follows:".

Section 23. Order Approval.

- (a) Approval of an order or any other council quasi-judicial decision requires approval by the council at one meeting.
- (b) Any substantive amendment to an order must be read aloud or made available in writing to the public at the meeting before the council adopts the order.
- (c) After approval of an order or other council quasi-judicial decision, the vote of each member must be entered in the council minutes.
- (d) After approval of an order, the city custodian of records must endorse it with the date of approval and the custodian's name and title.

Section 24. Effective Date of Orders. Orders and other quasi-judicial decisions take effect on the date of final approval, or on a later day provided in the order.

Chapter VII ELECTIONS

Section 25. Councilors.

- (a) The term of a councilor in office when this charter is adopted is the term for which the councilor was elected.
- (b) The members of the council shall be elected for a period of four years.
- (c) At the general election in 2016 and at each general election every four years thereafter, four councilors who are residents of the city shall be elected by the city at large to ~~four year~~four-year terms. The four candidates receiving the highest number of votes shall be elected into office.

(d) Subject to section 27, at the state primary election in 2018 and at each state primary election every four years thereafter, there shall be one council person elected to a ~~four year~~four-year term from each ward by the electors of that ward.

~~(d)~~(e) In the event that there are no ward candidates or at least four at large candidates from a ward, the vacancy shall be filled upon the seating of the members elected in a regular or special election and in accordance with Section 34.

~~(e) All council positions, whether at large or from each ward, shall be elected by the city at large.~~

Section 26. Mayor ~~and Municipal Court Judge~~.

- (a) The term of the mayor in office when this charter is adopted is the term for which the mayor was elected.
- (b) Subject to Section 27, at the state primary election in 2016 and at each state primary election every four years thereafter, a mayor will be elected by the city at large for a four-year term.
- ~~(c) The term of the municipal court judge in office when this charter is adopted is the term for which the municipal court judge was elected.~~
- ~~(d) Subject to Section 27, at each state primary election a municipal judge will be elected by the city at large for a two-year term.~~

Section 27. Run-Off Elections for Mayor, ~~Municipal Court Judge~~ and Ward Specific Councilors.

Notwithstanding Sections 25(d) and 26, if three (3) or more candidates file nominating petitions or declarations of candidacy for mayor, ~~municipal court judge~~ or ward specific councilperson then a nonpartisan primary election shall be had for such position at the state primary election. The two candidates who receive the highest number of votes in a primary election for a certain position shall be the nominees whose name shall appear on the ballot at the general election to be held the first Tuesday after the first Monday in November following the primary election. When any candidate receives a majority of all votes cast for the office for which that person is a candidate at a primary election, the name of that candidate shall be printed separately on the ballot at the general election under a designation equivalent to "Vote for One" and no other name shall be printed on the ballot in opposition to such candidate. One space, however, shall be left following such name in which the voter may insert the name of any person for whom the voter

wishes to cast a ballot. The names of the nominees elected at the primary election shall be printed on the Official Ballot for the regular general election without any political party designation.

Section 28. State Law. City elections must conform to state law except as this charter or ordinances provide otherwise. All elections for city offices must be nonpartisan.

Section 29. Qualifications.

(a) The mayor, ~~municipal court judge~~ and each councilor must be a qualified elector under state law, and reside within the city for at least one year immediately before election or appointment to office.

(b) No person may be a candidate at a single election for more than one city office.

(c) Neither the mayor, ~~municipal court judge~~ nor any councilor may be employed by the city.

(d) The council is the final judge of the election and qualifications of the mayor, ~~the municipal court judge~~ and its members subject, however, to review by any court of competent jurisdiction.

Section 30. Nominations. The council must adopt an ordinance prescribing the manner for a person to be nominated to run for mayor, ~~municipal court judge~~ or a city councilor position.

Section 31. Terms. The term of an officer elected to an office at a regular city election shall commence the first day of the year immediately following the election, and continues until the successor qualifies and assumes the office.

Section 32. Oath. The mayor, ~~the municipal court judge~~ and each councilor must swear or affirm to faithfully perform the duties of the office and support [the charter, ordinances, and rules of order and procedures for the City of Hermiston](#) ~~the and the~~ constitutions and laws of the United States and Oregon.

Section 33. Vacancies: The office of mayor or, councilmember ~~or municipal court judge~~ becomes vacant:

(a) Upon the incumbent's:

- (1) Death,
- (2) Adjudicated incompetence, or
- (3) Recall from the office.

(b) Upon declaration by the council after a hearing of the incumbent's:

- (1) Failure to qualify for the office within 10 days of the time the term of office is to begin,
- (2) Absence without council consent from all council meetings within a 60-day period or from fifty percent of all council meetings in any calendar year,
- (3) Ceasing to reside in the city or the ward from which he or she was elected,
- (4) Ceasing to be a qualified elector under state law,
- (5) Conviction of a public offense punishable by loss of liberty,

- (6) Unauthorized release of executive session material;
- (7) Resignation from the office, or
- (8) Removal under Section 35(i).

Section 34. Filling Vacancies.

(a) If less than two years, remain in the term of a mayor or councilmember whose office becomes vacant, the vacancy shall be filled by appointment by a majority of the remaining council members. The appointee's term of office runs from appointment until expiration of the term of office of the last person elected to that office.

(b) If two or more years remain in the term of a mayor or councilmember whose office becomes vacant, the vacancy shall be filled at a special election, which shall occur at the first election date that meets all requirements of state and city election laws. A person elected to fill a vacancy under this subsection shall serve until expiration of the term of office of the last person elected to that office. Until a vacancy is filled by a special election and the person takes office in accordance with this subsection, the remaining members of the council may appoint a person to fill the vacancy for the interim period of time.

~~(c) A municipal court judge vacancy shall be filled by appointment by a majority of the council members. The appointee's term of office runs from appointment until expiration of the term of office of the last person elected to that office.~~

~~(d)~~(c) If a disability prevents the mayor or a council member from attending council meetings or ~~a member~~ is absent from the city, a majority of the council may appoint a councilor pro tem.

Chapter VIII OTHER OFFICERS

Section 35. City Manager.

(a) The office of city manager is established as the administrative head of the city government. The city manager is responsible to the mayor and council for the proper administration of all city business. The city manager will assist the mayor and council in the development of city policies, and carry out policies established by ordinances and resolutions.

(b) A majority of the council must appoint and may remove the manager. The appointment must be made without regard to political considerations and solely on the basis of education and experience in competencies and practices of local government management.

(c) The manager must reside in the city within 12 months from employment date.

(d) The manager may be appointed for a definite or an indefinite term, and may be removed at any time by a majority of the council. The council must fill the office by appointment as soon as practicable after the vacancy occurs.

(e) The manager must:

- (1) Attend all council meetings unless excused by the mayor or council;
- (2) Make reports and recommendations to the mayor and council about the needs of the city;
- (3) Administer and enforce all city ordinances, resolutions, franchises, leases, contracts, permits, and other city decisions;
- (4) Appoint, supervise and remove city employees;
- (5) Organize city departments and administrative structure;
- (6) Prepare and administer the annual city budget;
- (7) Administer city utilities and property;
- (8) Encourage and support regional and intergovernmental cooperation;
- (9) Promote cooperation among the council, staff and citizens in developing city policies, and building a sense of community;
- (10) Perform other duties as directed by the council;
- (11) Delegate duties, but remain responsible for acts of all subordinates.

(f) The manager has no authority over the council or over the judicial functions of the municipal judge but retains authority over the administrative functions of the municipal court.

(g) The manager and other employees designated by the council may sit at council meetings but have no vote. The manager may take part in all council discussions.

(h) When the manager is temporarily disabled from acting as manager or when the office of manager becomes vacant, the council must appoint a manager pro tern. The manager pro tern has the authority and duties of manager, except that a manager pro tern may appoint or remove employees only with council approval. No manager pro tern shall hold this position for more than six months unless by reappointment.

(i) In order to protect the fundamental form of government chosen by the voters, guard the power of the council as a body, defend against corruption, ensure transparency, and preserve the separation of authority set forth in this Charter between the manager's administrative authority and the council's general powers, no council member may actually coerce or attempt to coerce the manager or a candidate for the office of manager in the appointment or removal of any city employee, or in administrative decisions regarding city property or contracts. A violation of this prohibition is grounds for removal from office by a majority of the council after a public hearing. This prohibition does not apply in publicly noticed meetings, including but not limited to council or committee meetings, executive sessions, and work sessions.

~~(i) No council member may directly or indirectly attempt to coerce the manager or a candidate for the office of manager in the appointment or removal of any city employee, or in administrative decisions regarding city property or contracts. Violation of this prohibition is grounds for removal from office by a majority of the council after a public hearing. In council meetings, councilors may discuss or suggest anything with the manager relating to city business.~~

Section 36. City Attorney. The office of city attorney is established as the chief legal officer of the city government. A majority of the council, in consultation with the city manager, must appoint and may remove the city attorney. Day to day supervision of the city attorney will be conducted by the City Manager.

Section 37. Municipal Court and Judge.

(a) A majority of the council may appoint and remove a municipal judge in consultation with the

City Manager. The municipal court judge will hold court in the city at such place as the council directs. The court will be known as the Hermiston Municipal Court.

- (b) All proceedings of this court will conform to state laws governing justices of the peace and justice courts.
- (c) All areas within the city and areas outside the city as permitted by state law are within the territorial jurisdiction of the court.
- (d) The municipal court has jurisdiction over every offense created by city ordinance. The court may enforce forfeitures and other penalties created by such ordinances. The court also has jurisdiction under state law unless limited by city ordinance.
- (e) The municipal court judge may:
 - (1) Render judgments and impose sanctions on persons and property;
 - (2) Order the arrest of anyone accused of an offense against the city;
 - (3) Commit to jail or admit to bail anyone accused of a city offense;
 - (4) Issue and compel obedience to subpoenas;
 - (5) Compel witnesses to appear and testify and jurors to serve for trials before the court;
 - (6) Penalize contempt of court;
 - (7) Issue processes necessary to enforce judgments and orders of the court;
 - (8) Issue search warrants; and
 - (9) Perform other judicial and quasi-judicial functions assigned by ordinance.
- (f) The municipal court judge shall be licensed to practice law in the State of Oregon. Failure of the municipal court judge to maintain a license to practice law in the State of Oregon shall be deemed a forfeiture of office upon declaration by the council after a hearing.
- (g) The council may appoint and may remove municipal court judges pro tern to serve in the absence of the municipal court judge. A municipal court judge pro tern must be licensed to practice law in the State of Oregon at any time the municipal court judge pro tern is engaged in official duties.
- (h) The council may transfer some or all of the functions of the municipal court to an appropriate state court.
- (i) The elected municipal court judge in office at the effective date of this charter shall not lose their qualification for office and may serve the remainder of their term.
- ~~(h)~~

Chapter IX PERSONNEL

Section 38. Compensation. The council must authorize the compensation of city officers and employees as part of its approval of the annual city budget.

Section 39. Merit Systems. The council by resolution will determine the rules governing recruitment, selection, promotion, transfer, demotion, suspension, layoff, and dismissal of city employees based on merit and fitness.

MISCELLANEOUS PROVISIONS

Section 40. Debt. City indebtedness may not exceed debt limits imposed by state law. A charter amendment is not required to authorize city indebtedness.

Section 41. Water and Sewer Fund. All funds now in or hereafter derived from the city water system, and city sewer system, or either of them, shall be placed in a single fund and kept therein separate and apart from all other city funds, and shall not be used for any purpose other than the expense of operating and maintaining said city water system and city sewer system, or either of them, and for betterments and extensions thereto, and for the purpose of paying interest and principal of water bonds and sewer bonds, or either of such bonds.

Section 42. Ordinance Continuation. All ordinances consistent with this charter in force when it takes effect remain in effect until amended or repealed.

Section 43. Repeal. All charter provisions adopted before this charter takes effect are repealed.

Section 44. Continuation of Rights and Liabilities. No right or liability of the city existing at the time this charter takes effect shall be impaired or discharged by adoption of this charter, except as this charter otherwise provides.

Section 45. Severability. The terms of this charter are severable. If any provision is held invalid by a court, the invalidity does not affect any other part of the charter.

Section 46. Amendments and Revisions. No amendment, revision or repeal of this Charter shall take effect unless approved by City voters. Either the council by a majority vote or City voters by an initiative petition may refer an amendment of this Charter to the City voters. ~~Only the Council, by a majority vote, may refer a revision or repeal of this Charter to the City voters.~~

Section 47. Charter Review. ~~This charter shall be reviewed at least every 10 years.~~

Section 478. Time of Effect. This charter takes effect ~~July 1, 2015~~ January 1, 2027.





Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of June 22, 2026

Title/Subject

May 2026 Monthly Financial Report

Summary and Background

This is the monthly overview of the previous month's financial position reflecting year-to-date activity.

Tie-In to Council Goals

Fiscal Prudence

Fiscal Information

See Report

Alternatives and Recommendation

Alternatives

None

Recommended Action/Motion

Recommend/Request acceptance of the May 2026 Financial Report as presented.

Submitted By:

Ignacio Palacios, Finance Director

Byron D. Smith, City Manager

May 2026 Financial Report



Where Life is Sweet

Department of Finance
May 2026
(Unaudited)

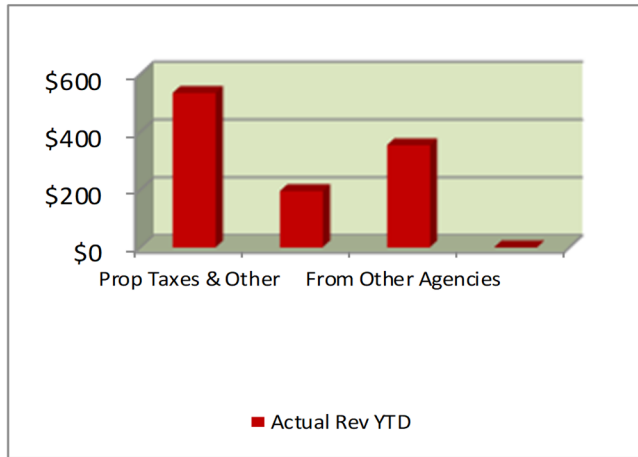
FY2025-2026 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

For the Month Ending May 31, 2026

Resources Through May 31, 2026

by Category (in \$1,000)

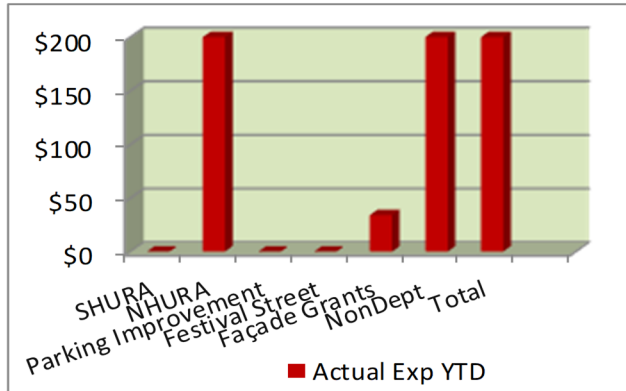


	Annual Bud't Rev	Actual Rev YTD	% Var
Prop Taxes & Other	\$ 312	534	171%
Miscellaneous	\$ -	195	100%
From Other Agencies	\$ 345	353	102%
Cash Fwd	\$ 5,200	-	0%
Total	\$ 5,857	\$ 1,082	18%

Note: Variance is calculated as % of revenue YTD

Expenditures Through May 31, 2026

by Category (in \$1,000)



	Annual Bud't Exp	Actual Exp YTD	% Var
SHURA	\$ -	-	0%
NHURA	\$ 5,545	794	14%
Parking Improvement	\$ 3	-	0%
Festival Street	\$ 3	-	0%
Façade Grants	\$ 60	34	57%
NonDept	\$ 6,057	449	7%
Total	\$ 11,668	\$ 1,277	11%

Note: variance is calculated as % of expenses YTD.

The FY2025-26 budget for the Urban Renewal Agency is \$11,668,000. This is due to the splitting of each district into a distinct fund for budgeting purposes. This includes \$5,545,000 for the NHURA projects and debt service, \$3,000 for parking improvements, \$3,000 for Festival Street, \$60,000 for façade grants, and \$6,057,000 for Non-Departmental expenses (due to transfers from the General HURA to each of the district funds created for this fiscal year).

Hermiston Urban Renewal Agency (HURA)
HURA Capital Projects Report
For the Month Ending May 31, 2026

	Ending May 31	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
North First Street Improvement Project	\$ 5,200,000	\$ 793,995	\$ 5,200,000	\$ 1,190,893	15.27%

North First Street Improvement Project (\$5,200,000)

The project will build a new street connecting N. First Street and NE4th Street, extending between NE Aspen Drive and the Home Depot access drive.

Current Update: Right of way has been acquired as of April 2026. City engineers are now moving forward with finalizing design. Bidding is anticipated in the fall/winter of 2026.

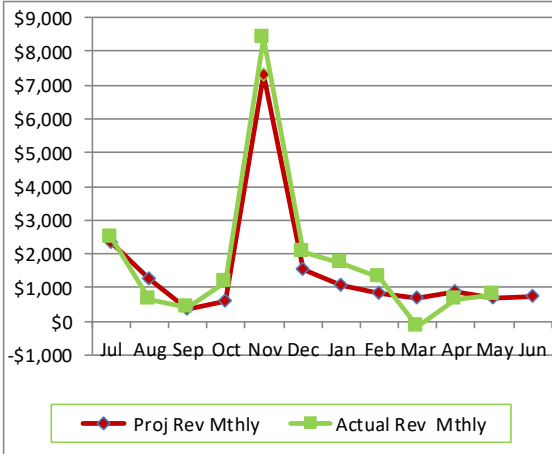
FY2025-2026 Monthly Financial Report

City of Hermiston, Oregon

General Fund Resources

For the Month Ending May 31, 2026

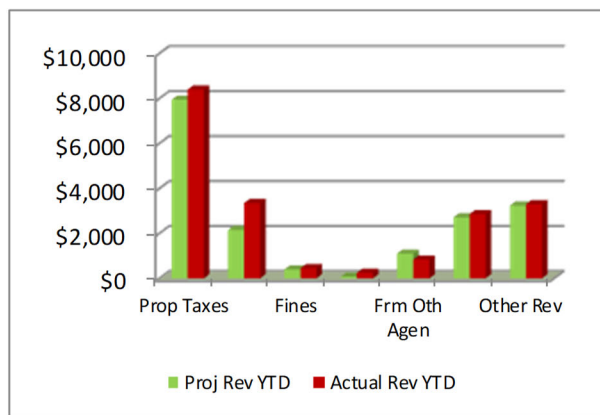
General Fund Resources Summary **Through May 31, 2026**
(in \$1,000)



	Proj Rev Mthly	Rev Proj Mthly	Actual Rev Mthly	Var Fav/ (Unfav)	% Var
Jul	\$ 2,327	\$ 2,327	\$ 2,472	\$ 145	6%
Aug	\$ 1,263	\$ 1,263	\$ 651	\$ (612)	-48%
Sep	\$ 366	\$ 366	\$ 431	\$ 65	18%
Oct	\$ 584	\$ 584	\$ 1,168	\$ 584	100%
Nov	\$ 7,324	\$ 7,324	\$ 8,370	\$ 1,046	14%
Dec	\$ 1,556	\$ 1,556	\$ 2,030	\$ 473	30%
Jan	\$ 1,077	\$ 1,077	\$ 1,740	\$ 663	62%
Feb	\$ 846	\$ 846	\$ 1,280	\$ 434	51%
Mar	\$ 701	\$ 701	\$ (166)	\$ (867)	-124%
Apr	\$ 857	\$ 857	\$ 658	\$ (200)	-23%
May	\$ 685	\$ 685	\$ 786	\$ 101	15%
Jun	\$ 743	\$ 743			0%
Total YTD	18,330	18,330	19,421	1,834	10.0%
Cash Fwd	4,700	-	-	-	0%
Total	\$ 23,030	\$ 18,330	\$ 19,421	1,834	10.0%

Estimated General Fund revenues for the 2025-26 fiscal year are **\$23,029,813**. Projected year-to-date revenues were **\$17,587,025** compared to actual revenues of **\$19,420,776** a favorable variance of **\$1,833,751 or 10.4%**. This is primarily due to receipt of franchise fees.

General Fund - All Resources **Through May 31, 2026**
(in \$1,000)
by Category



	Annual Bud't Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 8,088	\$ 7,937	\$ 8,392	\$ 455	6%
Lic & Fran	\$ 2,162	\$ 2,155	3,345	1,190	55%
Fines	\$ 425	\$ 389	451	62	16%
Interest Rev	\$ 75	\$ 70	251	181	261%
Frm Oth Agen	\$ 1,183	\$ 1,095	832	(263)	-24%
Svc Chgs	\$ 3,051	\$ 2,709	2,852	143	5%
Other Rev	\$ 3,347	\$ 3,233	3,299	66	2%
Cash Fwd	\$ 4,700	\$ -	-	-	0%
Total	\$23,030	\$ 17,587	\$ 19,421	\$ 1,834	10.4%

Note: variance is calculated as a percent of the projected revenue YTD.

FY2025-2026 Monthly Financial Report

City of Hermiston, Oregon

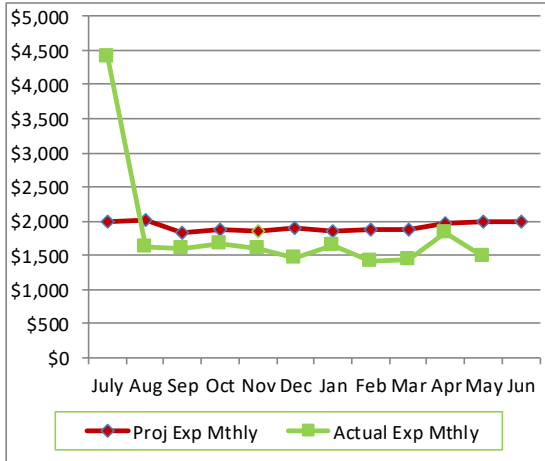
General Fund Expenditures

For the Month Ending May 31, 2026

General Fund Expenditure Summary

Through May 31, 2026

(in \$1,000)



	Proj Exp Mthly	Proj Exp	Actual Exp Mthly	Var Fav/ (Unfav)	% Var
July	\$ 1,994	\$ 1,994	\$ 4,400	\$ (2,406)	-121%
Aug	\$ 2,009	\$ 2,009	\$ 1,617	\$ 393	20%
Sep	\$ 1,832	\$ 1,832	\$ 1,590	\$ 242	13%
Oct	\$ 1,876	\$ 1,876	\$ 1,658	\$ 218	12%
Nov	\$ 1,848	\$ 1,848	\$ 1,608	\$ 240	13%
Dec	\$ 1,903	\$ 1,903	\$ 1,467	\$ 436	23%
Jan	\$ 1,849	\$ 1,849	\$ 1,636	\$ 213	12%
Feb	\$ 1,887	\$ 1,887	\$ 1,414	\$ 473	25%
Mar	\$ 1,865	\$ 1,865	\$ 1,436	\$ 428	23%
Apr	\$ 1,968	\$ 1,968	\$ 1,826	\$ 141	7%
May	\$ 2,000	\$ 2,000	\$ 1,484	\$ 516	26%
Jun	\$ 1,999	\$ 1,999			0%
Total YTD	23,030	23,030	20,136	895	3.9%
Contngcy		-	-	-	0%
Total	\$ 23,030	\$ 23,030	\$ 20,136	\$ 895	3.9%

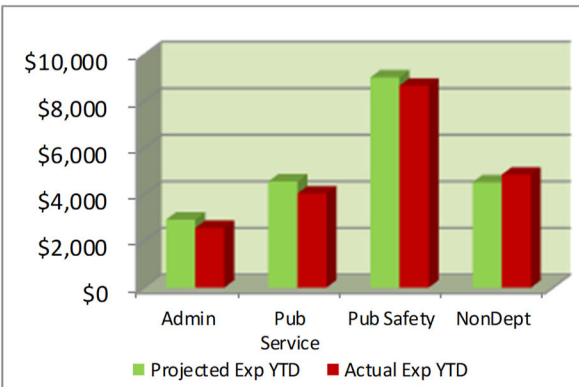
Projected General Fund year-to-date expenditures were **\$21,030,740**. The actual expenditure was **\$20,136,132** which is **\$894,608** less than projected YTD for a **variance of 4.3%**. This is due to the fund transfer to the building inspection fund.

General Fund Expenditures

Through May 31, 2026

by Consolidated Department

(in \$1,000)



	Annual Bud't Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 3,179	2,920	2,562	358	12%
Pub Service	5,064	4,559	4,041	517	11%
Pub Safety	9,853	9,029	8,677	352	4%
NonDept	4,934	4,523	4,856	(333)	-7%
Unapp	-	-	-	-	0%
Total	\$23,030	\$ 21,031	\$ 20,136	\$ 895	4.3%

Note: variance is calculated as a percent of the projected expenditures YTD.

FY 2025-2026 Monthly Financial Report

General Fund Expenditure Detail For the Month Ending May 31, 2026

General Fund Expenditures by Department

	Annual Budgeted			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	59,262	60,872	62,176	(1,304)	-2%
City Manager/Legal	1,325,509	1,215,050	1,169,039	46,011	4%
City Planning	921,482	844,692	497,568	347,124	41%
Finance	872,441	799,767	833,194	(33,427)	-4%
Total Administration	3,178,694	2,920,380	2,561,977	358,403	12%
Transportation	467,000	427,796	352,899	74,897	18%
Airport	554,150	529,123	491,652	37,471	7%
Parks	848,227	772,551	732,653	39,898	5%
Parks/Utility Landscaping	113,647	87,162	75,965	11,197	13%
Pool	663,494	526,677	460,502	66,175	13%
Municipal Buildings	156,769	143,705	135,529	8,176	6%
Library	1,074,288	989,916	872,180	117,736	12%
Recreation	757,940	704,159	576,241	127,918	18%
Community Center	296,204	258,493	241,959	16,534	6%
Harkenrider Center	132,146	119,063	101,639	17,424	15%
Total Public Services	5,063,865	4,558,646	4,041,219	517,427	11%
Court	1,060,509	973,819	737,899	235,920	24%
Public Safety Center	65,000	63,163	123,570	(60,407)	-96%
Police Operations	8,727,918	7,992,057	7,815,813	176,244	2%
Total Public Safety	9,853,427	9,029,039	8,677,282	351,757	4%
Non-Departmental	4,933,827	4,522,675	4,855,654	(332,979)	-7%
Unappropriated	0	0	0	0	0%
Total Non-Dept	4,933,827	4,522,675	4,855,654	(332,979)	-7%
Total	23,029,813	21,030,740	20,136,132	894,608	4.3%

For May, FY2026

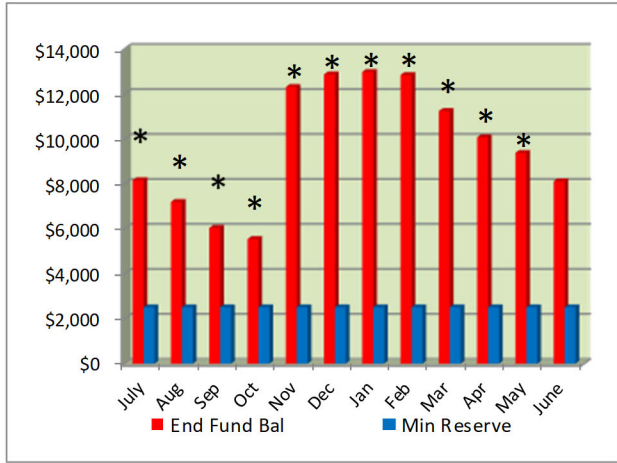
Total Administration is \$358,403 less than YTD projected. **Total Public Services** are \$517,427 less than YTD projected. **Public Safety** is \$351,757 less than YTD projected. **Non-Departmental** is \$332,979 more than YTD projected.

FY2025-2026 Monthly Financial Report

Fund Balance - General Fund

For the Month Ending May 31, 2026

General Fund **Through May 31, 2026**
 Ending Fund Balance (in \$1,000)



Minimum Reserve = \$2,942,250

	Begin Fund				End Fund Bal	ACT/PROJ Fund Bal
	Other	Bal	Revenue	Expense		
July	\$ 3,670	\$ 6,419	\$ 2,472	\$ (4,400)	\$ 8,161	ACT*
Aug	\$ -	\$ 8,161	\$ 651	\$ (1,617)	\$ 7,196	ACT*
Sep	\$ -	\$ 7,196	\$ 431	\$ (1,590)	\$ 6,038	ACT*
Oct	\$ -	\$ 6,038	\$ 1,168	\$ (1,658)	\$ 5,547	ACT*
Nov	\$ -	\$ 5,547	\$ 8,370	\$ (1,608)	\$ 12,309	ACT*
Dec	\$ -	\$ 12,309	\$ 2,030	\$ (1,467)	\$ 12,872	ACT*
Jan	\$ -	\$ 12,872	\$ 1,740	\$ (1,636)	\$ 12,976	ACT*
Feb	\$ -	\$ 12,976	\$ 1,280	\$ (1,414)	\$ 12,842	ACT*
Mar	\$ -	\$ 12,842	\$ (166)	\$ (1,436)	\$ 11,240	ACT*
Apr	\$ -	\$ 11,240	\$ 658	\$ (1,826)	\$ 10,071	ACT*
May	\$ -	\$ 10,071	\$ 786	\$ (1,484)	\$ 9,374	ACT*
June	\$ -	\$ 9,374	\$ 743	\$ (1,999)	\$ 8,117	PROJ
Total	\$ 3,670	\$ 6,419	\$ 20,164	\$ 22,135	\$ 8,117	

The General Fund balance at the end of May 2026 is approximately **\$9,374,000** which is **3.1860 times** the current Minimum Reserve requirement of **\$2,942,250**.

FY2025-2026 Monthly Financial Report

Special Revenue Funds Report For the Month Ending May 31, 2026

Special Revenue Funds Resources & Requirements

	2025-26 Annual Budget	Actual YTD	Remaining Budget
02 Bonded Debt Fund			
Resources	1,276,000	985,011	290,989
Expenditures	1,272,000	1,271,503	497
Unappropriated Balance	4,000	N/A	N/A
05 Transient Room Tax (TRT)			
Resources	1,365,000	1,431,946	(66,946)
Expenditures	1,365,000	1,099,095	265,905
Unappropriated Balance	-	N/A	N/A
08 Reserve Fund			
Resources	38,976,574	17,897,231	21,079,343
Expenditures	37,407,918	11,873,005	25,534,913
Unappropriated Balance	1,568,656	N/A	N/A
11 Miscellaneous Special Revenue			
Resources	158,000	903	157,097
Expenditures	158,000	-	158,000
Unappropriated Balance	-	N/A	N/A
19 Christmas Express Special Revenue			
Resources	65,000	17,161	47,839
Expenditures	65,000	21,488	43,512
Unappropriated Balance	-	N/A	N/A
20 Law Enforcement Special Revenue			
Resources	49,780	11,574	38,206
Expenditures	-	-	-
Unappropriated Balance	49,780	N/A	N/A
23 Enterprise Zone Project Fund			
Resources	5,070,195	3,158,314	1,911,881
Expenditures	5,070,195	3,681,730	1,388,465
Unappropriated Balance	-	N/A	N/A
24 Building Inspections			
Resources	4,319,000	5,654,134	1,335,134
Expenditures	4,319,000	929,264	3,389,736
Unappropriated Balance		N/A	N/A
25 EOTEC Operations			
Resources	8,617,625	2,361,218	6,256,407
Expenditures	8,617,625	2,987,901	5,629,724
Unappropriated Balance		N/A	N/A
26 IT Services			
Resources	1,549,056	1,337,927	211,129
Expenditures	1,549,056	1,241,042	308,014
Unappropriated Balance		N/A	N/A

Beginning with the 2016-17 fiscal year the City began distinguishing within the funds some part of ending fund balance as contingency and some as reserved for future expenditure. The contingency is included in appropriations while the reserve for future expenditures is unappropriated.

The City uses multiple Special Revenue funds to account for revenues that are restricted to expenditure for particular purposes. They include funds for debt service, economic development, parks and recreation, capital projects, and grants. Since these funds are not operational in nature and used for specific purposes from year-to-year, their expenditures do not typically follow a predictable pattern so budget variances are not calculated for them.

FY 2025-2026 Monthly Financial Report

Eastern Oregon Trade and Event Center (EOTEC) Fund

For the Month Ending May 31, 2026

EOTEC Fund

	2025-2026		Actual YTD	Variance	
	Annual Budget	Projected YTD*		Fav/(Unfav)	% Variance
Events	362,000	331,833	330,749	(1,084)	0%
TRT/TPA	260,625	238,906	162,368	(76,538)	-32%
Misc.	7,995,000	7,328,750	1,868,100	(5,460,650)	-75%
Total Revenues	8,617,625	7,899,490	2,361,217	(5,538,273)	-70%
Personnel	485,603	445,136	432,538	12,598	3%
Materials and Services	406,850	372,946	334,524	38,422	10%
Capital	7,647,472	7,010,183	2,143,139	4,867,044	69%
Transfers	77,700	71,225	77,700	(6,475)	-9%
Total Expenses	8,617,625	7,899,490	2,987,901	4,911,589	62%

This fund is projected on the straight-line, 1/12th revenue or expense per month.

Projected revenues to date are **\$7,899,490** and actual year-to-date revenues are **\$2,361,217** or an **unfavorable variance of 70%**.

Projected expenditures to date are **\$7,899,490** and actual year-to-date expenditures are **\$2,987,901** or a **favorable variance of 62%**.

FY2025-2026 Monthly Financial Report

Utility and Street Funds Report For the Month Ending May 31, 2026

Utility and Street Funds Report

Resources & Expenditures

	2025-2026			Variance	
	Annual Budget	Projected YTD	Actual YTD	Fav/(Unfav)	% Variance
04 Street Fund					
Resources	2,514,887	1,810,313	1,908,092	97,779	5%
Expenditures	2,447,855	2,243,867	1,614,303	629,564	28%
Contingency	67,032	N/A	N/A	N/A	N/A
06 Utility Fund					
Resources	16,077,986	11,529,821	12,291,817	761,997	7%
Expenditures	15,478,486	14,188,612	11,963,770	2,224,842	16%
Contingency	599,500	N/A	N/A	N/A	N/A
13 HES Fund					
Resources	14,043,723	10,334,246	10,526,449	192,203	2%
Expenditures	12,636,711	11,583,652	10,797,115	786,537	7%
Contingency	1,407,012	N/A	N/A	N/A	N/A
15 Regional Water Fund					
Resources	2,946,000	2,471,333	2,270,338	(200,995)	-8%
Expenditures	2,839,944	2,603,282	2,154,466	448,816	17%
Contingency	106,056	N/A	N/A	N/A	N/A

All four of these funds are projected on a straight line, 1/12th of budgeted expense or revenue per month.

Revenues for the **Street Fund** are **\$97,779 more** than projected. Expenditures are **\$629,564 less** than projected.

Revenues in the **Utility Funds** are **\$761,997 more** than projected. Expenditures are **\$2,224,842 less** than projection.

The **HES Fund** revenue is **\$192,203 more** than projected. Expenditures are **\$786,537 less** than projected.

The **Regional Water Fund** revenues are **\$200,995 less** than projected. Expenditures are **\$448,816 less** than projected.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon Utilities/Streets Capital Projects Report For the Month Ending May 31, 2026

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,600,000	\$ 128,516	\$ 1,600,000	\$ 283,984	17.75%
Gettman Road Extension ROA	250,000	67,999	650,000	501,540	77.16%
N. 1st Place Reconstruction	1,510,390	-	4,110,390	2,976,304	72.41%
NW 2nd Street Paving	580,000	56,425	580,000	56,425	9.73%
RWS Backup Generators	400,000	194,084	400,000	213,084	53.27%
AWS System Expansion - RWS	10,939,400	7,879,560	29,449,400	30,676,079	104.17%
Orchard Water Line Replacement	1,340,000	121,966	1,340,000	121,966	9.10%
Well #6 Chlorination	1,000,000	104,269	1,000,000	141,479	14.15%
Well #4 Control System	530,000	111,034	530,000	172,405	32.53%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	90,197	100,000	90,197	90.20%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	480,000	35,414	480,000	65,524	13.65%
Lift Station #7 Rebuild	600,000	82,068	600,000	82,068	13.68%
AWS Cooling Discharge	2,805,000	252,675	2,805,000	738,598	26.33%
Total	\$ 22,559,790	\$ 9,124,207	\$ 44,069,790	\$ 36,119,653	81.96%

Geer & Harper Re-alignment (\$1,600,000)

This intersection needs to be reconstructed to improve traffic/pedestrian access and ensure connectivity to property east of N. 1st Place. The current configuration makes access difficult for large trucks and traffic backs up on Harper Road during busy times during the day.

Current Update: Pre-construction organization has begun. Additional notices mailed to businesses in the area. Intersection closures to begin in mid-June.

Gettman Road Extension ROA (\$650,000)

Gettman Road Extension right of way acquisition project.

Current Update: Acquisition has closed on approximately 76% of the proposed Right of Way. Negotiations continue on the remaining 24%.

NW 2nd Street Paving (\$580,000)

Northwest 2nd street paving of existing gravel street from West Elm street to West Cherry Avenue to include grading, storm drainage, asphalt, centerline stripes, and crosswalk.

Current Update: Contract awarded. Construction Summer through Fall, 2026.

RWS Backup Generators (\$5,000,000)

To provide backup power supply to the regional water system.

Current Update: Purchase contract has been awarded to acquire long-lead-time items which are not anticipated to be delivered until Winter 26/27, with installation work anticipated to be coordinated around planned outages by the system users throughout 2027.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon Utilities/Streets Capital Projects Report For the Month Ending May 31, 2026

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,600,000	\$ 128,516	\$ 1,600,000	\$ 283,984	17.75%
Gettman Road Extension ROA	250,000	67,999	650,000	501,540	77.16%
N. 1st Place Reconstruction	1,510,390	-	4,110,390	2,976,304	72.41%
NW 2nd Street Paving	580,000	56,425	580,000	56,425	9.73%
RWS Backup Generators	400,000	194,084	400,000	213,084	53.27%
AWS System Expansion - RWS	10,939,400	7,879,560	29,449,400	30,676,079	104.17%
Orchard Water Line Replacement	1,340,000	121,966	1,340,000	121,966	9.10%
Well #6 Chlorination	1,000,000	104,269	1,000,000	141,479	14.15%
Well #4 Control System	530,000	111,034	530,000	172,405	32.53%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	90,197	100,000	90,197	90.20%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	480,000	35,414	480,000	65,524	13.65%
Lift Station #7 Rebuild	600,000	82,068	600,000	82,068	13.68%
AWS Cooling Discharge	2,805,000	252,675	2,805,000	738,598	26.33%
Total	\$ 22,559,790	\$ 9,124,207	\$ 44,069,790	\$ 36,119,653	81.96%

AWS System Expansion- RWS (\$29,449,400)

Amazon Web Services is paying to extend the City-owned 16" water main in Feedville Road approximately 7,000 feet to connect with the City's other existing water infrastructure in Kelli Blvd. This project will also upgrade various pumps and motors in the Regional Water System and chlorinate and perform the necessary functions to convert the line to carry potable water. AWS is also paying the City to design a second, permanent, 24" non-potable water main in Feedville Road. Additionally, this will construct an aquifer and associated storage system.

Current Update: **ASR** Testing Complete. The initial round of recharge has begun at a rate of 1,350 gallons per minute, putting the project on-track to recharge between 400 million and 500 million gallons by April. For reference, this is equal to about 1/3 of the entire city's water usage for an entire year.

Orchard Water Line Replacement (\$1,340,000)

Replaces 3,200 feet of water main line along W. Orchard Ave. between S.W. 7th St. and S.W. 11th St., and along SW. 9th St. between W. Orchard Ave. and W. Juniper Ave.

Current Update: Pre-construction organization has begun. Traffic disruptions will begin in early June, with the project wrapping up by late Fall.

Well # 6 Chlorination (\$1,000,000)

The chlorine room at Well No. 6 is 5 feet by 8 feet and too small for its current use and is constructed of fiberglass. It was originally constructed to occasionally store chlorination equipment. It is now in constant use and has been damaged during the exchange of chlorine cylinders. A larger building will allow more efficient operation of the well.

Current Update: Contractor has mobilized on-site and demolished the original building. Work will proceed through the construction season.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon
Utilities/Streets Capital Projects Report
For the Month Ending May 31, 2026

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,600,000	\$ 128,516	\$ 1,600,000	\$ 283,984	17.75%
Gettman Road Extension ROA	250,000	67,999	650,000	501,540	77.16%
N. 1st Place Reconstruction	1,510,390	-	4,110,390	2,976,304	72.41%
NW 2nd Street Paving	580,000	56,425	580,000	56,425	9.73%
RWS Backup Generators	400,000	194,084	400,000	213,084	53.27%
AWS System Expansion - RWS	10,939,400	7,879,560	29,449,400	30,676,079	104.17%
Orchard Water Line Replacement	1,340,000	121,966	1,340,000	121,966	9.10%
Well #6 Chlorination	1,000,000	104,269	1,000,000	141,479	14.15%
Well #4 Control System	530,000	111,034	530,000	172,405	32.53%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	90,197	100,000	90,197	90.20%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	480,000	35,414	480,000	65,524	13.65%
Lift Station #7 Rebuild	600,000	82,068	600,000	82,068	13.68%
AWS Cooling Discharge	2,805,000	252,675	2,805,000	738,598	26.33%
Total	\$ 22,559,790	\$ 9,124,207	\$ 44,069,790	\$ 36,119,653	81.96%

Well #4 Control System (\$410,000)

The 2,500-gallon per minute Well No. 4 pump was designed in the 1960s and is obsolete. The control system is unreliable and inefficient, and the piping system has been dismantled to use for parts in other systems. The station experiences large pressure fluctuations and configuring the pump control valve is challenging. The pump house also needs to be updated to ensure reliability during peak demands.

Current Updates

Contractor delays may require this project to wait an additional year. Liquidated damages may be considered.

Dogwood Street (\$275,000)

The existing gravel roadway will be replaced with a fully developed street, including curb/gutters/sidewalk.

Current Update: Contract awarded. Construction Summer through Fall, 2026.

SE 10th Street Bridge Improvements (\$100,000)

Replaces and widens the bridge across the 'A' Line Canal.

Current Update: Geotechnical boring has been completed. Design proceeding, with construction planned on a timeline inverse from normal, with SE 10th requiring closure and bridge replacement over the winter of '26-'27 to accommodate when water is not in the canal.

Lift Station #5 Wetwell Upgrades (\$150,000)

Lift Station No. 5 is one of the city's newer lift stations. There is paint flaking on the pumps and hydrogen sulfide corrosion on interior surfaces from the raw sewage. Without upgrades, the mechanical equipment will need premature replacement.

Current Update: Design will begin soon.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending May 31, 2026

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,600,000	\$ 128,516	\$ 1,600,000	\$ 283,984	17.75%
Gettman Road Extension ROA	250,000	67,999	650,000	501,540	77.16%
N. 1st Place Reconstruction	1,510,390	-	4,110,390	2,976,304	72.41%
NW 2nd Street Paving	580,000	56,425	580,000	56,425	9.73%
RWS Backup Generators	400,000	194,084	400,000	213,084	53.27%
AWS System Expansion - RWS	10,939,400	7,879,560	29,449,400	30,676,079	104.17%
Orchard Water Line Replacement	1,340,000	121,966	1,340,000	121,966	9.10%
Well #6 Chlorination	1,000,000	104,269	1,000,000	141,479	14.15%
Well #4 Control System	530,000	111,034	530,000	172,405	32.53%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	90,197	100,000	90,197	90.20%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	480,000	35,414	480,000	65,524	13.65%
Lift Station #7 Rebuild	600,000	82,068	600,000	82,068	13.68%
AWS Cooling Discharge	2,805,000	252,675	2,805,000	738,598	26.33%
Total	\$ 22,559,790	\$ 9,124,207	\$ 44,069,790	\$ 36,119,653	81.96%

E. Evelyn Avenue Gravity Sewer Line Replacement (\$480,000)

Multiple deficiencies exist in the pipe segments, including structural failures, sagging, root intrusions, and separated joints that cause blockages hindering sewer flow and require the City to clean this line monthly. Newly installed pipe will save maintenance costs and drastically reduce the likelihood of blockages, mitigating the potential for sewage backing up into local residences.

Current Update: Pre-construction organizing is proceeding with work anticipated to begin in June and continue through the Fall.

Lift Station #7 Rebuild (\$600,000)

Upgrade to electrical and control systems, replaces duplex pumps and mechanical pumps, rails, and valves and planned safety improvements to surrounding sidewalk.

Current Update: Project has been advertised, with bids to be opened late June and construction in Summer through Fall 2026.

AWS Cooling Discharge (\$2,805,000)

Amazon Web Services is paying the City to design a discharge solution for their non-contact cooling water which is used to cool their facilities. This solution will require installation of a lift station and approximately 10,600 feet of a new discharge water Main in Feedville and South 1st to discharge into the Hermiston Irrigation District's A-Line Canal. This work will also require the development of a separate NPDES Permit for the new discharge.

Current Update: Design has begun related to Feedville/OR207 Sewer Main. Bid opening anticipated in Fall.

FY2025-26 Monthly Financial Report
City of Hermiston, Oregon
Other City Capital Projects Report
For the Month Ending May 31, 2026

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Urban Tree Project (Grant)	850,000	270,404	1,000,000	390,304	39.03%
Sherman Park Project	420,000	20,173	420,000	23,137	5.51%
Library Remodel	2,759,000	1,717,463	4,500,000	3,600,021	80.00%
Public Safety Building Remodel	4,500,000	4,303,096	7,500,000	8,638,823	115.18%
Total	\$ 8,529,000	\$ 6,311,136	\$ 13,420,000	\$ 12,652,285	94.28%

Urban Tree Project Grant (1,000,000)

Federal grant for purpose of urban tree projects for tree planting throughout Hermiston

Current Update: We are pausing work on this project pending a better forecast of the federal budget. Preparing an estimate and bid package for a possible tree planting project on main street if federal budget moves forward.

Sherman Park Project (\$420,000)

Cimmaron Park is to be built on land purchased from and donated by the developer. The park will include a nature trail and a natural playground system. The City was recently awarded a state grant for a large portion of this project. This project will develop a 0.61-acre park featuring a playground, gazebo, pathways, and landscaping. The park will be adjacent to the existing 8.61-acre Cimmaron Recreation Area, which includes a trail encircling the wetlands.

Current Update: Final bid package in final review with Anderson Perry.