



CITY COUNCIL

AGENDA

MONDAY, SEPTEMBER 22, 2025

COUNCIL CHAMBERS - 180 NE 2ND ST.

Where Life is Sweet

Other ways of viewing or participating in live meetings are available through:
YouTube at: <https://bit.ly/HermistonYoutube>

Zoom with Meeting ID: 816 1088 9740 Passcode: 531951 Telephone number to join is: 1 253 215 8782; or submitting comments to meetings@hermiston.gov

For written electronic public 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 COUNCIL/CITY MANAGER WORK SESSION MEETING TO ORDER - 6:00 PM

A. Safety Center Construction Tour at 330 S. 1st Street- Limited Tour Availability

2. ADJOURN WORK SESSION MEETING

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

4. DECLARATION OF QUORUM

5. FLAG SALUTE

6. 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 address; 3. Direct your comments to the Chair.

7. CONSENT AGENDA

A. Public Notice of the 2026 Primary Election- Seeking City Official Candidates

B. Committee Vacancy Announcement

- C. Confirm appointments to the Ad-Hoc Charter Review Committee as follows: Chair, Dr. David Drotzmann, Members: Monique Brandley, Karyn Jones, Paul Wolverton, Kyndra Stone, Rod Hardin, and Val Hoxie.
- D. Recommend Appointment to the Library Board- Position 3, 4-year term ending June 30, 2029 to Zaira Sanchez

E. Minutes of the September 8th City Council Regular Meeting

8. ITEMS REMOVED FROM CONSENT AGENDA

9. ORDINANCE

A. Ordinance No. 2371 Creating Local Improvement District No. 323

10. OTHER

A. August 2025 Monthly Financial Report

11. 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)

B. Mayor's Report

C. Council President Report

D. Council Report

E. Youth Advisory Report

F. Manager's Report

12. 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 September 22, 2025

Title/Subject

Public Notice of the 2026 Primary Election- Seeking City Official Candidates

Summary and Background

Notice is hereby given that on May 19, 2026, an election will be held in the City of Hermiston, Umatilla County, Oregon for office of the following:

- Ward Councilors- Four-year term beginning 01/01/2027 to 12/31/2030
 - Ward I
 - Ward II
 - Ward III
 - Ward IV
- Municipal Judge – Two-year term beginning 01/01/2027 to 12/31/2028

Elections shall be nonpartisan. Your choice of candidates will be presented upon the official ballot, conducted by mail, and shall be voted upon by all qualified voters of the City.

The City Charter states the Ward Specific Council and Municipal Judge candidates will run in the Primary Election. If there are two (2) or less candidates then the May Primary Election will determine who will be elected into office.

However, if three (3) or more candidates file, then the May Primary Election shall be considered the primary election and the two (2) candidates receiving the highest number of votes shall be the nominees whose names shall appear on the ballot for the November General Election. Should any candidate receive a majority of all votes cast for the office at the May Primary Election, then the name of that candidate shall be printed separately on the ballot at the November General Election under the 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.

Candidates must file for office by submitting their completed declaration of candidacy to the Elections Officer/City Recorder from September 11, 2025 to no later than 5:00pm on March 10, 2026. Forms are available in the Administrative Office at City Hall, 180 NE 2nd St, Hermiston, OR 97838 and on the City's website at: <https://www.hermiston.gov/citycouncil/page/elections>

Attached you will find the Public Notice for the Primary Election. Attachment A is being published in the Hermiston Herald on September 17th, 2025 and February 4th, 2026 and posted at the following locations: City Hall, Library, Post Office, and on the City's website and social media sites.

Tie-In to Council Goals

Goal 4: Community Engagement: Improve engagement and connection with the community.

Fiscal Information

Apart from a modest publication cost, there is no financial impact.

Alternatives and Recommendation

Alternatives

NA

Recommended Action/Motion

Information Only.

Submitted By:

Elections Officer/City Recorder Lilly Alarcon-Strong

Attachment A



Where Life is Sweet

CITY OF HERMISTON

NOTICE OF 2026 ELECTION - SEEKING CITY OFFICIAL CANDIDATES

Notice is hereby given that on May 19, 2026, an election will be held in the City of Hermiston, Umatilla County, Oregon for office of the following:

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Lilly Alarcon-Strong, CMC, Elections Officer/City Recorder

Posted Date: 09/08/2025

Take Down Date: 03/12/2026



PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

1. Parks and Recreation Committee

- Position 4, 5, & 6: 3-year term ending October 31, 2028 (Advertised 06/18/2025)

2. Library Board

- Position 3: 4-year term ending June 30, 2029 (Advertised 04/29/2025)

3. Airport Advisory Committee

- Position 2: Remaining 3-year term ending October 31, 2026 (Advertised 11/08/2024)
- Position 5: 3-year term ending October 31, 2028 (Advertised 06/18/2025)

4. Eastern Oregon Trade & Event Center (EOTEC) Committee

- Positions 7: 3-year term ending June 30, 2028 (Advertised 04/29/2025)

Deadline to apply for Committees: Open Until Filled

Interested persons are asked to submit an application to City Hall, 180 NE 2nd Street, Hermiston, or at llalarcon-strong@hermiston.gov . Application forms are available at City Hall or on the City's website at <https://hermiston.or.us/volunteer> . If you have questions, please call Lilly Alarcon-Strong at 541-567-5521.

Proposed appointment and confirmation 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.



CITY COUNCIL

Regular Meeting Minutes September 8, 2025

Mayor Primmer called the regular meeting to order at 7:00pm. Present were Councilors Hayward, Roberts, Myers, McCarthy, Linton, Duron, Kelso, and Barron. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Finance Director Ignacio Palacios, City Attorney Rich Tovey, 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.

Presentation- Introduction of Youth Advisory Council

Hermiston High School Social Studies Department Teacher, Aaron Davis, stated the Youth Advisory Council is in its fifth year with the goal to encourage and engage youth to become involved in their community now and into the future, read aloud the Youth Advisory Council's purpose statement, and stated members of the Youth Advisory Council will also be attending the League of Oregon Cities Conference in October. Mr. Davis also thanked Ashley Smith and Kire Barraza Ross for their involvement in this program.

Each Youth Advisory Council member introduced themselves as follows: Adriana Nugoho, Jacquelyn Quevedo, Aspyr Inners, Gabriel Richards, Taylee Smith, Maddix Medrano, Jazmin Sanchez, Sofia Rodriguez, Jaideny Orozco Avila, Toby Orta, Gloria Serrano, Kyla Pack, Aries Woodward, Emily Stone, and Teodoro Delgado.

Mayor Primmer thanked Mr. Davis for his leadership helping students get involved in civic engagement and stated the world is run by those who show up.

(Applause from the audience.)

Citizen Input on Non-Agenda Items

None given.

Consent Agenda Items

Councilor Roberts asked to remove item B from the Consent Agenda. Councilor Roberts moved, and Councilor Hayward seconded to approve Consent Agenda items A & C, to include:

- A. Committee Vacancy Announcement
- C. Minutes of the August 25, 2025 City Council Regular Meeting

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

Items Removed From Consent Agenda

- B. Recommend appointment to the Ad-Hoc Charter Review Committee as follows: Chair, Dr. David Drotzmann, Members: Monique Brandley, Karyn Jones, Paul Wolverton, Kyndra Stone, Rod Hardin, and Val Hoxie.

Councilor Roberts stated he asked to remove this item so names could be read aloud with special recognition to the volunteers who will be working on the most important document the City has.

Mayor Primmer agreed, read the names aloud, and thanked the volunteers for being a part of this process.

Councilor Linton moved and Councilor Myers seconded to approve Consent Agenda Item B. Motion carried unanimously with Councilors, Hayward, Roberts, Myers, McCarthy, Duron, Linton, Kelso, and Barron voting in favor.



CITY COUNCIL

Regular Meeting Minutes September 8, 2025

Public Hearing- Creating Local Improvement District NO. 323 (Ordinance No. 2371)

Hearing no declarations of conflicts of interest or ex-parte contact from the Council, City Manager Smith read the hearing guidelines and Mayor Primmer opened the hearing at 7:15pm.

Assistant City Manager Morgan gave information (PowerPoint Presentation attached) as presented in the staff report regarding the need to form a Local Improvement District for street infrastructure on NW 2nd Street to accommodate for increased traffic for accessing businesses between Elm Street and Cherry Ave.

Hearing no members in the audience who wished to give public testimony, the public hearing was closed at 7:24pm.

Councilor Linton stated she emailed City Manager Smith a variety of questions regarding water and street infrastructure but did not have time to read the responses but would like some of those questions to be answered now, and asked if the City requested- from ODOT - the Elm Street project that will be impacting this area.

Assistant City Manager Morgan answered Councilor Linton's infrastructure questions and replied that the City did not request this project from ODOT.

Councilor Roberts stated the Council has previously been presented this information from staff and the Council has had ample opportunities to ask questions and give feedback and just wants the public to know that the lack of questions and comments from the Council tonight is not due to a lack of interest from the Council, but only because the Council heard this information prior to tonight.

Councilors Kelso, Myers, and Roberts thanked City staff for their work on this project and providing easy to understand information.

Councilor McCarthy moved, and Councilor Myers seconded to continue to the Presentation of Ordinance No. 2371 for possible adoption. Motion passed 7-1 with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilor Linton voting against.

Ordinance No. 2371- Creating Local Improvement District No 323

Mayor Primmer stated the information for this Ordinance was presented during the public hearing which has now been closed, and as such, no further evidence or public comment will be received.

Mayor Primmer requested that the first reading be by title only. Motioned passed 7-1 with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilor Linton voting against. City Attorney Tovey read the ordinance by title only.

City Attorney Tovey stated a unanimous vote must be had for final adoption at one meeting; therefore, the second and final reading of the ordinance must be presented and read at the next City Council meeting on September 22nd and asked for a motion if this was the Council's will.



CITY COUNCIL

Regular Meeting Minutes September 8, 2025

Councilor Roberts moved, and Councilor Hayward seconded to set the 2nd reading of Ordinance No. 2371 to the September 22 City Council Meeting. Motioned passed 7-1 with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilor Linton voting against.

Ordinance No. 2374- Hermiston Urban Growth Boundary Amendment

Mayor Primmer stated Ordinance Nos. 2374 and 2375 were presented during the public hearing on August 25th which has been closed, and as such, no further evidence or public comment will be received.

Councilor Hayward declared a conflict of Interest and left the Council Chambers at 7:34pm

City Manager Smith answered a variety of infrastructure questions from Councilor Linton.

Councilors Roberts and Kelso stated the Council has previously been presented this information from staff and the Council has had ample opportunities to ask questions and give feedback, and just wants the public to know that the lack of questions and comments from the Council tonight is not due to a lack of interest from the Council, but only because the Council has heard this information prior to tonight.

Councilor Barron stated this information has also been discussed and presentations have been made to the Council and public for over a year, at meetings and other public events.

City Attorney Tovey read the ordinance by title only. Councilor Kelso moved, and Councilor McCarthy seconded to adopt Ordinance No.2374 and become effective 30-days after co-adoption of the map amendments by the Umatilla County Board of Commissioners. Motioned passed 6-1 with Councilors Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilor Linton voting against.

Ordinance No. 2375- Hermiston Urban Growth Boundary Amendment Annexation

City Attorney Tovey read the ordinance by title only. Councilor Myers moved, and Councilor Roberts seconded to adopt Ordinance No.2375 and become effective 30-days after acknowledgment of Ordinance No. 2374 by the Oregon Land Conservation and Development Commission. Motioned passed 6-1 with Councilors Roberts, Myers, McCarthy, Duron, Kelso, and Barron voting in favor, and Councilor Linton voting against.

(Councilor Hayward returned to Council Chambers and dais at 7:45pm)

Resolution No. 2394- Small Cell Wireless Franchise Amendment

Assistant City Manager Morgan presented the staff report regarding renewing the existing franchise agreement with Oregon RSA #2, Inc.

Councilor Hayward moved, and Councilor McCarthy seconded to adopt Resolution No. 2394 and lay upon the record. Motion passed unanimously with Councilors Hayward, Roberts, Myers, McCarthy, Duron, Kelso, Linton, and Barron voting in favor.

Report on EOTEC RV Park Location

City Manager Smith presented the staff report and images of the proposed RV Park area and layout in the NW corner of the EOTEC grounds where 20 acres were recently acquired by the Farm-City Pro Rodeo and Umatilla County.



CITY COUNCIL

Regular Meeting Minutes September 8, 2025

City Manager Smith answered Council questions regarding water rights, parking, entrance and exits to the RV Park and surrounding area, and landscaping. The Council praised the City for this project and the income stream it will bring to the City.

Committee Reports

EOTEC Committee- Councilor Barron gave updates to include: HEROS- Parks and Recreation grant from the State of Oregon that the City was not awarded, and donor wall. Farm-City Pro Rodeo- arena grounds, soil, and the many participants that come to Hermiston to compete. RV Park, as previously discussed. Acquisition of the 140 acres near the Airport and EOTEC grounds.

Airport Advisory Committee- Councilor Roberts gave updates to include: Acquisition of 140 acres near the Airport and EOTEC grounds, the lack of quorum this Committee continues to experience and the need for committee members to join as there are open positions, fuel sales, Hangar construction and leasing updates, and a caution to the public to watch out for scammers as 2-4 times per year members of the community are asked to send money to love interests to purchase a plane ticket and meet them at the Hermiston Airport- The Hermiston Airport does not have commercial flights.

Hispanic Advisory Committee- Councilor Duron stated the Committee continued to plan the Hispanic Heritage Month Celebration which will be held on October 4th from 3pm to 7pm at the Community Center. The Committee will meet next week.

Mayor's Report

Mayor Primmer spoke regarding:

- Thanked Council President McCarthy for conducting the last City Council Meeting in his absence
- Spoke regarding the Umatilla County Fair, parade, and Farm-City Pro Rodeo events
- Life Flight Construction progress at Good Shephard Medical Center
- Asked that the Council read the City Council Rules of Order and adhere to the policies in place

Council Presidents Report

Councilor McCarthy spoke regarding:

- Pendleton Roundup
- Primary Election Information
- Hermiston High School Performing Arts Dinner and Fundraiser on September 20th
- Farm to Square event in Portland

Council Reports

Councilor Hayward stated the Summer City Logo t-shirts have arrived and are for sale at City Hall.

Councilor Kelso encouraged the Council and public to attend the Stepping Stones Alliance Fundraising Dinner on October 11th at EOTEC.

Councilor Duron spoke regarding the City Chat Events and Ask Hermiston and how these both bring great transparency.

Youth Advisory Report

None present.



Where Life is Sweet

CITY COUNCIL

Regular Meeting Minutes September 8, 2025

City Manager's Report

City Manager Smith gave information regarding:

- City Chat on September 19th at the Hermiston High School Football Game. Mayor Primmer, and Councilors Duron, Barron, and Kelso have already committed to attend.
- Umatilla County Bounty at Pioneer Square in Portland on September 20th
- Tentative Library Open House on September 27th
- October LOC Annual Conference in Portland

Adjourn


There was no other business and Mayor Primmer adjourned the regular City Council meeting at 8:16pm.

SIGNED:

Doug Primmer, Mayor


ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder




Ord. 2371- LID323

Sept. 8, 2025



Summary

- Approves formation of LID323 to construct street/curb/gutter/sidewalk/stormwater infrastructure on NW 2nd Between Elm Ave. and Cherry Ave.
- Assess ~86% of cost to benefitting properties





HERMISTON OREGON
LID 323

5 Tax Lots
3 Developed
2 Un-Developed

PROPERTY DESCRIPTION
EXHIBIT A



Elm Ave Barricades



Elm Ave @ Starbucks

Photo Credit: "Hermiston Bad Driver Shaming" - Facebook



Barricade Impacts on NW 2nd



Traffic Pattern Pre-Barricades





Traffic Pattern Post Barricades



Recommendation



- Develop NW 2nd w/LID
 - Pave/Curb/Sidewalk
 - Adjacent Benefits
 - Adjacent Pay ~86% Cost
- City Build Dogwood
 - Pave/Curb/Sidewalk
 - Non-Adjacent Benefits
 - City Pay 100% Cost
 - ~40% if All Together



Timeline

- March 24: Council Ask for Preliminary Engineering Rep.
- March 24: Council 'Intent to Form' Set May 12 Hearing
- March 25: Notice Mailed to Property Owners
- May 9: Property Owner "Remonstrances" Received
- May 23: Error identified in 1992 "Non-Remonstrance"



Timeline

- March 27: Council voted 7-1 in favor of proceeding
 - **Unable to proceed, lacking unanimous vote**
- Summer: Staff negotiated with Property Owners
 - **Accepted \$75,000 to remove opposition**
- Tonight: Lacking property owner opposition, LID can proceed on simple majority





Financial

- Scope: Same as in May
- Total Cost: Same as in May
- Only Change:
 - **\$75,000 more cost for taxpayers**
 - **\$75,000 less cost for benefitting properties**



Next Steps

- Motion to Approve Ordinance 2371
- Design/Bid: Fall '25
- Construct: Spring '26
- Levy Actual Cost: Spring '26
- 10-Year Repayment at City's Borrowing Cost



Questions?





Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of September 8 and 22, 2025

Title/Subject

Ordinance No. 2371 Creating Local Improvement District No. 323

Summary and Background

BACKGROUND

Northwest 2nd Street is a gravel unimproved street between W Elm Avenue and W. Cherry Avenue which provides direct access to three active industrial businesses, and two industrial lots which regularly get used for construction laydown activities.

This street has been identified as project ST 13.0 in the City's Capital Improvements Plan since 2018, but has existed in the appendix due to a lack of available funds.

The Oregon Department of Transportation is scheduled to erect traffic barricades on W Elm Avenue to better manage the efficient and safe flow of traffic through the Elm/395 intersection. These barricades will eliminate the ability for left-hand turning movements in to and out of NW Spruce. Therefore, the only remaining access on Elm Ave to the active businesses on NW 2nd for vehicles coming from the Northeast will be on NW 2nd. Similarly, the only Elm Avenue access for vehicles coming from these businesses looking to go West will be on NW 2nd. This will significantly increase the amount of traffic on this sub-standard street.

NW 2nd has been an unimproved gravel roadway due to two main factors:

- Non-Remonstrance Agreements (NRA)
 - o The City of Hermiston's standard requires that when a tax lot develops (structures are built on it), then the roadway in front of it must be built.
 - o Developers can avoid this obligation through signing an NRA. This generally states that they will not have to develop the street in order to build on their property, but if/when a Local Improvement District is proposed, then they waive their ability to formally oppose it's formation.
 - o Two of the five tax lots on NW 2nd have executed NRA's
- Undeveloped

- Undeveloped lots within the City are generally only required to pay to improve their street frontage at the time that they develop.
- Two of the five tax lots on NW 2nd have not formally developed

Due to the impending increase in traffic on NW 2nd triggered by the shift in traffic pattern accessing these businesses, it was recommended that the roadway be constructed to city standards.

Formation of a Local Improvement District (LID) is a way to finance public streets by levying the cost of the roadway on to the abutting properties which benefit from the street in amounts proportionate to their frontage.

The City of Hermiston has successfully executed 322 LID's, primarily to develop roadways.

ACTION TO-DATE

City Council, on March 24, approved Resolution 2362 to initiate LID formation by calling for development of a preliminary engineering report outlining the improvements to be made. For various reasons, city staff had already compiled this report so that it was ready and available.

City Council, on March 24, reviewed the preliminary engineering report and approved Resolution 2363 which declared the City's intent to form an LID to construct the improvements called for in the report. This action also established May 12 for a Public hearing in order to receive feedback from impacted property owners, stakeholders, and the general public.

City Staff mailed official notice to all 5 property owners on March 31. The notice included the date/time of the Public Hearing, a copy of the PER, forms to submit formal opposition, and an outline of the property owners' rights.

Engineering Staff, on May 8, identified a typographical error in the Project Cost Allocation table on Figure 4-1. The decision was made to postpone the Public Hearing in order to update the table, and notify the property owners of the changes.

City Staff, on May 9, received it's first communication from the property owners, in the form of 5 signed remonstrances. The remonstrances were identical, owing to the fact that they are controlled by the same group of individuals. Generally the two main objections regarded a concern for safety associated with increased speeds on a better street, and a concern for stormwater runoff associated with the newly impervious surface.

City Legal Staff, on May 23, identified what appeared to be a copy and paste error in the signed non-remonstrance agreement which rendered it somewhat nonsensical, and advised it would be unusable.

City Council, at the May 27 Council meeting voted to move forward with the LID, but lacking a unanimous vote, it was unable to over-ride the remonstrances from the property owners. Without unanimous support, and more than 60% of properties having remonstrated against formation, the issue would not be able to return for 6 months.

Throughout the Summer, Staff continued discussions with the property owners/representatives, and ended up with an agreement for the City to help pay for \$75,000

of the cost of LID323 in order to buy-down the cost to the impacted properties. In exchange, the owner of Tax Lot 2200 signed an updated Non-Remonstrance Agreement.

The current status of only 3 valid remonstrances allows for the issue to be brought back to Council consideration at this time, and also for the LID formation to proceed without a unanimous vote. Therefore, LID 323 is being re-proposed exactly the same as before, with the only exception being that previously there was \$0 of city cost-share included, and as presented now, there is \$75,000 of city taxpayer cost-share included.

Finally, although the scope of the project is the exact same, in doing this extra round of review, one line-item for base rock, which would have been addressed in construction, was identified to be too high, and so the revised amount of base rock was amended lower in the updated version. This reduces the total estimated cost by \$57,000.

NEXT STEPS

1. Public Hearing- Council will accept public testimony at the public hearing on Sept. 8. Depending on the testimony received, Council may choose to continue the hearing, table the issue, cease formation of the LID, or approve moving forward with the LID as presented.
2. If Ordinance 2371 is approved, then City Staff will begin full design engineering and target public advertisement for bids in late Fall '25 with construction anticipated in late Spring '26.
3. Upon construction completion, all actual costs will be tallied, and a final property assessment, based on actual costs, will be levied by City Council. Property owners will be given the option to pay their portion in one lump sum, or to pay their portion over 10 years based on the best borrowing terms the City is able to obtain, with no markup applied by the City, and the amount owed will become a lien on the property.

Tie-In to Council Goals

Transportation: Improve Mobility and Transportation

Fiscal Information

This LID will be paid for predominantly by the benefitting property owners, with the city taxpayers now covering \$75,000 of the cost to be paid from Transportation SDC's which will need to be diverted from other street priorities.

Alternatives and Recommendation

Alternatives

1. Approve Ordinance 2371
2. Reject Ordinance 2371

Recommended Action/Motion

Motion to approve Ordinance 2371

Submitted By:

Mark Morgan

ORDINANCE NO. 2371**AN ORDINANCE CREATING LOCAL IMPROVEMENT DISTRICT NO. 323; DESCRIBING IMPROVEMENT; SETTING BOUNDARY; PROVIDING FOR PAYMENT BY BENEFITTED PROPERTIES; SECURING SUCH PAYMENT BY LIEN AGAINST THE BENEFITTED PROPERTIES; AND CALLING FOR CONSTRUCTION**

WHEREAS, on March 24, 2025, the Hermiston City Council adopted Resolution No. 2362 to initiate the formation of a local improvement district in the vicinity of NW 2nd Street from W. Cherry Avenue to W. Elm Avenue and directed the City Manager to prepare a feasibility report for a capital construction project; and

WHEREAS, on March 24, 2025, the City Manager submitted to the City Council the *N.W. 2nd Street Local Improvement District Engineering Report, March 2025*, detailing the installation of improvements on NW 2nd Street; and

WHEREAS, after reviewing the engineering report, the City Council adopted Resolution No. 2363, establishing the intent to form Local Improvement District No. 323 ("LID 323") and calling for a public hearing on May 12, 2025; and

WHEREAS, on March 31, 2025, more than ten (10) days before the May 12, 2025 public hearing on LID 323, the City Manager mailed or personally delivered a notice of the public hearing containing the date, time, and location of the hearing together with the information required by subsection 34.28(B) of the Hermiston Municipal Code ("HMC"), including a copy of the engineering report and a form of remonstrance as provided in HMC 34.30, to each of the owners of each property proposed to be located within the local improvement district; and

WHEREAS, prior to the May 12, 2025 public hearing an error was discovered in the calculation of the amount of frontage used to determine the methodology for levying assessments causing the public hearing to be postponed to May 27, 2025, so that the City Council and all noticed parties could receive a copy of the amended *N.W. 2nd Street Local Improvement District Engineering Report, May 2025*; and

WHEREAS, the owners of each property proposed to be located within the local improvement district were mailed a notice of the May 27, 2025 public hearing date, an explanation of the necessary amendment to the report, and a copy of the amended engineers report; and

WHEREAS, prior to the hearing on May 27, 2025, the City received more than 60% of valid remonstrances from the five properties located within the district; and

WHEREAS, the City Council held a vote to override the remonstrances and the motion failed as the vote was not unanimous at 7 for and 1 against. Pursuant to HMC 34.30(D) the City Council suspended the formation of the proposed district for not less than six months; and

WHEREAS, in the intervening time period, City staff and a property owner of one of the properties within the proposed district came to an agreement and a waiver of remonstrance was created; and

WHEREAS, the agreement to not remonstrate against the formation of the proposed district brought the percentage of remonstrances to 60% which allows the City to review the formation of the district; and

WHEREAS, on August 25, 2025, the City Manager submitted to the City Council the *N.W. 2nd Street Local Improvement District Engineering Report, August 2025*, detailing the installation of improvements on NW 2nd Street:

1. The improvements will consist of approximately 480 linear feet of street improvement, to include the paving of a 28-foot-wide asphalt street in the NW 2nd Street right-of-way between W Cherry Ave. and W Elm Ave. (OR Highway 207). In addition to the paving listed above, the project will include curb and gutter as well as 5-foot sidewalks on both sides of the street, along with pedestrian ramps, driveways, and stormwater facilities.
2. The full project cost for the above-mentioned improvements is estimated at \$448,000.
3. The methodology for levying assessments uses the amount of frontage that each property has in relation to certain improvements as the way to assign benefit, and therefore, the corresponding amount of the levy applied to the property. A detailed description of how that is applied is included in the engineer's report. and

WHEREAS, after reviewing the engineering report, the City Council adopted Resolution No. 2392, establishing the intent to form Local Improvement District No. 323 ("LID 323"), superseding Resolution No. 2363, and calling for a public hearing on September 8, 2025; and

WHEREAS, on August 26, 2025, more than ten (10) days before the September 8, 2025 public hearing on LID 323, the City Manager mailed or personally delivered a notice of the public hearing containing the date, time, and location of the hearing together with the information required by HMC 34.28(B), including a copy of the engineering report and a form of remonstrance as provided in HMC 34.30, to each of the owners of each property proposed to be located within the local improvement district; and

WHEREAS, on September 8, 2025, a public hearing was held before the City Council for public testimony and submission of remonstrances. The City Council did not receive more than 60% of valid remonstrances necessary to either terminate or suspend formation of the district. Now therefore:

THE CITY OF HERMISTON ORDAINS AS FOLLOWS:

SECTION 1. Findings. The staff report accompanying this Ordinance, the *N.W. 2nd Street Local Improvement District Engineering Report, August 2025*, and the above recitals are incorporated as the City Council's findings as if set forth herein.

SECTION 2. That under the authority of Chapters 34.25-34.40 of the Hermiston Municipal Code, the City Council does hereby establish LOCAL IMPROVEMENT DISTRICT NO. 323, as the project satisfies the definition of a local improvement district under state law and HMC 34.26.

SECTION 3. That the improvement shall consist of approximately 480 linear feet of street improvement to include the paving of a 28-foot-wide asphalt street in the NW 2nd Street right-of-way between W Cherry Ave. and W Elm Ave. (OR Highway 207). In addition to the paving listed above, the project will include curb and gutter as well as 5-foot sidewalks on both sides of the street, along with pedestrian ramps, driveways, and stormwater facilities as detailed in the *N.W. 2nd Street Local Improvement District Engineering Report, August 2025*.

SECTION 4. That the Boundary of Local Improvement District No. 323 shall embrace the property to be benefitted and to be assessed for the installation of said improvement, and shall include the following described land described in attached Exhibit A, all of said land being located in the City of Hermiston, Umatilla County, Oregon.

SECTION 5. That the cost of making such improvement shall be a charge against and a lien upon all lots, parts of lots and parcels of land benefitted by such improvement; and the owners of such lots, parts of lots and parcels of land especially benefitted by such improvement shall be liable for payment of the expenses and costs thereof.

SECTION 6. That the property owners within the benefitted district will contribute an estimated \$448,000 towards the cost of this project based on the amount of frontage that each property has in relation to certain improvements constructed along their property frontage. A list of the benefitted properties by tax lots and tax map, owners and estimated LID assessment for each tax lot is attached as Exhibit B.

SECTION 7. That the City Manager shall have prepared plans and specifications for appropriate improvements as described in accordance with the charter and ordinances of the City and shall invite public bids for the construction of said improvement district project as required by the charter, ordinances and general specification of the City and this Ordinance No. 2371.

SECTION 8. This ordinance shall take effect on the 30th day after its adoption.

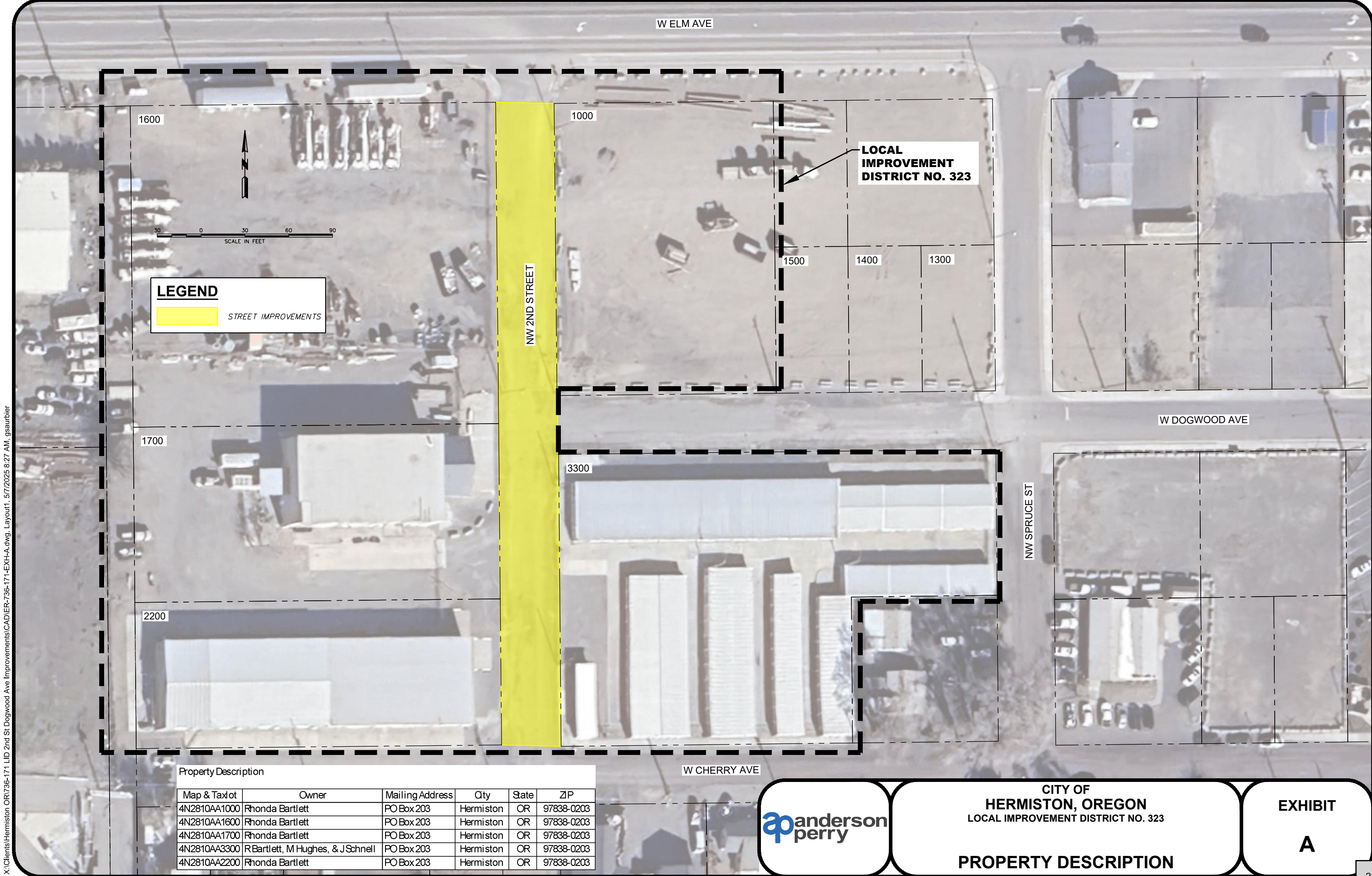
ADOPTED by the Common Council this 22nd day of September 2025.

SIGNED by the Mayor this 22nd day of September 2025.

Doug Primmer, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC City Recorder



X:\Clients\Hermiston OR\736-171 LID 2nd St Dogwood Ave Improvements\CAD\IER-736-171-EXH-A.dwg, Layout1, 5/7/2025 8:27 AM, gsaubler

ESTIMATED ASSESSMENTS*

Prop Des/Tax ID	Owner(s)	Estimated Assessment
4N2810AA1000	Rhonda Bartlett P.O. Box 203 Hermiston, OR 97838	\$ 106,666.67
4N2810AA1600	Rhonda Bartlett P.O. Box 203 Hermiston, OR 97838	\$ 117,333.33
4N2810AA1700	Rhonda Bartlett P.O. Box 203 Hermiston, OR 97838	\$ 64,000.00
4N2810AA3300	Rhonda Bartlett, MJ Hughes, J Schnell P.O. Box 203 Hermiston, OR 97838	\$ 106,666.67
4N2810AA2200	Rhonda Bartlett P.O. Box 203 Hermiston, OR 97838	\$ 53,333.33
	TOTAL ASSESSED	\$ 448,000.00

*NOTE: Estimates are based on engineering expertise and the current bidding environment. Final assessments may be higher or lower than the estimate, but the scope of work will not change.

**N.W. 2ND STREET
LOCAL IMPROVEMENT DISTRICT
ENGINEERING REPORT**

AUGUST 2025



Prepared for the
City of Hermiston, Oregon

**N.W. 2ND STREET
LOCAL IMPROVEMENT DISTRICT
ENGINEERING REPORT**

FOR

CITY OF HERMISTON, OREGON

2025



ANDERSON PERRY & ASSOCIATES, INC.

La Grande, Redmond, Hermiston, and Enterprise, Oregon
Walla Walla, Washington

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Section 1 - Project Description

General

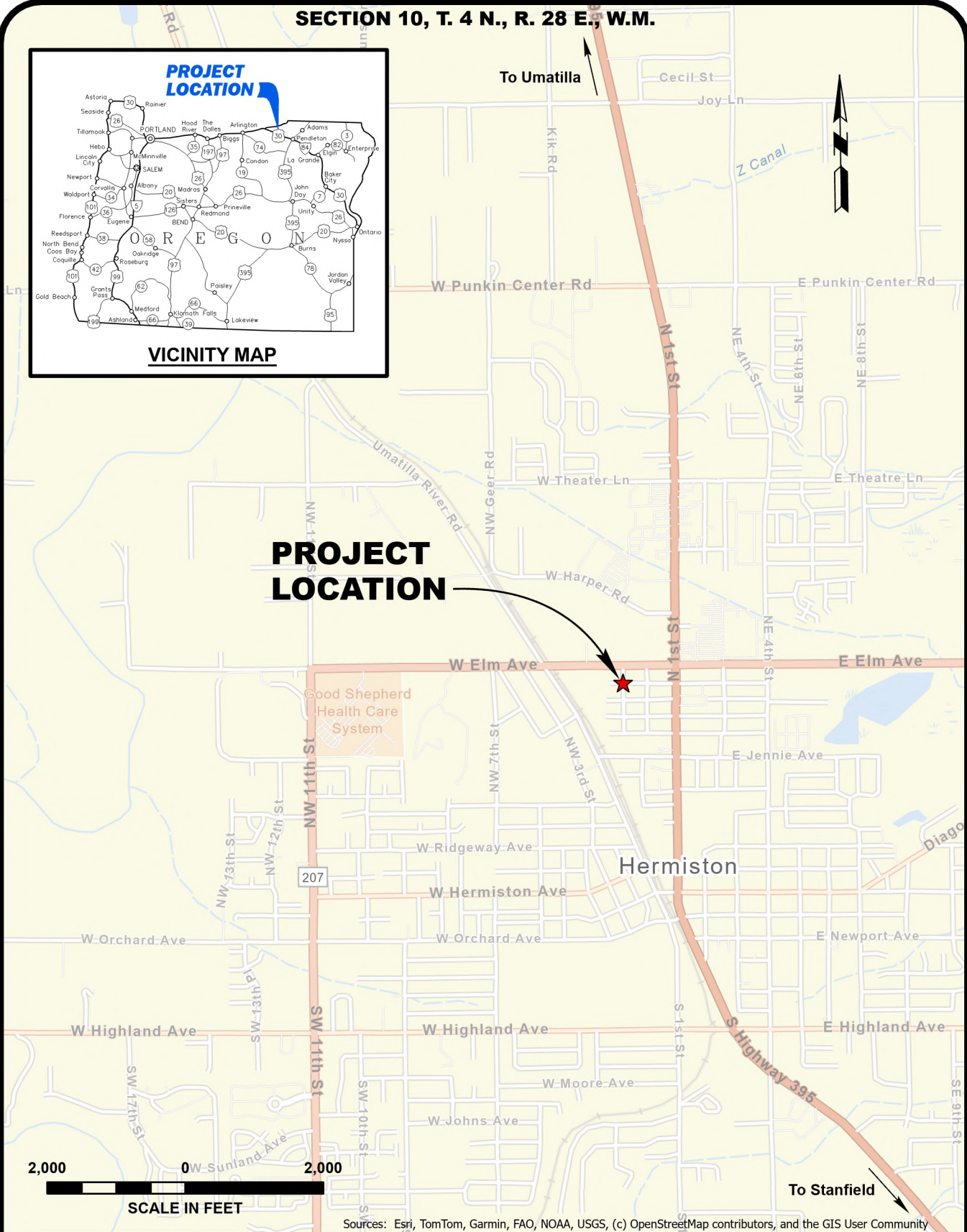
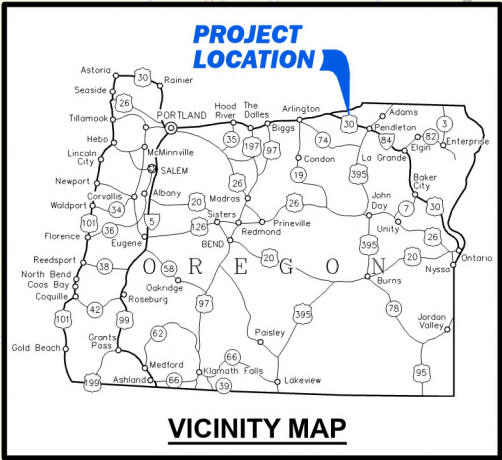
The City of Hermiston, Oregon, is considering the formation of a Local Improvement District (LID) for N.W. 2nd Street to provide street improvements in anticipation of increased traffic due to upcoming improvements to Highway 207 (W. Elm Avenue). These improvements would generally include replacing existing gravel streets with urban local residential streets.

Project Description

The proposed LID location is shown on Figure 1-1, Location and Vicinity Maps, and an aerial of the proposed LID boundary is shown on Figure 1-2, Aerial Photograph. The proposed LID consists of five properties, comprising a total of approximately 4.36 acres. A 40-foot wide existing right-of-way is available for the construction of the street improvements. The N.W. 2nd Street LID tax map with lot lines and parcel sizes is included in Appendix A.

The improvements for the proposed LID are shown on Figure 1-3, Proposed Improvements. The improvements would consist of approximately 480 linear feet (LF) of street improvement, including 5-foot sidewalks, pedestrian ramps, driveways, curb and gutter, two 14-foot travel lanes, and stormwater facilities. "No Parking" signs would be located on both sides of the street. The pavement section would consist of 3 inches of asphalt concrete pavement on 3 inches of 3/4"-0 aggregate base and 6 inches of 1"-0 aggregate base. These proposed improvements are based on a planning-level design and are preliminary in nature. A typical street cross section of the proposed street improvements, based on City Standard Drawing ST11 Local Residential - Option 1, is shown on Figure 1-4. A property benefit analysis is included in Chapter 3, with property boundaries current as of January 2025.

SECTION 10, T. 4 N., R. 28 E., W.M.



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**CITY OF
HERMISTON, OREGON**

N.W. 2ND ST. LOCAL IMPROVEMENT DISTRICT
ENGINEERING REPORT

LOCATION AND VICINITY MAPS

FIGURE

1-1

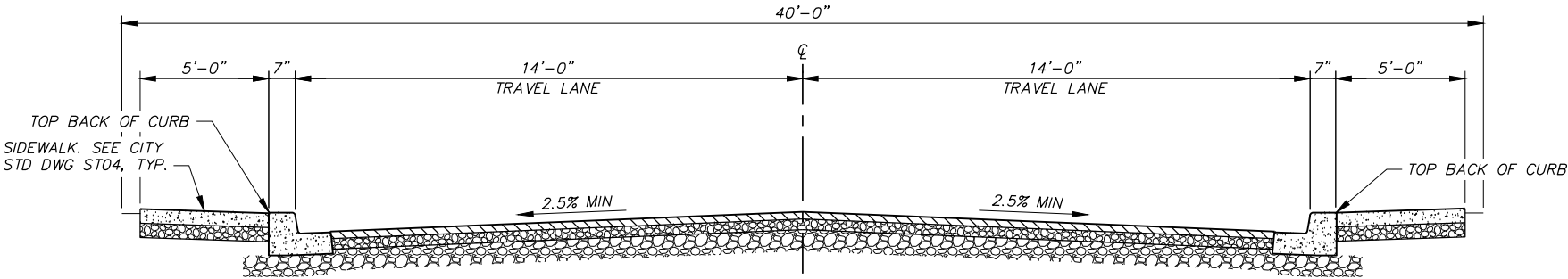
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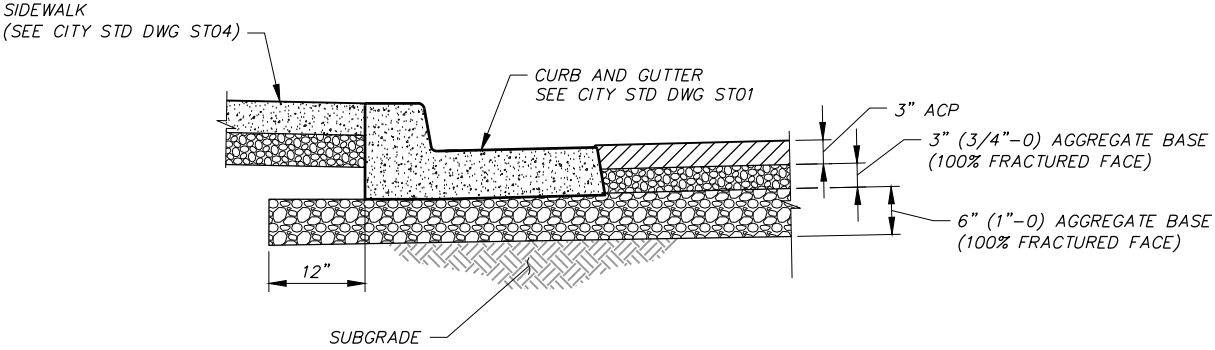


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STREET CROSS SECTION

NTS



PAVEMENT SECTION

NTS

Section 2 - Preliminary Feasibility Analysis

Street Improvement

The proposed street improvements required for the N.W. 2nd Street Local Improvement District (LID) shown on Figures 1-3 and 1-4 are feasible; however, they present certain challenges. The streets have been graded and graveled within the existing 40-foot right-of-way (ROW). The ROW width is narrower than the city standard ROW width of 50-feet. The street section shown on Figure 1-4 will be used to fit within the existing ROW. Additionally, the power poles near the edge of the ROW would need to be considered during engineering design. If the power poles are confirmed to be in the proposed sidewalk, they would need to be relocated during construction to provide a 4-foot wide accessible path. Nevertheless, no significant obstacles are preventing the proposed street improvements.

Other Utilities

Water, sewer, communications, and electricity are currently available to the properties in the proposed LID.

Project Cost

A preliminary cost estimate was prepared as part of the feasibility analysis and is shown on Figure 2-1, Preliminary Cost Estimate. Due to the preliminary nature of the cost estimate, a 20 percent construction contingency has been included to account for unforeseen issues and potential variability in the bidding environment when the improvements are to be constructed. As shown, the estimate includes anticipated engineering as a percentage of construction costs. The preliminary cost estimate assumes construction of the improvements would occur in 2026; an anticipated annual inflation of 5 percent was calculated and is shown on the cost estimate. The cost estimate would need to be reviewed and potentially adjusted should the street improvements project move to the design and construction phases.

**CITY OF HERMISTON, OREGON
N.W. 2ND STREET
LOCAL IMPROVEMENT DISTRICT
ENGINEERING REPORT
PRELIMINARY COST ESTIMATE
August 18, 2025**

NO.	DESCRIPTION	UNIT	UNIT PRICE	ESTIMATED QUANTITY	TOTAL PRICE
1	Mobilization/Demobilization	LS	\$ 34,050	All Req'd	\$ 34,050
2	Temporary Protection and Direction of Traffic/Project Safety	LS	6,000	All Req'd	6,000
3	Erosion and Sediment Control	LS	3,300	All Req'd	3,300
4	Removal of Structures and Obstructions*	LS	10,000	All Req'd	10,000
5	General Earthwork	LS	5,000	All Req'd	5,000
6	3/4"-0 Aggregate Base (3 inches)	CY	85	180	15,300
7	1"-0 Aggregate Base (6 inches)	CY	85	340	28,900
8	3-inch Asphalt Concrete Pavement	TON	175	250	43,750
9	Concrete Curb and Gutter	LF	50	960	48,000
10	American with Disabilities Act Ramp	EA	3,750	6	22,500
11	Concrete Driveway Approaches	SF	18	750	13,500
12	Concrete Sidewalk	SF	14	4,050	56,700
13	Stormwater**	LS	50,000	All Req'd	50,000
14	Surface Restoration	LS	3,000	All Req'd	3,000
15	Permanent Striping and Signing	LS	3,000	All Req'd	3,000
Estimated Construction Cost					\$ 343,000
Construction Contingency (20%)					70,000
Design Engineering (10%)					40,000
Construction Engineering (10%)					40,000
Total Year 2025 Estimated Project Cost					\$ 493,000
Inflation at Time of Construction*** (Assumed Construction Year 2026)					30,000
TOTAL YEAR 2026 ESTIMATED IMPROVEMENTS COST					\$ 523,000

*Power pole relocation is not included in this cost estimate since its location relative to the right-of-way has not been determined.

**Stormwater is assumed to include two drywell manholes, two sedimentation chambers, and four catch basins.

***Construction cost inflation is assumed to be 5 percent annually until construction occurs.

Section 3 - Property Benefit Analysis

Hermiston Municipal Code 157.164

Figure 3-1, Property Benefit Analysis, includes property identification information, ownership information, and a description of the benefit that each property would receive from the proposed improvements. For all properties in this N.W. 2nd Street Local Improvement District (LID), the benefit to each property is that the street infrastructure that would be installed for the proposed development area would be in conformance with Hermiston Municipal Code 157.164. The proposed street improvements would ensure each tax lot has paved access to and from the remainder of the street system.

Section 4 of this LID Engineering Report outlines the methodology for assigning costs, which would be based on linear feet (LF) of frontage adjacent to the street improvements. Since no off-site improvements are included in this LID Engineering Report, the benefit that each property would receive is directly proportional to the LF of improvements installed.



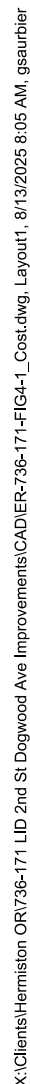
Section 4 - Project Cost Allocation

Methodology

The street improvement project included in the proposed N.W. 2nd Street Local Improvement District (LID) lends itself to allocating costs based on each property's frontage along the street improvements. The property frontage length along the proposed street improvements relative to total property frontage on the proposed street improvements for all properties in the LID is directly proportional to the assessment of each property. This method would distribute the costs of the LID equitably. Figure 4-1, Project Cost Allocation, shows each affected property, its associated frontage length, and its associated estimated LID assessment.

Description of Other Funds

The City of Hermiston will contribute \$75,000 to fund a portion of the project, which will reduce the allocatable estimated project cost. The estimated project cost, less the City's contribution of \$75,000, is anticipated to be completely covered by the owners of the properties within the LID. Additional funds would not be required.



Section 5 - Property Valuation and Assessment Estimate

General

The valuations for each property shown on Table 5-1 below represent the latest figures available from the Umatilla County Assessor's office. Table 5-1 shows an estimate of the amount to be assessed for each property in the N.W. 2nd Street Local Improvement District (LID). These amounts represent the total current value of the assessments without regard for potential long-term repayment plans and associated interest fees. An explanation of options for long-term payment plans is available below. A full accounting of how the assessment was calculated, using the methodology outlined in Section 4, is shown on Figure 4-1, Project Cost Allocation. Actual costs would be determined after construction is completed and final project costs are known.

TABLE 5-1
UMATILLA COUNTY ASSESSOR'S PROPERTY VALUATIONS


Map and Tax lot	Assessed Value	Real Market Value	Outstanding Tax Assessments	Estimated LID Assessment Total
4N2810AA1000	\$112,740	\$283,500	\$0	\$106,667
4N2810AA1600	\$156,580	\$439,230	\$0	\$117,333
4N2810AA1700	\$238,220	\$678,790	\$0	\$64,000
4N2810AA3300	\$662,380	\$1,502,500	\$0	\$106,667
4N2810AA2200	\$436,610	\$927,070	\$0	\$53,333
TOTAL	\$1,606,530	\$3,831,090	\$0	\$448,000

Long-term Repayment Plan

The construction of the proposed improvements considered in the LID would be coordinated by the City of Hermiston on behalf of each of the properties. Each property owner would have the option to pay their LID assessment in its entirety, or they may choose to make installment payments over ten years. The City intends to finance the improvements upfront through the most cost-effective means available. Any costs associated with carrying costs of financing the proposed improvements would be passed on directly to the benefiting properties; however, the City would not add on any administrative or overhead fees associated with obtaining and managing the financing instrument.

APPENDIX A

Tax Lot Maps

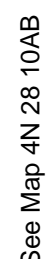


UMATILLA
COUNTY

SCALE: 1" = 100'

4N2810AA

See Map 4N 03D



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See Map 4N 28 11BB

Revised: 6/16/09

4N2810AA

LID Boundary

Appendix B

Standard Drawings

NOTES

1.

GUTTER CROSS SLOPE SHALL BE MINIMUM 2% AND MAXIMUM 3% UNLESS OTHERWISE APPROVED BY THE CITY.
2.

ALL CONCRETE SHALL BE COMMERCIAL GRADE 4,000 PSI CONCRETE.
3.

COMPACT AGGREGATE BASE TO 95% MAXIMUM DRY DENSITY PER ASTM D1557.
4.

AGGREGATE BASE THICKNESS BELOW CURB AND GUTTER SHALL BE 6" THICK OR CONFORM TO CITY STD DWG ST07-ST11, WHICHEVER IS GREATER.
5.

SEE CITY STD DWG ST04 FOR CURB AND GUTTER JOINT REQUIREMENTS.
6.

CONCRETE SHALL BE TROWELED SMOOTH PRIOR TO APPLYING BROOM FINISH.
7.

INSPECTION CRITERIA:
- 7.1.

COMPLETED CURB AND GUTTER SHALL NOT CAUSE PUDDLING ISSUES. PUDDLE WIDTH SHALL NOT EXCEED 75% OF THE GUTTER WIDTH AND PUDDLE LENGTH SHALL NOT EXCEED 2'.
- 7.2.

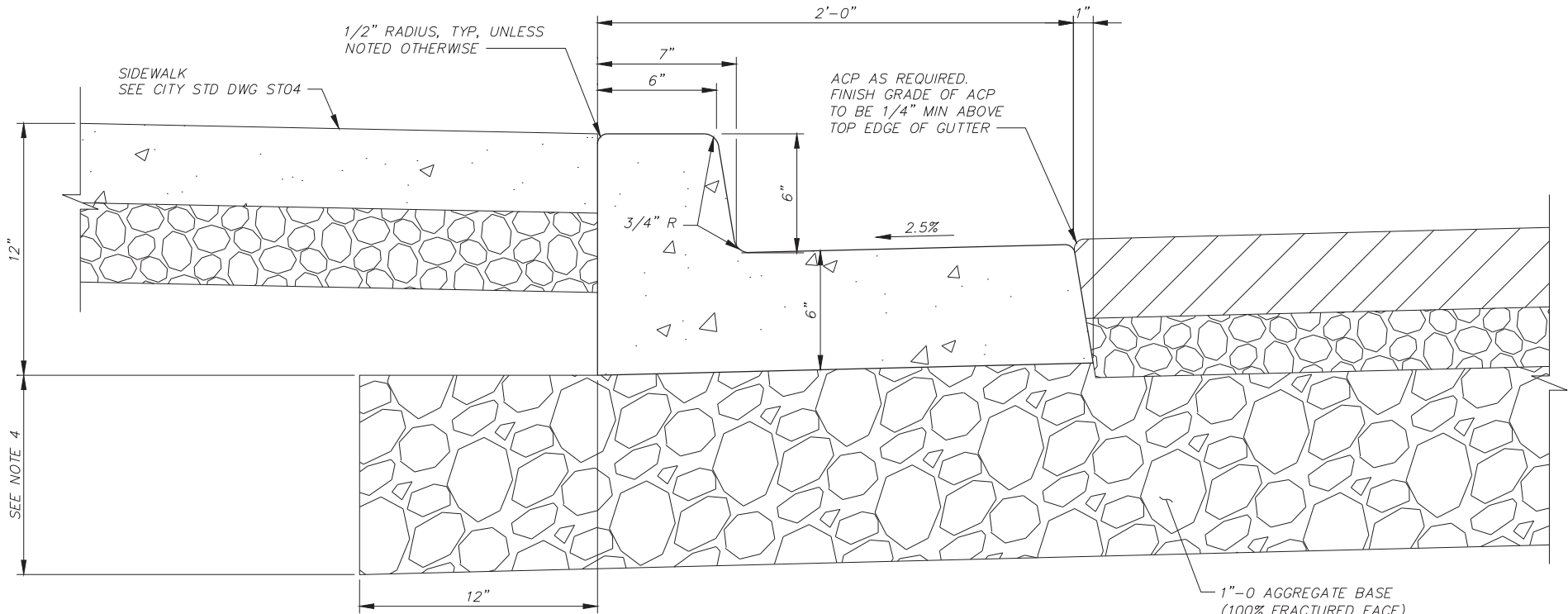
CROSS SLOPE OF THE GUTTER SHALL BE A MINIMUM OF 1.5% AND A MAXIMUM OF 3.5% AS MEASURED BY A 2' ELECTRONIC LEVEL.
- 7.3.

THERE SHALL BE NO BREAK POINTS OR REVERSE SLOPE IN THE GUTTER CROSS SLOPE AS MEASURED BY A 2' ELECTRONIC LEVEL. THE MAXIMUM ALLOWABLE GAP BETWEEN THE LEVEL AND THE GUTTER SURFACE SHALL BE 1/8".
- 7.4.

WHEN A 6 FOOT LONG STRAIGHTEDGE IS LAID ON THE TOP FACE OF THE CURB OR ON THE SURFACE OF THE GUTTER, THE SURFACE SHALL NOT VARY MORE THAN 0.02 FEET FROM THE EDGE OF THE STRAIGHTEDGE EXCEPT AT GRADE CHANGES OR VERTICAL CURVES.
- 7.5.

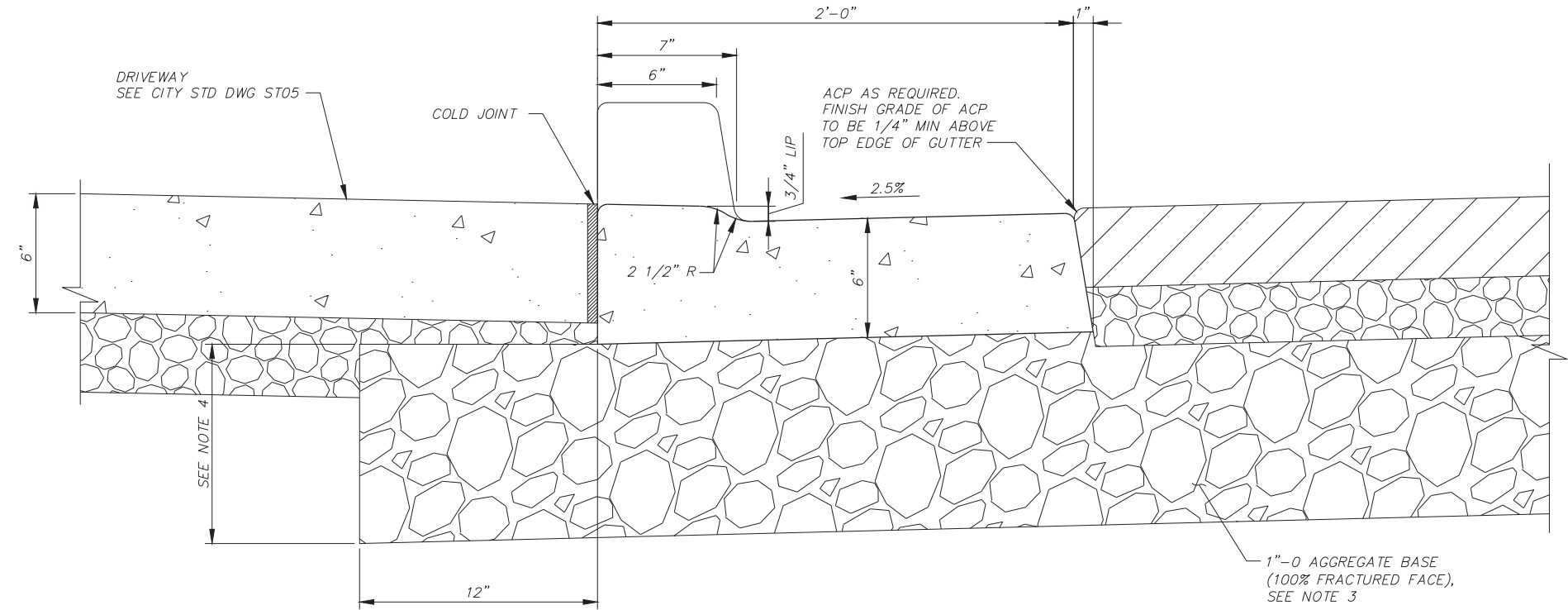
THE CONTRACTOR SHALL CONSTRUCT ALL CURB AND GUTTER WITHIN 0.02 FEET OF TRUE LINE, WITHIN 0.02 FEET OF ESTABLISHED SURFACE GRADE, CROSS SECTION, AND SLOPE, AND WITHIN 0.02 FEET OF SPECIFIED THICKNESS.
8.

WHEN INSTALLING NEW CURB AND GUTTER ON AN EXISTING PAVED STREET, THE ASPHALT SHALL BE CUT A MINIMUM OF 2 FEET FROM THE EDGE OF THE GUTTER OR AS NEEDED TO ACHIEVE COMPACTION OF THE AGGREGATE BASE BY MECHANICAL MEANS.



STANDARD CURB AND GUTTER

NTS



CURB AND GUTTER AT DRIVEWAY

NTS

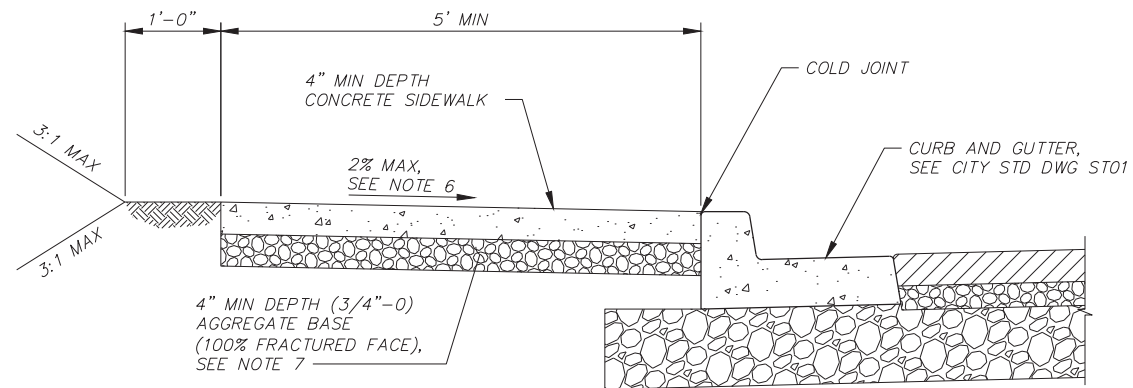


Where Life is Sweet

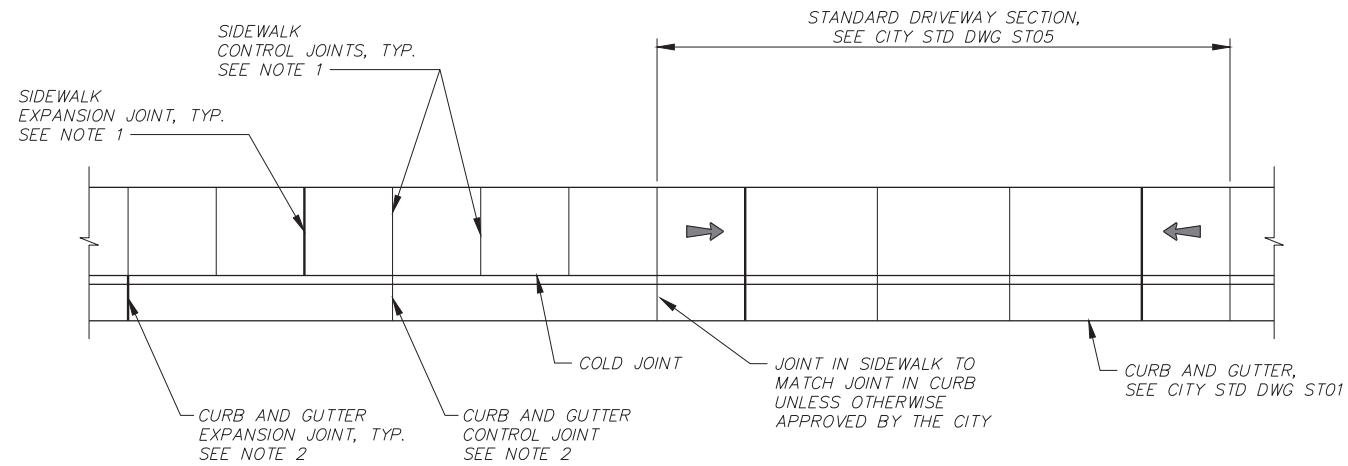
CITY OF
HERMISTON, OREGON
STANDARD DRAWINGS

CURB AND GUTTER

FIGURE
ST01



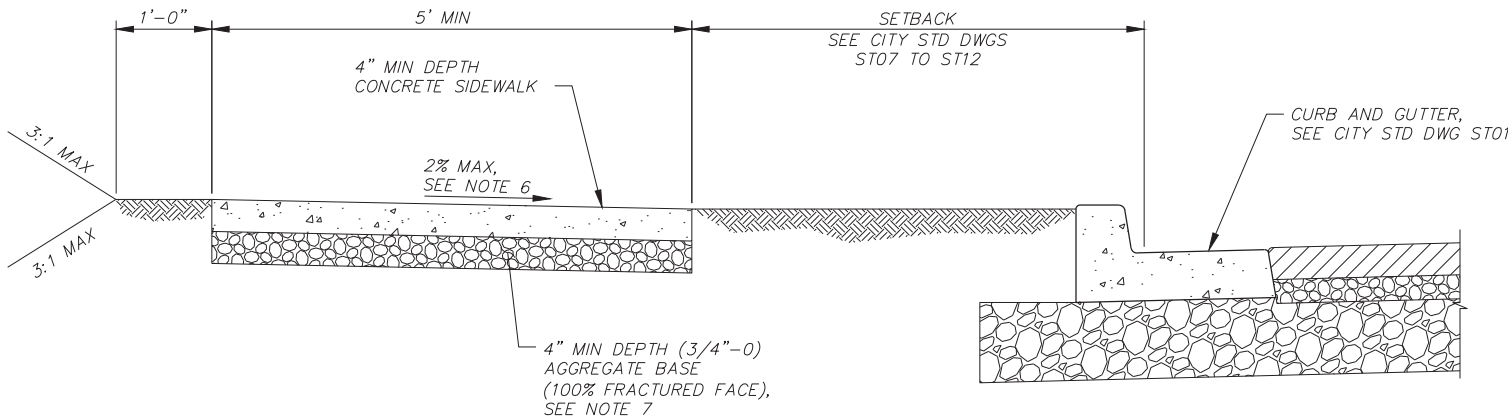
SIDEWALK SECTION
NTS



TYICAL PLAN VIEW
NTS

NOTES

- SIDEWALK JOINT REQUIREMENTS:
 - EXPANSION JOINT SPACING SHALL BE 45' ON CENTER MAXIMUM, AND SHALL BE PROVIDED AROUND POLES, BOXES, AND ANY FIXTURES WHICH PROTRUDE THROUGH THE SIDEWALK, BETWEEN ANY STRUCTURE IMMEDIATELY ADJACENT TO THE SIDEWALK, AND AT THE ENDS OF EACH DRIVEWAY (AS DETERMINED BY DRIVEWAY WIDTH).
 - FOR SIDEWALKS LESS THAN 8' WIDE, TRANSVERSE CONTROL JOINT SPACING SHALL BE EQUAL TO THE WIDTH OF THE SIDEWALK EXCLUDING THE CURB. FOR SIDEWALKS 8' OR GREATER IN WIDTH TRANSVERSE CONTROL JOINT SPACING SHALL BE EQUAL TO HALF THE WIDTH OF THE SIDEWALK AND A LONGITUDINAL CONTROL JOINT SHALL BE CONSTRUCTED AT THE CENTER OF THE SIDEWALK.
- CURB AND GUTTER JOINT REQUIREMENTS:
 - EXPANSION JOINTS ARE OPTIONAL WHEN USED. SPACING SHALL BE 200' ON CENTER MAXIMUM AND SHALL BE PLACED AT POINTS OF TANGENCY, AT BOTH ENDS OF EACH DRIVEWAY, AT CONNECTION TO EXISTING CURB/GUTTER, AND ADJACENT TO ANY STRUCTURE.
 - CONTROL JOINT SPACING SHALL BE 15' ON CENTER MAXIMUM, AND SHALL BE PLACED AT THE ENDS OF EACH STORMWATER INLET AND CURB RAMP.
- CONCRETE DEPTH FOR SIDEWALKS SHALL BE 4" MIN, SEE ST05 FOR DRIVEWAY THICKNESS.
- BROOM FINISH ALL SIDEWALKS AND DRIVEWAYS.
- WHERE NEW SIDEWALK CONSTRUCTION ABUTS AN EXISTING SIDEWALK NOT MEETING CITY STANDARDS, NEW SIDEWALK CONSTRUCTION MUST TRANSITION TO MEET CITY STANDARDS WITHIN A MAXIMUM DISTANCE EQUAL TO THE WIDTH OF THE SIDEWALK EXCLUDING THE CURB.
- TO ENSURE SLOPES DO NOT EXCEED MAXIMUM ALLOWABLE SLOPES, IT IS RECOMMENDED TO SET SLOPES LOWER THAN MAXIMUM ALLOWABLE SLOPES AS FOLLOWS:
 - FOR 2% MAX, SET SLOPE AT 1.5%
 - FOR 8.33% MAX, SET SLOPE AT 7.5%SIDEWALK WITH SLOPES EXCEEDING MAXIMUM ALLOWABLE VALUES SHALL BE REMOVED AND REPLACED AT THE CONTRACTORS EXPENSE.
- COMPACT AGGREGATE BASE (100% FRACTURED FACE) TO 95% MAXIMUM DRY DENSITY PER ASTM D1557.
- ALL CONCRETE SHALL BE COMMERCIAL GRADE 4,000 PSI CONCRETE.



SIDEWALK SECTION WITH SETBACK
NTS



CITY OF
HERMISTON, OREGON
STANDARD DRAWINGS

SIDEWALK

FIGURE
ST04



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of September 22, 2025

Title/Subject

August 2025 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 August 2025 Financial Report as presented.

Submitted By:

Ignacio Palacios, Finance Director

Byron D. Smith, City Manager

August 2025 Financial Report



Department of Finance
August 2025
(Unaudited)

FY2025-2026 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

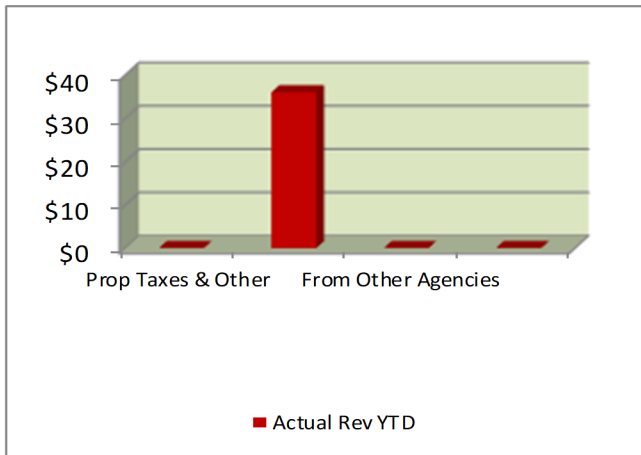
For the Month Ending August 31, 2025

Resources

Through August 31, 2025

by Category

(in \$1,000)



	Annual Bud't Rev	Actual Rev YTD	% Var
Prop Taxes & Other	\$ 312	-	0%
Miscellaneous	\$ 5,811	36	1%
From Other Agencies	\$ 345	-	0%
Cash Fwd	\$ 5,200	-	0%
Total	\$ 11,668	\$ 36	0%

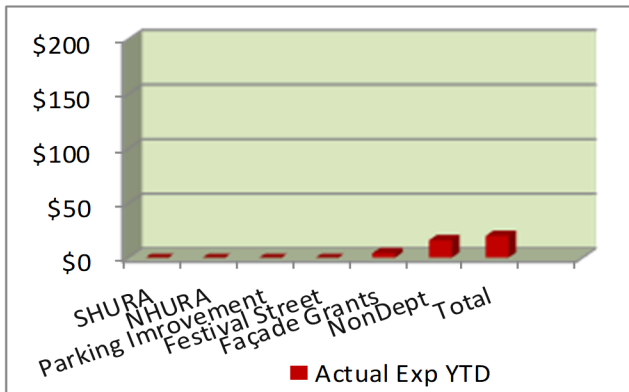
Note: Variance is calculated as % of revenue YTD

Expenditures

Through August 31, 2025

by Category

(in \$1,000)



	Annual Bud't Exp	Actual Exp YTD	% Var
SHURA	\$ -	0	0%
NHURA	\$ 5,545	0	0%
Parking Improvement	\$ 3	0	0%
Festival Street	\$ 3	0	0%
Façade Grants	\$ 60	4	7%
NonDept	\$ 6,057	16	0%
Total	\$ 11,668	\$ 20	0%

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).

FY2025-2026 Monthly Financial Report
Hermiston Urban Renewal Agency (HURA)
HURA Capital Projects Report
For the Month Ending August 31, 2025

	Ending Aug 31	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
North First Street Improvement Project	\$ 5,200,000	\$ -	\$ 5,200,000	\$ 396,898	0.00%

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 appraisals completed. Meetings with property owners are taking place. Bidding to take place in the winter.

FY2025-2026 Monthly Financial Report

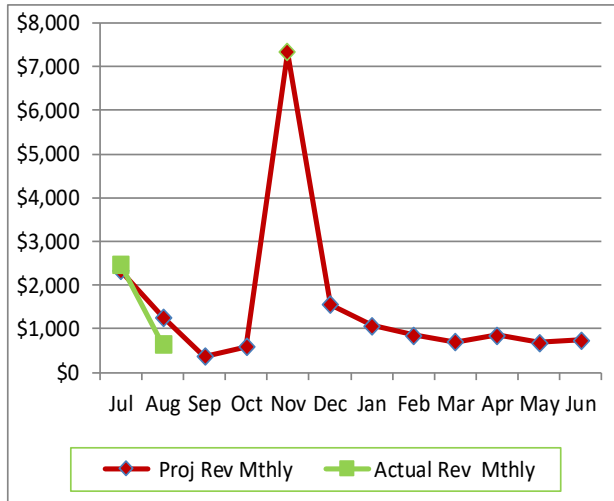
City of Hermiston, Oregon
General Fund Resources

For the Month Ending August 31, 2025

General Fund Resources Summary

Through August 31, 2025

(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			0%
Oct	\$ 584	\$ 584			0%
Nov	\$ 7,324	\$ 7,324			0%
Dec	\$ 1,556	\$ 1,556			0%
Jan	\$ 1,077	\$ 1,077			0%
Feb	\$ 846	\$ 846			0%
Mar	\$ 701	\$ 701			0%
Apr	\$ 857	\$ 857			0%
May	\$ 685	\$ 685			0%
Jun	\$ 743	\$ 743			0%
Total YTD	18,330	18,330	3,124	(466)	-2.5%
Cash Fwd	4,700	-	-	-	0%
Total	\$ 23,030	\$ 18,330	\$ 3,124	(466)	-2.5%

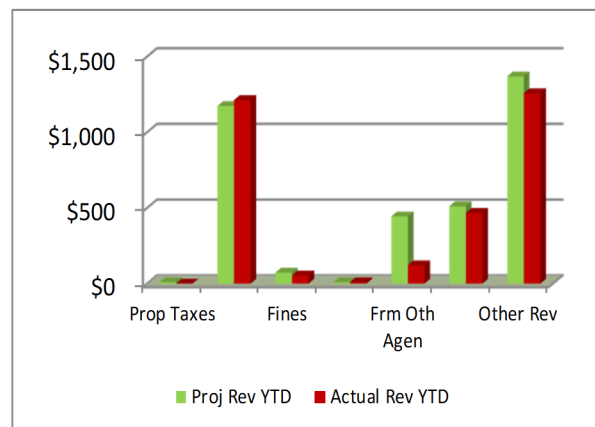
Estimated General Fund revenues for the 2025-26 fiscal year are \$23,029,813. Projected year-to-date revenues were **\$3,589,931** compared to actual revenues of **\$3,123,705** an unfavorable variance of **\$466,226**. This is primarily due to change in building department fees and grant revenue.

General Fund - All Resources

Through August 31, 2025

by Category

(in \$1,000)



	Annual Bud't Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 8,088	\$ 9	\$ -	\$ (9)	-100%
Lic & Fran	\$ 2,162	\$ 1,174	1,213	39	3%
Fines	\$ 425	\$ 73	54	(19)	-26%
Interest Rev	\$ 75	\$ 9	9	0	2%
Frms Oth Agen	\$ 1,183	\$ 444	122	(323)	-73%
Svc Chgs	\$ 3,051	\$ 511	467	(44)	-9%
Other Rev	\$ 3,347	\$ 1,369	1,258	(111)	-8%
Cash Fwd	\$ 4,700	\$ -	-	-	0%
Total	\$ 23,030	\$ 3,590	\$ 3,124	(466)	-13.0%

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

FY2025-2026 Monthly Financial Report

City of Hermiston, Oregon

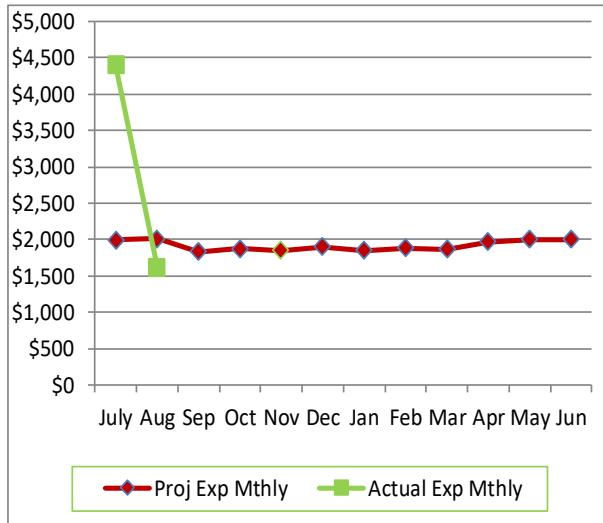
General Fund Expenditures

For the Month Ending August 31, 2025

General Fund Expenditure Summary

Through August 31, 2025

(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			0%
Oct	\$ 1,876	\$ 1,876			0%
Nov	\$ 1,848	\$ 1,848			0%
Dec	\$ 1,903	\$ 1,903			0%
Jan	\$ 1,849	\$ 1,849			0%
Feb	\$ 1,887	\$ 1,887			0%
Mar	\$ 1,865	\$ 1,865			0%
Apr	\$ 1,968	\$ 1,968			0%
May	\$ 2,000	\$ 2,000			0%
Jun	\$ 1,999	\$ 1,999			0%
Total YTD	23,030	23,030	6,017	(2,014)	-8.7%
Contngcy		-	-	-	0%
Total	\$ 23,030	\$ 23,030	\$ 6,017	\$ (2,014)	-8.7%

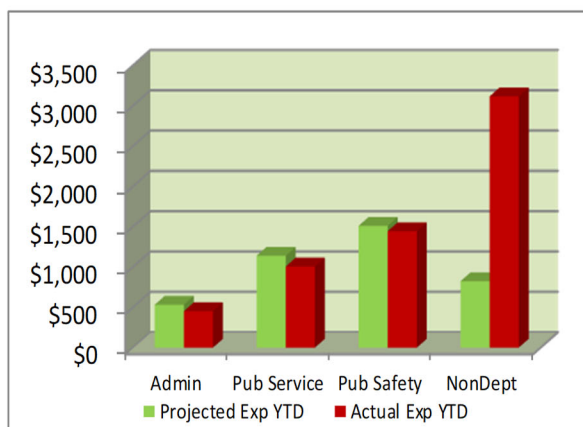
Projected General Fund year-to-date expenditures were **\$23,029,813**. The actual expenditure was **\$6,016,945** which is **\$2,013,505 more** than projected YTD for a **variance of 50.3%**. This is due to the transfer of funds to the building inspection fund.

General Fund Expenditures

Through August 31, 2025

by Consolidated Department

(in \$1,000)



	Annual Bud't Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 3,179	532	452	80	15%
Pub Service	5,064	1,139	1,006	133	12%
Pub Safety	9,853	1,510	1,443	66	4%
NonDept	4,934	822	3,116	(2,293)	-279%
Unapp	-	-	-	-	0%
Total	\$ 23,030	\$ 4,003	\$ 6,017	\$ (2,014)	-50.3%

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 August 31, 2025

General Fund Expenditures by Department

	Annual Budgeted			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	59,262	12,318	21,798	(9,480)	-77%
City Manager/Legal	1,325,509	220,918	198,473	22,445	10%
City Planning	921,482	153,580	117,128	36,452	24%
Finance	872,441	145,349	114,558	30,791	21%
Total Administration	3,178,694	532,165	451,957	80,208	15%
Transportation	467,000	69,850	61,350	8,500	12%
Airport	554,150	108,971	118,018	(9,047)	-8%
Parks	848,227	176,772	157,208	19,564	11%
Parks/Utility Landscaping	113,647	21,842	23,101	(1,259)	-6%
Pool	663,494	340,266	287,526	52,740	15%
Municipal Buildings	156,769	26,128	25,161	967	4%
Library	1,074,288	177,190	141,623	35,567	20%
Recreation	757,940	158,992	134,598	24,394	15%
Community Center	296,204	37,958	40,061	(2,103)	-6%
Harkenrider Center	132,146	21,279	17,252	4,027	19%
Total Public Services	5,063,865	1,139,249	1,005,898	133,351	12%
Court	1,060,509	181,618	123,976	57,642	32%
Public Safety Center	65,000	2,764	4,625	(1,861)	-67%
Police Operations	8,727,918	1,325,341	1,314,706	10,635	1%
Total Public Safety	9,853,427	1,509,722	1,443,307	66,415	4%
Non-Departmental	4,933,827	822,305	3,115,783	(2,293,479)	-279%
Unappropriated	0	0	0	0	0%
Total Non-Dept	4,933,827	822,305	3,115,783	(2,293,479)	-279%
Total	23,029,813	4,003,440	6,016,945	(2,013,505)	-50.3%

For August, FY2026

Total Administration is \$80,208 less than YTD projected. **Total Public Services** are \$133,351 less than YTD projected. **Public Safety** is \$66,415 less than YTD projected. **Non-Departmental** is \$2,293,479 more than YTD projected.

FY2025-2026 Monthly Financial Report

Fund Balance - General Fund

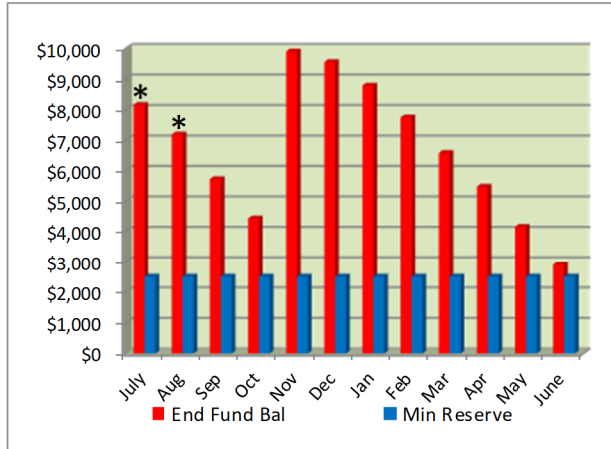
For the Month Ending August 31, 2025

General Fund

Through August 31, 2025

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$2,942,250

	Other	Begin Fund Bal	Revenue	Expense	End Fund Bal	ACT/PROJ Fund Bal
July	\$ 3,670	\$ 6,419	\$ 2,472	\$ (4,400)	\$ 8,161	ACT*
Aug	\$ -	\$ 8,161	\$ 651	\$ (1,617)	\$ 7,196	ACT*
Sep	\$ -	\$ 7,196	\$ 366	\$ (1,832)	\$ 5,730	PROJ
Oct	\$ -	\$ 5,730	\$ 584	\$ (1,876)	\$ 4,438	PROJ
Nov	\$ -	\$ 4,438	\$ 7,324	\$ (1,848)	\$ 9,914	PROJ
Dec	\$ -	\$ 9,914	\$ 1,556	\$ (1,903)	\$ 9,568	PROJ
Jan	\$ -	\$ 9,568	\$ 1,077	\$ (1,849)	\$ 8,795	PROJ
Feb	\$ -	\$ 8,795	\$ 846	\$ (1,887)	\$ 7,754	PROJ
Mar	\$ -	\$ 7,754	\$ 701	\$ (1,865)	\$ 6,590	PROJ
Apr	\$ -	\$ 6,590	\$ 857	\$ (1,968)	\$ 5,480	PROJ
May	\$ -	\$ 5,480	\$ 685	\$ (2,000)	\$ 4,166	PROJ
June	\$ -	\$ 4,166	\$ 743	\$ (1,999)	\$ 2,909	PROJ
Total	\$ 3,670	\$ 6,419	\$ 17,864	\$ 25,043	\$ 2,909	

The General Fund balance at the end of August 2025 is approximately **\$8,161,000** which is **2.77 times** the current Minimum Reserve requirement of **\$2,942,250**.

The General Fund reserve policy is to maintain **15% fund balance** of total expenditures based on the prior fiscal year activity.

- This includes \$970,000 of general fund dollars held in reserves for future projects. There is no legal requirement to hold these funds should they be needed for on-going operations. Building Inspections funds are restricted and historically held in the general fund. To provide for additional transparency these funds were transferred from the General Fund to the newly established Building Inspection Fund totaling \$2,700,000. The transfer caused a one-year anomaly artificially lowering fund balance.
- The initial Fund Balance minimum calculation is based on the prior fiscal year's total expenditures and set at 15% of total expenditures. For 2024 total expenditures were \$19,615,000 or a minimum fund balance of \$2,942,250. An alternative to this would be to adjust the expenditures by the \$2,700,000 reducing the minimum balance requirement to \$2,537,250 (a difference of \$465k).
- The minimum fund balance for 2025-26 is projected to fall below the minimum in June 2026 when the minimum is held at \$2.9 million. If the alternative \$2.5 million minimum is utilized the variance is \$372k over the minimum.

FY2025-2026 Monthly Financial Report

Special Revenue Funds Report For the Month Ending August 31, 2025

Special Revenue Funds Resources & Requirements

	2025-26 Annual Budget	Actual YTD	Remaining Budget
02 Bonded Debt Fund			
Resources	1,276,000	318,000	958,000
Expenditures	1,272,000	-	1,272,000
Unappropriated Balance	4,000	N/A	N/A
05 Transient Room Tax (TRT)			
Resources	1,365,000	389,989	975,011
Expenditures	1,365,000	313,085	1,051,915
Unappropriated Balance	-	N/A	N/A
08 Reserve Fund			
Resources	38,976,574	3,517,560	35,459,014
Expenditures	37,407,918	727,713	36,680,205
Unappropriated Balance	1,568,656	N/A	N/A
11 Miscellaneous Special Revenue			
Resources	158,000	760	157,240
Expenditures	158,000	-	158,000
Unappropriated Balance	-	N/A	N/A
19 Christmas Express Special Revenue			
Resources	65,000	-	65,000
Expenditures	65,000	290	64,710
Unappropriated Balance	-	N/A	N/A
20 Law Enforcement Special Revenue			
Resources	49,780	1,250	48,530
Expenditures	-	-	-
Unappropriated Balance	49,780	N/A	N/A
23 Enterprise Zone Project Fund			
Resources	5,070,195	-	5,070,195
Expenditures	5,070,195	528,013	4,542,182
Unappropriated Balance	-	N/A	N/A
24 Building Inspections			
Resources	4,319,000	3,210,830	1,108,170
Expenditures	4,319,000	158,761	4,160,239
Unappropriated Balance		N/A	N/A
25 EOTEC Operations			
Resources	8,617,625	156,874	8,460,751
Expenditures	8,617,625	222,927	8,394,698
Unappropriated Balance		N/A	N/A
26 IT Services			
Resources	1,549,056	320,247	1,228,809
Expenditures	1,549,056	265,475	1,283,581
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 August 31, 2025

EOTEC Fund

	2025-2026 Annual Budget	Projected YTD*	Actual YTD	Variance Fav/(Unfav)	% Variance
Events	362,000	60,333	6,605	(53,728)	-89%
TRT/TPA	260,625	43,438	29,269	(14,169)	-33%
Misc.	7,995,000	1,332,500	121,000	(1,211,500)	-91%
Total Revenues	8,617,625	1,436,271	156,874	(1,279,397)	-89%
Personnel	485,603	80,934	94,905	(13,971)	-17%
Materials and Services	406,850	67,808	89,172	(21,364)	-32%
Capital	7,647,472	1,274,579	-	1,274,579	100%
Transfers	77,700	12,950	38,850	(25,900)	-200%
Total Expenses	8,617,625	1,436,271	222,927	1,213,344	84%

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

Projected revenues to date are **\$1,436,271** and actual year-to-date revenues are **\$156,874** or an **unfavorable variance of 89%**.

Projected expenditures to date are **\$1,436,271** and actual year-to-date revenues are **\$222,927** or a **favorable variance of 84%**.

FY2025-2026 Monthly Financial Report

Utility and Street Funds Report For the Month Ending August 31, 2025

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	329,148	317,032	(12,116)	-4%
Expenditures	2,447,855	407,976	362,452	45,524	11%
Contingency	67,032	N/A	N/A	N/A	N/A
06 Utility Fund					
Resources	16,077,986	2,096,331	2,972,789	876,458	42%
Expenditures	15,478,486	2,579,748	2,428,653	151,095	6%
Contingency	599,500	N/A	N/A	N/A	N/A
13 HES Fund					
Resources	14,043,723	1,878,954	1,964,219	85,265	5%
Expenditures	12,636,711	2,106,119	1,807,097	299,022	14%
Contingency	1,407,012	N/A	N/A	N/A	N/A
15 Regional Water Fund					
Resources	2,946,000	449,333	541,294	91,961	20%
Expenditures	2,839,944	473,324	598,232	(124,908)	-26%
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 **\$12,116 less** than projected. Expenditures are **\$45,524 less** than projected.

Revenues in the **Utility Funds** are **\$876,458 above** projected. Expenditures are **\$151,095 less** than projection.

The **HES Fund** revenue is **\$85,265 more** than projected. Expenditures are **\$299,022 less** than projected.

The **Regional Water Fund** revenues are **\$91,961 more** than projected. Expenditures are **\$124,908 more** than projected.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending August 31, 2025

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,600,000	\$ -	\$ 1,600,000	\$ 155,468	9.72%
Gettman Road Extension ROA	250,000	1,081	650,000	434,622	66.86%
N. 1st Place Reconstruction	1,510,390	-	4,110,390	2,976,304	72.41%
NW 2nd Street Paving	580,000	-	580,000	-	0.00%
RWS Backup Generators	400,000	-	400,000	19,000	4.75%
AWS System Expansion - RWS	10,939,400	329,806	29,449,400	23,126,325	78.53%
Orchard Water Line Replacement	1,340,000	-	1,340,000	-	0.00%
Well #6 Chlorination	1,000,000	-	1,000,000	37,210	3.72%
Well #4 Control System	530,000	-	530,000	61,371	11.58%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	-	100,000	-	0.00%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	480,000	-	480,000	30,110	6.27%
Lift Station #7 Rebuild	600,000	-	600,000	-	0.00%
AWS Cooling Discharge	2,805,000	-	2,805,000	485,923	17.32%
Total	\$ 22,559,790	\$ 330,887	\$ 44,069,790	\$ 27,326,333	62.01%

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: Design staff was instructed to begin full design with the anticipation that final railroad comments will be small enough to make in the field during construction.

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%.

North 1st Place Reconstruction (\$4,175,000)

North 1st Place is a critical secondary north/south arterial in Hermiston's transportation system. The existing road is cracking, there are no sidewalks and there is unrestricted access to the roadway from parking and undeveloped areas.

Current Update: Additional Right of Way Acquisition process has begun with UPRR.

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

To provide backup power supply to the regional water system.

Current Update: Design is underway and on-track to advertise the project in Winter '25/'26. Finance has begun to collect monthly assessment charges from the users to cover their portions.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending August 31, 2025

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,600,000	\$ -	\$ 1,600,000	\$ 155,468	9.72%
Gettman Road Extension ROA	250,000	1,081	650,000	434,622	66.86%
N. 1st Place Reconstruction	1,510,390	-	4,110,390	2,976,304	72.41%
NW 2nd Street Paving	580,000	-	580,000	-	0.00%
RWS Backup Generators	400,000	-	400,000	19,000	4.75%
AWS System Expansion - RWS	10,939,400	329,806	29,449,400	23,126,325	78.53%
Orchard Water Line Replacement	1,340,000	-	1,340,000	-	0.00%
Well #6 Chlorination	1,000,000	-	1,000,000	37,210	3.72%
Well #4 Control System	530,000	-	530,000	61,371	11.58%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	-	100,000	-	0.00%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	480,000	-	480,000	30,110	6.27%
Lift Station #7 Rebuild	600,000	-	600,000	-	0.00%
AWS Cooling Discharge	2,805,000	-	2,805,000	485,923	17.32%
Total	\$ 22,559,790	\$ 330,887	\$ 44,069,790	\$ 27,326,333	62.01%

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: The ASR well has reached it's final depth. The contractor will shift in to the construction activities to ready the facility to begin injecting water this Winter. The pipelines contractor completed the final crossing of the rail line, and has begun commissioning to begin water delivery of non-potable water in October.

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: Preliminary design has begun, with plans to open bids and award a contract late Winter, with construction taking place during construction season 2026

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: Design nearing completion.

FY2025-26 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending August 31, 2025

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RWS Backup Generators	400,000	-	400,000	19,000	4.75%
AWS System Expansion - RWS	10,939,400	329,806	29,449,400	23,126,325	78.53%
Orchard Water Line Replacement	1,340,000	-	1,340,000	-	0.00%
Well #6 Chlorination	1,000,000	-	1,000,000	37,210	3.72%
Well #4 Control System	530,000	-	530,000	61,371	11.58%
Dogwood Street	275,000	-	275,000	-	0.00%
SE 10th Street Bridge Upgrades	100,000	-	100,000	-	0.00%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
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Lift Station #7 Rebuild	600,000	-	600,000	-	0.00%
AWS Cooling Discharge	2,805,000	-	2,805,000	485,923	17.32%
Total	\$ 22,559,790	\$ 330,887	\$ 44,069,790	\$ 27,326,333	62.01%

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

Peak summer water demand has been cleared this summer, so the contractor will soon begin readying to take Well #4 offline in the Fall to make the improvements.

Dogwood Street (\$275,000)

Paves about 310 feet of W. Dogwood from N.W. 2nd Street to N.W. Spruce

Current Update: TBD.

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

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

Current Update: TBD.

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 August 31, 2025

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Total	\$ 22,559,790	\$ 330,887	\$ 44,069,790	\$ 27,326,333	62.01%

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: Design will begin soon.

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: TBD.

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: DEQ Permitting appears close to the issuance of an initial draft. Final outfall structure awaiting final permitting.

**FY2025-26 Monthly Financial Report
City of Hermiston, Oregon
Other City Capital Projects Report
For the Month Ending August 31, 2025**

	2025-26 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Airport Improvements	\$ 4,015,000	\$ -	\$ 4,015,000	\$ 2,393,292	59.61%
Hangar Replacement	1,300,000	211,075	1,300,000	781,162	60.09%
Urban Tree Project (Grant)	850,000	67,261	1,000,000	187,161	18.72%
Sherman Park Project	420,000	6,580	420,000	9,544	2.27%
Library Remodel	2,759,000	470,187	4,500,000	2,352,745	52.28%
ARC Remodel	-	-	750,000	343,417	45.79%
Public Safety Building Remodel	4,500,000	313,000	7,500,000	4,648,727	61.98%
Total	\$ 13,844,000	\$ 1,068,103	\$ 19,485,000	\$ 10,716,048	55.00%

Airport Improvements (\$4,015,000)

Ott Road currently runs through the Runway Protection Zone (RPZ). This project will acquire property east of Ott Road to facilitate future realignment of Ott Road out of the RPZ. 90% of the project will be paid for with FAA funding, and the balance of the project funded through future lease revenue for agricultural use.

Current Update: Final purchase closed in June. Appraisal for renting-out the property completed in June, with initial outreach to existing farmer made. FAA Reimbursement anticipated in Fall.

Hangar Replacement (\$1,300,000)

Previous "Open-T Hangar" will be removed, and replaced by a new 10-unit enclosed T-Hangar, with approximately 90% of the project costs paid for by State and Federal Grant Funding. Total project cost will be approximately \$1.73 million – including the city's 10% match.

Current Update: Roof completed. Occupancy expected in Fall.

Urban Tree Project Grant (1,000,000)

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

Current Update: The contractor has been in the community doing some tree assessment work. They will be continuing until mid-September. We will be reevaluating the federal funding scenario again in September to see if we will be able to accomplish the full scope of work.

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: Bid documents (Construction Drawings) are almost complete

**FY2025-26 Monthly Financial Report
City of Hermiston, Oregon
Other City Capital Projects Report
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Total	\$ 13,844,000	\$ 1,068,103	\$ 19,485,000	\$ 10,716,048	55.00%

Library Remodel (\$4,500,000)

Library building remodel to modernize and provide for improved space for community use. As well as, improved children's library area.

Current Update Books are on the shelves and initial punch list developed.

ARC Remodel (\$750,000)

Remodel of the ARC building to temporarily house police operations during the public safety building remodel.

Current Update: PD administration is now using the Arc Building. Final piece will be to sand and finish interior floors after PD vacates the building.

Public Safety Building Remodel (\$7,500,000)

Public Safety Building remodel to the existing shared facility with the fire district. Building remodel will provide needed usable space as well as seismic upgrades.

Current Update: Drywall and insulation taking place. Parking lot construction to be completed in October.