



CITY COUNCIL

AGENDA

MONDAY, OCTOBER 14, 2024

Where Life is Sweet

COUNCIL CHAMBERS - 180 NE 2ND ST.

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

Zoom with Meeting ID: 829 0043 5622 Passcode: 417097 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. Retail Strategies Update
- B. Amazon Web Services Community Engagement Update

2. ADJOURN WORK SESSION MEETING

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

4. DECLARATION OF QUORUM

5. FLAG SALUTE

6. PRESENTATIONS

- A. Presentation- Introduction of Youth Advisory Council
- B. Presentation- Hermiston School District Updates

7. 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.

8. CONSENT AGENDA

- A.** Recommendation to Reappoint Josh Burns to the Airport Advisory Committee, Position 4, Term Ending October 31, 2027
- B.** Recommendation to Reappoint Jeff Kelso to the Parks and Recreation Advisory Committee, Position 1, Term Ending October 31, 2027
- C.** Recommendation to Appoint Mary Mejia-Weaver to the Parks and Recreation Advisory Committee, Position 2, Term Ending October 31, 2027
- D.** Recommendation to Reappoint Hunter Tibbals to the Parks and Recreation Advisory Committee, Position 3, Term Ending October 31, 2027
- E.** Minutes of the September 23, 2024 Regular City Council Meeting
- F.** Reschedule the 1st City Council Meeting in November

9. ITEMS REMOVED FROM CONSENT AGENDA

10. PUBLIC HEARINGS

- A.** Exemption from Public Contracting Competitive Bidding Requirement- Design Build Services, Signage, Various Locations (See Resolution No. 2341)

11. ORDINANCES AND RESOLUTIONS

- A.** Resolution No. 2341- Authorize Alternative Procurement Method – Design Build – Signs (Public Hearing)
- B.** Resolution No. 2342 - Authorizing a Temporary Easement Across City Property to ODOT
- C.** Resolution No. 2343 – Approval of Guaranteed Maximum Price (GMP) Amendments on Civic projects
- D.** Resolution No. 2344 – Authorizing a Building Plan Review/Inspection Services Agreement with the City of Umatilla

12. OTHER

- A.** Discussion of "City Chats"

13. 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 Enhancement, Community Accountability, Public Safety, Public Infrastructure, Transit Planning, EOTEC, Stepping Stones Alliance (not a City Committee)

- B. Mayor's Report
- C. Council Report
- D. Youth Advisory Report
- E. Manager's Report

14. 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.



CITY COUNCIL

Regular Meeting Minutes September 23, 2024

Mayor Drotzmann called the regular meeting to order at 7:00pm. Present were Councilors Primmer, Peterson, Hardin, McCarthy, Duron, and Barron. Councilors Myers and Linton were excused. City Staff in attendance included: Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Chief Jason Edmiston, Planning Director Clint Spencer, Court Administrator Jillian Viles, Parks and Recreation Director Brandon Artz, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Citizen Input on Non-Agenda Items

None given.

Consent Agenda Items

Councilor Primmer moved and Councilor McCarthy seconded to approve Consent Agenda item A-C, to include:

- A. Replat- Diamond Housing LLC 4N2812BB Tax Lots 488 & 489 – 1028 & 1034 NE Emerald Dr
- B. Minutes of the September 9, 2024, Public Infrastructure Advisory Committee meeting
- C. Minutes of the September 9, 2024 City Council Work Session and Regular Meeting

Motion carried unanimously.

Public Hearing- Exemption from Public Contracting Competitive Bidding Requirement- Design Build Services, Signage, Various Locations – Mayor Drotzmann Announced that this public hearing has been postponed to the City Council Meeting of October 14, 2024 at 7:00pm as printed in the agenda packet.

Public Hearing- Annexation- Zamudio 4N2802BC Tax Lot 1500 – 309 E Theater Lane (Ordinance No. 2366)
Hearing no declarations of conflict of interest from the Council, Planning Director Clint Spencer read the hearing guidelines and Mayor Drotzmann opened the hearing at 7:04pm.

Planning Director Spencer presented information regarding applicant Melinda Zamudio who has applied to annex 1.5 acres of land located at 309 E Theater Lane. The applicant wishes to annex the property to connect to city services enabling residential development.

There were no proponents, opponents, or neutral parties who wished to provide testimony, and the hearing was closed at 7:07pm.

After some discussion, Councilor Primmer moved and Councilor Hardin seconded to approve the Findings of Fact as presented by City Planner Spencer. Motion carried unanimously. Councilor Primmer moved and Councilor Barron seconded to impose conditions of approval as presented by City Planner Spencer. Motion carried unanimously.

Ordinance No. 2366- Annexation- Zamudio 4N2802BC Tax Lot 1500 – 309 E Theater Lane

Assistant City Manager Morgan stated this information was supplied during the Public Hearing a few moments ago.



CITY COUNCIL

Regular Meeting Minutes September 23, 2024

Mayor Drotzmann requested that the first reading be by title only. Hearing no opposition, City Attorney Tovey read the ordinance by title only. Mayor Drotzmann requested that the ordinance be put on for final adoption at this meeting and that the second reading be by title only. After City Attorney Tovey read the ordinance by title only for the second reading, Councilor McCarthy moved and Councilor Myers seconded that Ordinance No. 2366 be adopted and become effective 30-days after adoption by the City Council. Motion carried unanimously.

Resolution No. 2338- Greater Hermiston Enterprise Zone School Support Fee

Assistant City Manager Mark Morgan presented information (PowerPoint Presentation attached) stating the City and Umatilla County sponsor the Greater Hermiston Enterprise Zone and are asking the Council to approve an agreement between the City of Hermiston, Umatilla County, and the School Districts of Hermiston and Stanfield for future Long Term Rural Enterprise Zone (LTREZ) agreements at a rate of 15% for the school support fee imposed by HB2009.

After further discussion, Councilor Primmer moved and Councilor Hardin seconded to approve Resolution No. 2338 and lay upon the record. Motion carried unanimously.

Resolution No. 2339- Stop Signs at SE 9th & East Penney Avenue

Assistant City Manager Morgan presented information (PowerPoint Presentation attached) regarding the installation of two new stop signs at the intersection of SE 9th Street and East Penney Avenue, and removal of one existing stop sign. The proposed changes are the result of requests from drivers in that vicinity, as well as significant anticipated changes to traffic volumes as completion of new developments in that area near.

After further discussion, Councilor McCarthy moved and Councilor Primmer seconded to approve Resolution No. 2339 and lay upon the record. Motion carried unanimously.

Resolution No. 2340- ODOT IGA- RRFB Installation on OR207 at Hartley and Joseph

Assistant City Manager Morgan presented information (PowerPoint Presentation attached) an IGA with the Oregon Department of Transportation (ODOT) to install two Rectangular Rapid Flashing Beacons (RRFB) with the City agreeing to the ongoing maintenance of the RRFB's.

Public Comment

Josh Roberts, 1709 NE 6th Place- Asked if this construction would run concurrently with the ADA crosswalk constructions that will be taking place as presented by ODOT at the last meeting?

After Mayor Drotzmann asked Assistant City Manager Morgan to address the question, Assistant City Manager Morgan stated he does believe ODOT will be doing this work concurrently.

Councilor Duron moved and Councilor Primmer seconded to adopt Resolution No. 2340 and lay upon the record. Motion carried unanimously.



CITY COUNCIL

Regular Meeting Minutes September 23, 2024

August 2024 Financial Report

After Council discussion, Councilor McCarthy moved and Councilor Barron seconded to accept the August Financial Report as presented (PowerPoint Presentation attached) by Finance Director Ignacio Palacios and Assistant City Manager Morgan. Motion carried unanimously.

Committee Reports

Parks and Recreation Advisory Committee- Councilor McCarthy spoke regarding Harrison Park Basketball Courts and area lighting that were recently completed, Community Yard Sale at the Community Center on October 5th, and Riverfront Park Story Walk.

Parks and Recreation Director Brandon Artz gave updates regarding the new Pickleball Courts, to include: volunteer efforts in the location the pickleball courts will be placed and fundraising efforts.

Library Board- Councilor Duron stated the Library has official moved all items out of the building and staff has been very happy with the moving company that helped them with this transition. It is unknown when demolition and construction of the Library is expected.

Hispanic Advisory Committee- Councilor Duron stated the Committee met to finalize planning for the Hispanic Heritage Celebration that took place on Sunday. The event had food vendors, music, dancing, and activities for the entire family.

Mayor's Report

Mayor Drotzmann spoke regarding:

- Attending and representing the League of Oregon City's as President, at the meetings in Gresham and Ashland with specific focus on the Revenue Reform Committee
- Thanked all those who are running for the four At-Large Council seats and participated in the Candidate Forum
- Attending the 1st Annual Stepping Stones Alliance Fundraising Gala stating it was a great event with good attendance
 - Councilor Primmer stated he also attended the event and acknowledged Mayor Drotzmann for donating back the 50/50 raffle he won to Stepping Stones Alliance
- Attended yesterday's Hispanic Heritage Month Celebration and was recognized by the Hispanic Advisory Committee for the support he has given the Committee and Hispanic Community throughout the years as Mayor, as well as Kathleen Cathey from Senator Wyden's Office

Council Reports

Councilor Primmer stated the City Council just received an email from City Manager Smith stating the Library demolition is late October and construction is expected to last one year. Councilor Primmer stated he also attended the Candidate Forum and was impressed by all candidates, their answers and is excited to serve with new councilors.



Where Life is Sweet

CITY COUNCIL

Regular Meeting Minutes
September 23, 2024

Councilor McCarthy encouraged all to attend the Ribbon Cutting of Lucky Start Mobile at the Chamber of Commerce and the Volunteer Fair at the Community Center, and spoke regarding his upcoming LOC Conference in Bend.

Councilor Duron thanked KOHU and the Chamber of Commerce for putting on the Candidate Forum, stating participating was nerve racking but a great way for candidates and the community to get to know each candidate and it was great to be able to have it streamed on YouTube and be able to let people know they can view it there.

Councilor Barron spoke regarding the 9/11 historical event in our County, gave thanks to our first-responders and military, and the opportunity he has to teach this subject to students, and how grateful he is for our Country. Councilor Barron stated he also watched the Candidates Forum on YouTube and is excited to see three new Councilors as he hopes Councilor Duron will retain her Council seat.

Assistant City Manager's Report

Assistant City Manager Morgan stated he attended kindergarten flag football over the weekend at the HEROS Complex at EOTEC and received many compliments regarding the condition of the fields knowing that only a month ago it had been used as a parking lot.

Adjourn

There was no other business and Mayor Drotzmann adjourned the regular City Council meeting at 8:12pm.

SIGNED:

Dr. David Drotzmann, Mayor


ATTEST:

Lilly Alarcon-Strong, City Recorder




Resolution 2338GHEZ SS

City Council: Sept. 23, 2024

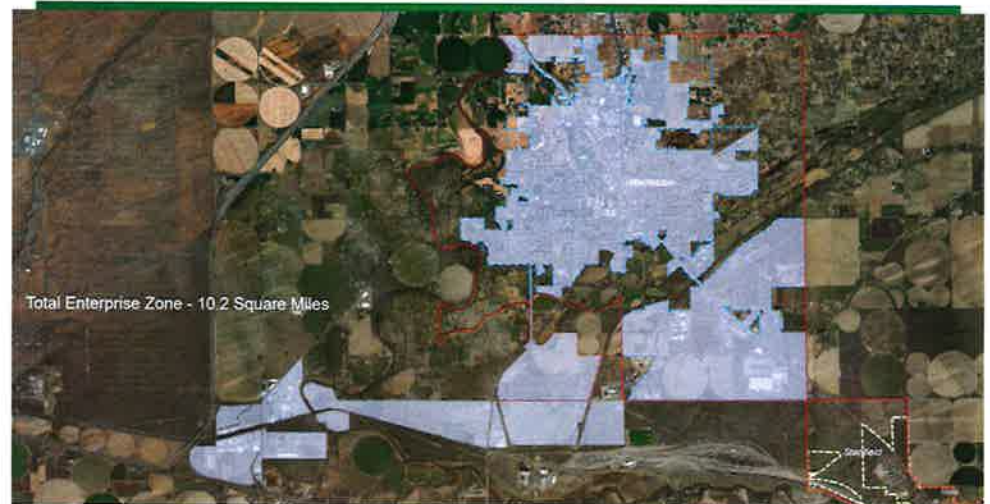
Overview

- Establish 15% "School Support Fee"
- Long-Term Rural Enterprise Zone (LTREZ)
- City of Hermiston & Umatilla County
- Hermiston School District
- Stanfield School District




Overview

- Greater Hermiston Enterprise Zone (GHEZ)
 - Area within/around Hermiston
 - Property Tax incentives in exchange for job creation
 - City of Hermiston & Umatilla County = Co-Sponsors
 - City Staff = Zone Manager



EzonesGenerally

- Basic (3 Year)
- Extended (5 Year)
- LTREZ (6 15 Years)



EzonesGenerally

- Basic (3 Year)
 - Guaranteed (industrial)
 - Full Exemption. No Property Taxes.
 - Greater of: add 1 Job or Increase Jobs by 10%
 - Shearer's Foods, Eastern Oregon Telecom



EzonesGenerally

- Extended (5 Year)
 - Greater of: add 1 job or Increase Jobs by 10%
 - Avg. Salary > 100% County -wide Wage
 - Avg. Comp > 130% County -wide Wage
 - Pioneer Seed



EzonesGenerally

- LTREZ (6 15 Years)
 - Same Job/Pay Requirements as 5 Year
 - \$50M+ Minimum Capital Investment
 - "Additional Local Requirements"
 - Lamb Weston, AWS

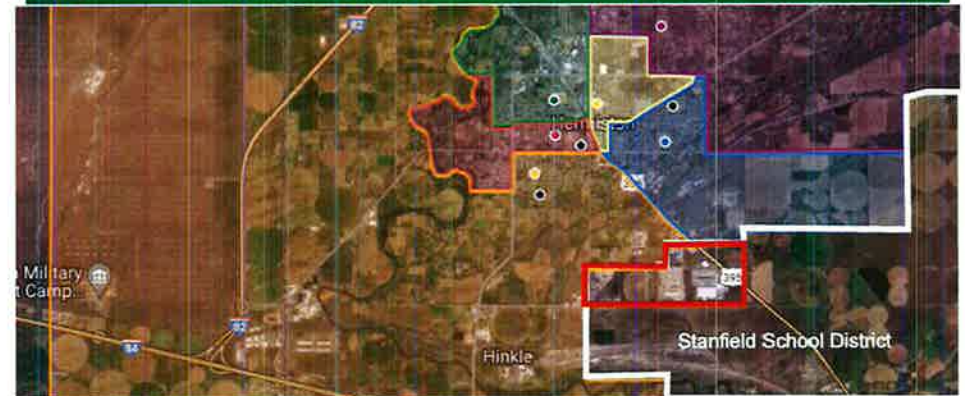




HERMISTON GHEZ Boundaries



HERMISTON Hermiston School Boundary



HERMISTON Local School Discussions

- Stanfield SD: Approved 15% in March
- Hermiston SD: Approved 15% in September
- City of Hermiston must concur
- Umatilla County must concur



Hypothetical Fiscal Impact: Lamb Weston
2017 LTREZ

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Lamb Weston LTREZ Facts

- \$290M Investment
- \$1M/yr paid to Umatilla County & City of Hermiston
- 39.2% of projected tax liability
- Net New Employment
 - 141 Jobs
 - \$10.6M/yr net new local wages



Industrial Tax Function

- Taxable Value(TV) = ~80% initial Investment
- TV: Depreciates ~5% per year

\$290M Investment Year 6 TV: ~\$180M



Lamb Weston SSF?

- SSF = 15% of TOTAL tax years 6-15
- SSF = \$400k(yr6), \$390k(yr7), etc.
- SSF total sent to Statewide School Fund: ~\$3.3 Million
 - = \$0.37/Student Per Year Statewide
 - = Hermiston School District = +\$2,000/yr
 - 0.003%



Negotiation Impacts

- Company Accepts \$3.3M Added Cost
 - 39% PILT → 48% PILT
- Company Refuses \$3.3M Added Cost



HERMISTON Negotiating Leverage?

- Similar Investments at Lamb Weston Since 2019
 - Patterson, WA
 - Richland, WA
 - American Falls, ID
- Locate elsewhere entirely or delay investment



HERMISTON Negotiating Universe

- Option A: Company Eats \$3.3M Increase
- Option B: GHEZ Eats \$3.3M Loss
- Option C: Impasse Invest Elsewhere



HERMISTON Local Revenue Negotiation Window



HERMISTON Takeaways

- LTREZ Deals = Less Valuable Locally
- Local Schools See No Tangible Change





Questions?

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Resolution 2339

City Council: Sept. 23, 2024

HERMISTON OREGON

The banner features a collage of images: a group of people celebrating, a wide landscape view of Hermiston, a field of golden wheat, a family of four, a young girl with a watermelon, a basket of fresh vegetables, and two cyclists on a path. The Hermiston Oregon logo is on the right.




Overview

- Removes 1 new stop sign at SE 9th & Penney
- Adds 2 new stop signs at SE 9th & Penney

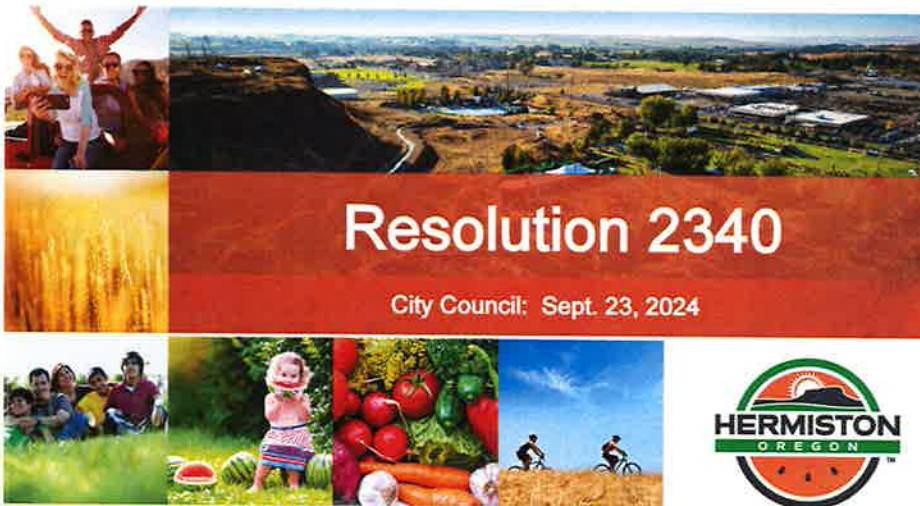


A small horizontal collage of community images including a smiling girl, wheat, a plate of food, a girl with a watermelon, vegetables, cyclists, a bouquet of flowers, and a family at a table.




Questions?


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Resolution 2340


City Council: Sept. 23, 2024







Overview

- Adds 2 flashing crosswalks on 1st (Hartley & Joseph)
- Commits City to long-term maintenance








NW 1st & Hartley

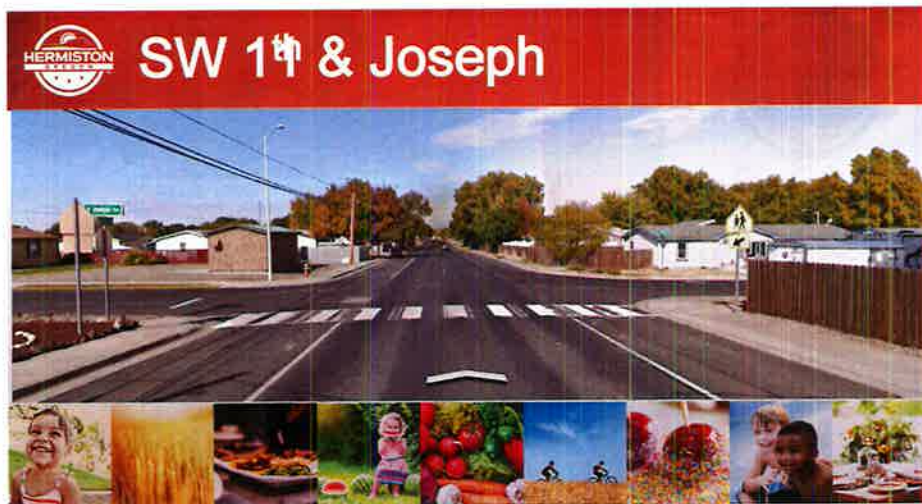
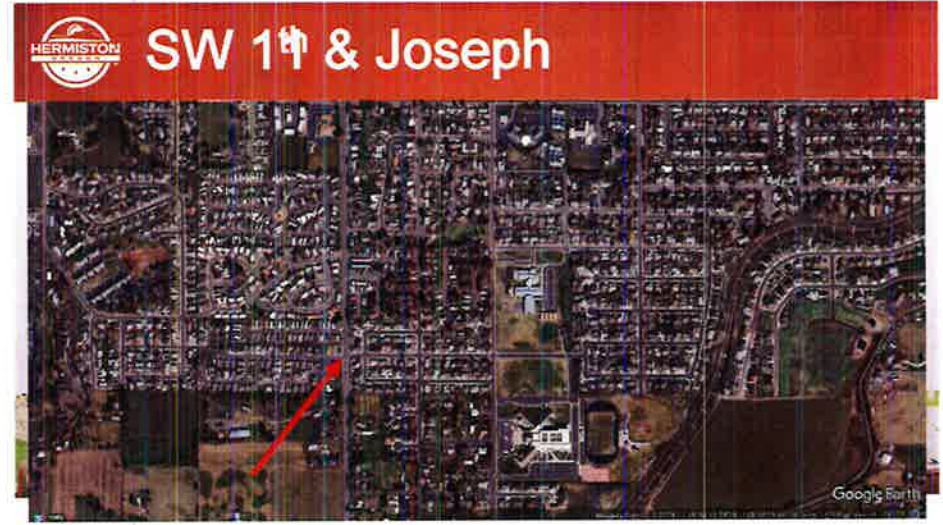


Google Earth



NW 1st & Hartley



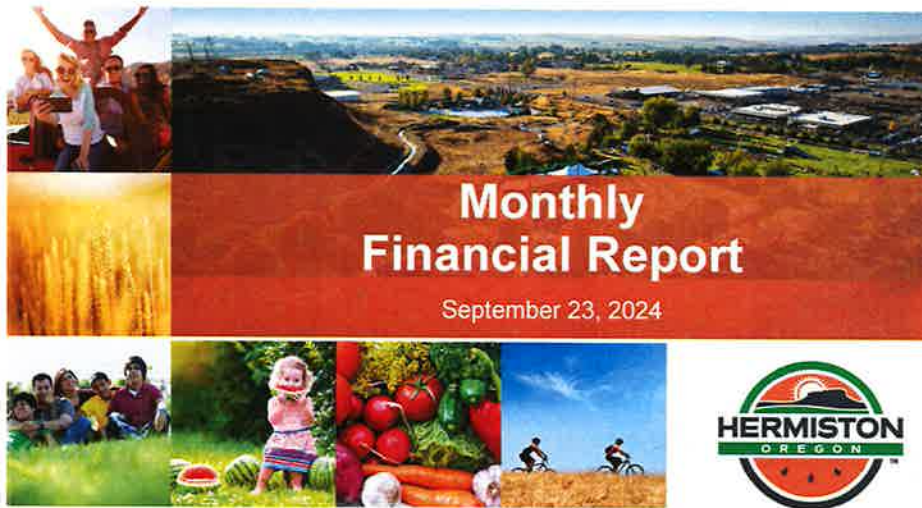


- Upfront \$250,000 installation: ODOT
- Ongoing Maintenance (20 years): City
 - Maximum \$2,500/yr each



Questions?

Where Life is Sweet™



Hermiston Urban Renewal Agency (HURA)

- North Hermiston Urban Renewal Area – Surveying of project area



General Fund

- Second month of 24-2025 fiscal year
- Monthly Revenues are below projections (~\$468,000)
 - **Primarily due to revenue timing**



General Fund

- Monthly Expenses below projections by ~\$245,000
 - **Primarily due to expenses not yet incurred for various HPD projects**
 - **Various departments are over budget when compared to Projected**
 - **Transportation, Airport, Parks, Library, Harkenrider Center & Public Safety Center**
 - **When compared to budget to date (2/12 or 17%) only two departments are 'over budget'**
 - **Parks – 21%**
 - **Public Safety Center – 19%**



Special Revenue Funds

- Law Enforcement and Library Special Revenue Funds closed
 - Three years for reporting to 'fall off'



Utility and Street Funds

- Observations:
 - Street fund revenues under projections due to timing of gas tax receipts
 - Utility fund ~\$756k over projected revenues
 - Increase services (~100) and usage when compared to same period for FY 2022, 2023 and 2024
 - Annual CPI adjustment
 - Other charges
 - Regional Water fund ~\$35k over projected expenses



Capital Projects

- A number of projects in design
 - Geer/Harper Realignment- submitted to UP
 - Well #6 Chlorination
 - Well #4 Controls
- Gladys/Main/Newport – Under Construction



Capital Projects

- Teen Adventure Park – Project Completed
- Airport Hangar – Preparing for hangar construction
- IT Build-out – 99 % Complete including furniture
- Harkenrider – Working on ceiling soundproofing, etc.
- EOTEC Barns expansion project complete



Capital Projects

- The Arc – Waiting on windows and siding plan
- Public Safety Center
 - Phase I – Former court renovation on schedule
 - Phase II – Start date Oct. 1





Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 14, 2024

Title/Subject

Reschedule the 1st City Council Meeting in November

Summary and Background

Monday, November 11th is the Veterans Day Holiday when City offices will be closed. This date is also the second Monday of the month, the day when the City Council would normally hold its first meeting of November. Previously, when this holiday has landed on a regularly scheduled meeting date, the Council has rescheduled this meeting for the following day as many staff and council members are unavailable to meet and a quorum is difficult to achieve.

Staff is requesting the Council reschedule the City Council meeting from Monday, November 11th to Tuesday, November 12th.

Tie-In to Council Goals

NA

Fiscal Information

NA

Recommendation

Recommended Action/Motion

Reschedule the Monday, November 11th Meeting to Tuesday, November 12th

Submitted By:

City Manager Byron D. Smith



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 14, 2024

Title/Subject

Resolution No. 2341- Authorize Alternative Procurement Method – Design Build – Signs (Public Hearing)

Summary and Background

State procurement law allows for alternative methods of constructing a project. The typical process would be to fully design the project and then hire a contractor to build the project according to the plans and specifications. This method is very good for new construction.

One of the available alternatives in Oregon is called Design/Build. This alternative allows an agency to hire a contractor/design professional at the same time. This single firm designs and then constructs the project. Typically, contractors respond to these types of solicitations and then hire a designer as a subcontractor, and they work together to finish the project. The benefits are outlined in the findings of fact. This particular project of building welcome signs lends itself to this method because sign companies often have in house designers and will allow us the chance to build a sign that fits our budget.

Tie-In to Council Goals

N/A

Fiscal Information

The complete financial impact of this decision is not yet known. In other situations, this method has led to significant cost savings.

Alternatives and Recommendation

Alternatives

1. Approve Resolution 2341 and authorize city staff to utilize the Design/Build method to build at least one monument sign by going through a selection process to find a contractor to participate in the project.
2. Reject Resolution 2341.

Recommended Action/Motion

Motion to approve Resolution 2341

Submitted By:

Byron D. Smith

RESOLUTION NO. 2341**A RESOLUTION ADOPTING FINDINGS IN SUPPORT OF ALTERNATIVE CONTRACTING METHOD FOR CONSTRUCTION OF AT LEAST ONE MONUMENT SIGN**

WHEREAS, the City of Hermiston ("City") Council adopted Ordinance No. 2104 on March 28, 2005 and amended by Ordinance No. 2237 on December 14, 2015, designating the City Council as the local contract review board for the City, and providing that the Council, acting as the local contract review board, shall have all the powers granted by the Oregon Revised Statutes; and

WHEREAS, ORS 279C.335(1) provides that all public improvement contracts shall be based upon competitive bids; with certain exceptions including an exemption for a specific contract for a public improvement which is approved in accordance with the provisions of ORS 279C.335(2), (3), (4), and (5); and

WHEREAS, the City's Local Public Contracting Regulations authorize the use of alternative contract methods for public improvement contracts as an alternative to the requirement for competitive bidding; and

WHEREAS, ORS 279C.335(2) requires that certain findings be adopted by the Local Contract Review Board in order to grant an exemption from the competitive bidding requirement for an alternative contract method for public improvement contracts; and

WHEREAS, the City desires to use an alternative contracting method known as Design/Build. The Design/Build contracting method utilizes a team approach utilizing a single contractor that also oversees the design professionals used in the project. Selection of the successful Design/Build contractor is by qualitative-based selection process; that is, evaluation/scoring of written proposals, interviews, and the specified profit margins of all Proposers; and

WHEREAS, pursuant to ORS 279C.335(5)(b), the City published notice of a public hearing for the purpose of taking public comment on the City's draft findings for the exemption from the competitive bidding requirement, for more than 14 days prior to the hearing date of October 14, 2024; and

WHEREAS, on October 14, 2024, the City Council acting as the Local Contract Review Board, reviewed the proposed findings, and desires to proceed with granting the exemption from the requirement for competitive bidding pursuant to the provisions of ORS 279C.335 and the City's Local Contract Review Board Rules.

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

1. That the findings in support of the requested exemption, as prepared and attached hereto as Exhibit "A", are hereby approved and adopted.
2. That based upon the findings set forth in Exhibit "A", the exemption from competitive bidding requirements to allow a Design/Build method of contracting for the construction of at least one monument sign is hereby granted.
3. That this Resolution goes into effect immediately.

PASSED by the Common Council this 14th day of October 2024.

SIGNED by the Mayor this 14th day of October 2024.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

Exhibit A

FINDINGS OF FACT FOR THE USE OF THE DESIGN BUILD CONTRACTING METHOD

Before the Hermiston City Council

Regarding Design Build Services for Signage, Various Locations

The City of Hermiston ("City") is in western Umatilla County, Oregon; Hermiston is a rapidly growing, diverse, inclusive community, built on community engagement and partnerships, livability, and fiscal prudence. The current population is 19,696 citizens.

The scope of work and related budget associated with this Exemption includes signage needs at multiple locations within the City of Hermiston, including but not limited to the monument sign on Highway 395 North and Airport Way; the total anticipated budget for the monument sign at this location is approximately \$75,000.

The project requires attention and diligence from a competent contractor to complete the respective projects within budget and in a timeframe that supports the City's operations and community use. In consideration of these facts, an alternative method of construction should be considered; therefore, under the Oregon Statutes and based upon the following findings, the City Council is authorizing the use of the Design/Build (D/B) method of construction contracting.

The guiding applicable statute is ORS 279C.335 which requires, with certain exemptions, that all public contracts be based on competitive bidding and be awarded to the lowest responsive and responsible bidder. ORS 279A.060, ORS 279C.335(2) and ORS 279.330 permit the City Council to act as the public contract review authority and to grant, under certain conditions and upon certain findings, specific exemptions from the requirement for competitive bidding.

Finding of Fact

Use of the Design/Build method to construct the City's signage projects will: (a) result a in more predictable schedule, ensuring that the available construction budget aligns with the scope of work, and reducing the financial risk to the City; (b) will not impact the funding source for the project; and (c) not encourage favoritism nor diminish competition.

Specific findings which substantiate these conclusions are as follows:

1. **Finding:** The City Council finds that the Design/Build method will result in more predictable schedule and construction costs and reduced financial risk to the City.
 - a. **Reduced Financial Risk:** The Design/Build delivery method will result in more predictable costs and less financial risk. Through discussions with the City, the Design/Builder will be able to obtain a complete understanding of the City's needs, the scope of the project, and the operational needs of the City. With the Design/Builder's pre-construction participation, they will offer suggestions for cost savings, value engineering opportunities, and improvements to any proposed design. This will result in a schedule and project scope that fits within the available

Exhibit A

funds. With the benefit of this knowledge, the Design/Builder will be able to establish and affirm a Guaranteed Maximum Price (GMP) for the scope of work.

- b. **Schedule:** With the Design/Builder managing the entire project, the Design/Builder can develop a schedule with the City as part of the pre-construction phase.
 - c. **Fewer Change Orders:** When the Design/Builder is responsible for the design process, fewer change orders will occur during the construction process. This is due to the Design/Builder's understanding of the City's needs and intent. As a result, the project is more likely to be completed on time and on budget. In addition, fewer change orders reduce project management costs for both the City and the contractor.
 - d. **GMP Savings:** Under the Design/Build delivery method the City will enjoy full savings, if actual costs are below the GMP. When the Design/Builder completes the project, any savings between the actual costs and the GMP are returned to the City.
- 2. **Finding:** The City Council finds that there will be no impact on the funding sources as a result of this exemption. The City's funding sources for this project will remain the same whether accomplished through a traditional design-bid-build process or through the Design/Build process. No adverse impact on the funding source will occur because of this exemption.
- 3. **Finding:** The City Council finds that competition will not be inhibited, nor will favoritism be encouraged because of this exemption. The Design/Build team will be selected through a competitive negotiation process in accordance with the cost and qualification-based process authorized by City Administration and Council.
 - a. **Solicitation Process:** Pursuant to ORS 279C.400 the Design/Build Request for Proposal (RFP) solicitation will be advertised in local and regional publications of general and industry specific circulation.
 - b. **Full Disclosure:** To ensure full disclosure of information, the RFP will include the following information:
 - i. Detailed Description of the Project
 - ii. Contractual Terms and Conditions
 - iii. Selection Process
 - iv. Evaluation Criteria
 - v. Role of the Evaluation Committee
 - vi. Provision for Comments
 - vii. Complaint Process and Remedies
 - c. **Selection Process:** Highlights of the selection process will include:
 - i. During the pre-proposal period, interested parties will, at any time prior to seven (7) business days before the close of the solicitation, be able to ask questions and request clarifications if they believe that any of the terms and conditions of the solicitation are unclear, inconsistent with industry standards or unfair and unnecessarily restrictive of competition.
 - ii. Sealed proposals will be submitted to the City at a time specified in the advertisements.
 - iii. The following evaluation process will be used:

Exhibit A

1. Proposals will be evaluated for completeness and compliance with the requirements of the RFP.
 2. Proposals considered complete and responsive will be evaluated to determine if they meet the qualifying criteria of the RFP. If a proposal is unclear, the proposer may be asked to provide written clarification. Those proposals that do not meet the requirements will be rejected.
 3. Proposals will be independently scored against predetermined criteria by the voting members of the Evaluation Committee. Scores will be combined and assigned to each proposal.
 4. The Evaluation Committee may convene to select from the highest ranked proposals a finalist(s) for interviews.
 5. The Evaluation Committee may conduct interviews.
 6. The Evaluation Committee may use the interview to confirm the scoring of the proposal and to clarify questions. Based on the revised scoring, the Evaluation Committee will rank the proposals and provide an award recommendation.
 7. The City and legal counsel will negotiate a contract with the top ranked firm. If an agreement cannot be reached, the City will have the option to enter into an agreement with the second-ranked firm, and so on.
- iv. Competing Design/Build firms will be notified in writing of the selection of the apparent successful proposal and will be given seven (7) calendar days after receipt of the notice to review the RFP file and evaluation report at City Hall. Any questions or concerns about the selection process must be delivered to the City within seven (7) calendar days after receipt of the selection notice. No protest of the award selection shall be considered after this time.
 - v. The contract achieved through this process will require the Design/Build team to use an open and competitive selection process for all components of the project.
- 4. Finding:** The City Council finds that there will be no adverse impact on the operations, finance, and budget if this exemption is provided. Whether this project is secured through a traditional design-bid-build method or through the Design/Build process, the operations, financial, and budgetary impact will be the same – other than the potential savings mentioned in Finding #1. More importantly, there will be no adverse impact on operations, financial or budgetary data using the Design/Build process.

Conclusion of Findings of Fact

It is in the best interest of the City of Hermiston to utilize the Design/Build project delivery method. The Design/Build method will (a) result a in more predictable schedule, ensure the available construction budget aligns with the scope of work, and reduces financial risk to the City; (b) will not impact the funding source for the project; and (c) not encourage favoritism nor diminish competition.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 14, 2024

Title/Subject

RESOLUTION NO. 2342 - AUTHORIZING A TEMPORARY EASEMENT ACROSS CITY PROPERTY TO ODOT

Summary and Background

The Oregon Department of Transportation (ODOT) plans to proceed with the Umatilla/Morrow County curb ramps phase 2B project. This project will improve portions of curb ramps/sidewalk within the City of Hermiston. The State of Oregon through ODOT is seeking a temporary easement to complete curb ramp work at the corner of Highway 207 and W. Joseph Avenue. ODOT is offering \$750 for the use of the temporary easement.

Tie-In to Council Goals

Fiscal Information

Alternatives and Recommendation

Alternatives

The city council may choose to

- Adopt Resolution No. 2342
- Reject Resolution No. 2342

Recommended Action/Motion

Motion to approve Resolution No. 2342

Submitted By:

Richard Tovey

RESOLUTION NO. 2342**A RESOLUTION AUTHORIZING A TEMPORARY EASEMENT ACROSS CITY OWNED PROPERTY TO THE OREGON DEPARTMENT OF TRANSPORTATION**

WHEREAS, the State of Oregon through the Oregon Department of Transportation (“ODOT”) is completing curb ramp repairs on Highway 207 within the City of Hermiston as part of the Umatilla/Morrow County curb ramp phase 2B project (“Project”); and

WHEREAS, ODOT requires a temporary easement across City of Hermiston owned property located at the northwest corner of the intersection at Highway 207 and W. Joseph Avenue in order to construct/reconstruct curb ramps/sidewalk with the terms and design included in the Temporary Easement attached hereto and incorporated by this reference; and

WHEREAS, ODOT has offered the City of Hermiston seven-hundred and fifty dollars (\$750) for the Temporary Easement; and

WHEREAS, City staff believe it is in the best interest of the City to approve and execute the Temporary Easement.

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

1. That the Temporary Easement is hereby approved.
2. That the Mayor is authorized to sign the Temporary Easement.
3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of October 2024.

SIGNED by the Mayor this 14th day of October 2024.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

TEMPORARY EASEMENT

CITY OF HERMISTON, an Oregon municipal corporation, Grantor, for the true and actual consideration of \$750, does grant to the **STATE OF OREGON, by and through its DEPARTMENT OF TRANSPORTATION**, Grantee, its successors and assigns, a temporary easement for a work area for construction purposes, over and across the property depicted on **Exhibit "A" Drawing dated July, 2024**, attached hereto and by this reference made a part hereof.

IT IS UNDERSTOOD that the temporary easement rights herein granted shall terminate two (2) years from the date hereof or upon completion of the State of Oregon Department of Transportation's construction project, whichever is sooner.

IT IS ALSO UNDERSTOOD that the temporary easement herein granted does not convey any right or interest in the above-described property, except as stated herein, nor prevent Grantor from the use of said property; provided, however that such use does not interfere with the rights herein granted.

Grantor covenants to and with Grantee, its successors and assigns, that Grantor is the owner of said property, and will warrant the easement rights herein granted from all lawful claims whatsoever.

Grantor agrees that the consideration recited herein is just compensation for the property or property rights conveyed, including any and all reduction in value to Grantor's remaining property, if any, which may result from the acquisition or use of said property or property rights. However, the consideration does not include damages resulting from any use or activity by Grantee beyond or outside of those uses expressed herein, if any, or damages arising from any negligence.

File 10010033V
Drawing RW10010M

In construing this document, where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this document shall apply equally to corporations and to individuals.

Dated this _____ day of _____, 20____.

ACCEPTED as authorized by action of the Hermiston City Council _____, 20____.

David Drotzmann, Mayor

ATTEST: _____
Lilly Alarcon-Strong, City Recorder

STATE OF OREGON }
 ss
County of Umatilla }

This instrument was acknowledged before me on _____, 20____, by David Drotzmann as Mayor and Lilly Alarcon-Strong as City Recorder of the City of Hermiston, Oregon.

Notary Public for Oregon

My Commission expires _____

SEC. 16, T. 4N, R. 28E, W.M.

Charles Daniel Faust
& Robyn L. Faust
Doc. No. 2013-6120557
7,570 ft² Rem. ±

W. JOSEPH AVE.



SCALE: 1" = 30'



Temp. Ease. -
Work Area
242 ft² ±

034V

"HH" S00°53'46"E

HERMISTON HWY

033V



Temp. Ease. -
Work Area
393 ft² ±

City of Hermiston
Doc. No. 2010-5730472
6,992 ft² Rem. ±

W. JOSEPH AVE.

ACTIVE DRAWING

THIS DRAWING SHOWS THE PROPOSED
R/W NEEDED TO BE ACQUIRED TO
SUPPORT THE PROJECT DESIGN

SUBJECT TO CHANGE

OREGON DEPARTMENT OF TRANSPORTATION



**RIGHT OF WAY
ENGINEERING
EXHIBIT A**

SECTION	UMATILLA/MORROW CO. CURB RAMPS PHASE 2B		
HIGHWAY	HERMISTON HIGHWAY	SCALE	1" = 30'
COUNTY	UMATILLA	FILE	10010033V, 034V
DATE	JULY, 2024	SEE DRAWING RW10010M	



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 14, 2024

Title/Subject

Resolution No. 2343 – Approval of Guaranteed Maximum Price (GMP) Amendments on Civic projects

Summary and Background

On June 26, 2023, the alternative procurement method of a Construction Manager/General Contractor (CMGC) was authorized for the Civic projects (Harkenrider, IT in City Hall and Library). This action was done via Resolution No. 2285. At that same meeting Hacker Architects were hired to be the design professionals on that same group of projects. Their contract was approved by Resolution No. 2284.

Following that approval and a selection process, CB Construction was hired as the CMGC part of this process on August 14, 2023 by Resolution No. 2286. Since that time, the process involving the Public Safety Center project became clearer and the Arc Building project was added to the Civic projects.

The contract process for this CMGC method of construction is that an initial contract is initiated with the CMGC (or Contractor) and a certain amount is agreed upon to pay them for this pre-construction phase. Once the design is completed by the architects, the CMGC then does a bid process and gets an amount to perform the construction as designed. An amendment is then made to the original contract to add the construction amount. This amendment is called a GMP amendment or Guaranteed Maximum Price amendment. We are requesting the ability to sign two GMP amendments with CB Construction related to the Library and the Arc Building Phase II.

Tie-In to Council Goals

City Facilities: Public Facilities That Meet The Community Needs Of Today And The Future

Fiscal Information

Arc Building Phase II	\$363,922.54
Library	\$3,541,202.13

All funding for these GMP amendments comes from the 2024 FFCO Bonds approved by the City Council and are budgeted for in the FY2024-25 City Budget.

Alternatives and Recommendation

Alternatives

1. Approve Resolution No. 2343 as written authorizing the City Manager to sign the GMP Amendment for each listed project.
2. Make minor adjustments to the Resolution or the agreements and approve as amended.
3. Direct staff to make major adjustments and return for further consideration.

Recommended Action/Motion

Recommend approval of Resolution No. 2343 as presented.

Submitted By:

Byron D. Smith, City Manager

RESOLUTION NO. 2343**A RESOLUTION APPROVING GUARANTEED PRICE AMENDMENTS FOR THE CMGC CONTRACT WITH CB CONSTRUCTION FOR THE LIBRARY AND ARC BUILDING PROJECTS AND AUTHORIZING THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

WHEREAS, the City of Hermiston (“City”) has developed the need for the construction at the Hermiston City Library and the Arc Building; and

WHEREAS, this includes a remodel of the library and Phase 2 of the remodel of the Arc Building; and

WHEREAS, the City has done all required processes to utilize the Construction Manager/General Contractor (CMGC) alternative construction method; and

WHEREAS, a Guaranteed Maximum Price (GMP) Amendment for the Library has been submitted for a total of \$ 3,541,202.13; and

WHEREAS, a Guaranteed Maximum Price (GMP) Amendment for the Arc Building has been submitted for a total of \$ 363,922.54.

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

1. That GMP amendments with CB Construction are approved for the above-mentioned portions of the Library and Arc Building remodel projects.
2. That the City Manager be, and is, hereby authorized to execute and deliver the GMP amendments to CB Construction with such changes, additions, deletions, and modifications as the City Manager may approve.
3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of October 2024.

SIGNED by the Mayor this 14th day of October 2024.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

DRAFT AIA® Document A133™ – 2019

Exhibit A

Guaranteed Maximum Price Amendment

This Amendment dated the «14» day of «October» in the year «2024», is incorporated into the accompanying AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated the «29th» day of «May» in the year «2024» (the “Agreement”)
(In words, indicate day, month, and year.)

for the following **PROJECT**:
(Name and address or location)

«City of Hermiston – Civic projects»
«Hermiston Public Library Renovation»
« »
« »

THE OWNER:
(Name, legal status, and address)

«City of Hermiston»
«180 NE 2nd Street, Suite 211»
«Hermiston, OR 97838-1827»

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

«CB Construction, Inc.»
«1202 Adams Avenue»
«La Grande, OR 97850»
«541-786-5315»

TABLE OF ARTICLES

- A.1 GUARANTEED MAXIMUM PRICE
- A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION
- A.3 INFORMATION UPON WHICH AMENDMENT IS BASED
- A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

ARTICLE A.1 GUARANTEED MAXIMUM PRICE

§ A.1.1 Guaranteed Maximum Price

Pursuant to Section 3.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

ELECTRONIC COPYING of any portion of this AIA® Document to another electronic file is prohibited and constitutes a violation of copyright laws as set forth in the footer of this document.

Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of the Agreement.

§ A.1.1.1 The Contract Sum is guaranteed by the Construction Manager not to exceed « Three million five hundred forty-one thousand, two hundred two dollars & 13/100 » (\$ «3,541,202.13 »), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 **Itemized Statement of the Guaranteed Maximum Price.** Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, including allowances; the Construction Manager's contingency, alternates; the Construction Manager's Fee; and other items that comprise the Guaranteed Maximum Price as defined in Section 3.2.1 of the Agreement.

(Provide itemized statement below or reference an attachment.)

«See attached GMP summary of cost, dated 10/9/2024 »

§ A.1.1.3 The Construction Manager's Fee is set forth in Section 6.1.2 of the Agreement.

§ A.1.1.4 The method of adjustment of the Construction Manager's Fee for changes in the Work is set forth in Section 6.1.3 of the Agreement.

§ A.1.1.5 Alternates

§ A.1.1.5.1 Alternates, if any, included in the Guaranteed Maximum Price:

Item	Price
NA	\$

§ A.1.1.5.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Exhibit A. Upon acceptance, the Owner shall issue a Modification to the Agreement.

(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)

Item	Price	Conditions for Acceptance

§ A.1.1.6 Unit prices, if any:

(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)

Item	Units and Limitations	Price per Unit (\$0.00)

ARTICLE A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ A.2.1 The date of commencement of the Work shall be:

(Check one of the following boxes.)

☒ [« X »] The date of execution of this Amendment.

☐ [« »] Established as follows:

(Insert a date or a means to determine the date of commencement of the Work.)

« »

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of execution of this Amendment.

§ A.2.2 Unless otherwise provided, the Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work. The Contract Time shall be measured from the date of commencement of the Work.

§ A.2.3 Substantial Completion Unless the date of substantial completion is stated in the Agreement:

§ A.2.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Construction Manager shall achieve Substantial Completion of the entire Work: [INSERT SUBSTANTIAL COMPLETION DATE IN THE A133 AGREEMENT UNLESS PARTIES AGREE OTHERWISE.]

(Check one of the following boxes and complete the necessary information.)

[☐] Not later than () calendar days from the date of commencement of the Work.

[☒] By the following date:

§ A.2.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Construction Manager shall achieve Substantial Completion of such portions by the following dates:

Portion of Work	Substantial Completion Date
<input type="text"/>	<input type="text"/>

§ A.2.3.3 If the Construction Manager fails to achieve Substantial Completion as provided in this Section A.2.3, liquidated damages, if any, shall be assessed as set forth in Section 6.1.6 of the Agreement.

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Guaranteed Maximum Price and Contract Time set forth in this Amendment are based on the Contract Documents and the following:

§ A.3.1.1 The following Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

§ A.3.1.2 The following Specifications:

(Either list the Specifications here or refer to an exhibit attached to this Amendment.)

« Exhibit A - Specifications »

Section	Title	Date	Pages
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

§ A.3.1.3 The following Drawings:

(Either list the Drawings here or refer to an exhibit attached to this Amendment.)

« Exhibit B - Drawings »

Number	Title	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

§ A.3.1.4 The Sustainability Plan, if any:

(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date, and number of pages, and include other identifying information. The Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Construction Manager's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)

Title	Date	Pages
<input type="text"/>	<input type="text"/>	<input type="text"/>

Other identifying information:

§ **A.3.1.5** Allowances, if any, included in the Guaranteed Maximum Price:
(Identify each allowance.)

Item	Price

§ **A.3.1.6** Assumptions and clarifications, if any, upon which the Guaranteed Maximum Price is based:
(Identify each assumption and clarification.)

«NA »

§ **A.3.1.7** The Guaranteed Maximum Price is based upon the following other documents and information:
(List any other documents or information here or refer to an exhibit attached to this Amendment.)

«GMP Summary of Cost
Addendum 1
Exhibit A – Specifications
Exhibit B - Drawings »

ARTICLE A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

§ **A.4.1** The Construction Manager shall retain the consultants, contractors, design professionals, and suppliers, identified below:
(List name, discipline, address, and other information.)

«See Final Bid Sheet summary »

This Amendment to the Agreement entered into as of the day and year first written above.

CITY OF HERMISTON

[CB Construction, Inc.]

OWNER (Signature)

«Byron Smith, City Manager»

(Printed name and title)

CONSTRUCTION MANAGER (Signature)

«Derek Howard »« President »

(Printed name and title)

DRAFT AIA® Document A133™ – 2019

Exhibit A

Guaranteed Maximum Price Amendment

This Amendment dated the «14» day of «October» in the year «2024», is incorporated into the accompanying AIA Document A133™-2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated the «15» day of «August» in the year «2023» (the “Agreement”)
(In words, indicate day, month, and year.)

for the following **PROJECT:**
(Name and address or location)

«City of Hermiston – Civic projects»

«Arc Building Improvements – Phase 2»
« »

THE OWNER:
(Name, legal status, and address)

«City of Hermiston»
«180 NE 2nd Street, Suite 211»
«Hermiston, OR 97838-1827»

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

«CB Construction, Inc.»
«1202 Adams Avenue»
«La Grande, OR 97850»
«541-786-5315»

TABLE OF ARTICLES

- A.1 GUARANTEED MAXIMUM PRICE
- A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION
- A.3 INFORMATION UPON WHICH AMENDMENT IS BASED
- A.4 CONSTRUCTION MANAGER’S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

ARTICLE A.1 GUARANTEED MAXIMUM PRICE

§ A.1.1 Guaranteed Maximum Price

Pursuant to Section 3.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager’s Fee plus the Cost of the Work, as that term is defined in Article 6 of the Agreement.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™-2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

ELECTRONIC COPYING of any portion of this AIA® Document to another electronic file is prohibited and constitutes a violation of copyright laws as set forth in the footer of this document.

§ A.1.1.1 The GMP-03 Contract Sum is guaranteed by the Construction Manager not to exceed «Three hundred sixty-three thousand, nine hundred twenty-two dollars & 54/100» (\$ « 363,922.54 »), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 **Itemized Statement of the Guaranteed Maximum Price.** Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, including allowances; the Construction Manager's contingency, alternates; the Construction Manager's Fee; and other items that comprise the Guaranteed Maximum Price as defined in Section 3.2.1 of the Agreement.

(Provide itemized statement below or reference an attachment.)

«See attached GMP summary of cost, dated 08/26/2024»

§ A.1.1.3 The Construction Manager's Fee is set forth in Section 6.1.2 of the Agreement.

§ A.1.1.4 The method of adjustment of the Construction Manager's Fee for changes in the Work is set forth in Section 6.1.3 of the Agreement.

§ A.1.1.5 **Alternates**

§ A.1.1.5.1 Alternates, if any, included in the Guaranteed Maximum Price:

Item	Price
	\$

§ A.1.1.5.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Exhibit A. Upon acceptance, the Owner shall issue a Modification to the Agreement.

(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)

Item	Price	Conditions for Acceptance

§ A.1.1.6 **Unit prices, if any:**

(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)

Item	Units and Limitations	Price per Unit (\$0.00)

ARTICLE A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ A.2.1 The date of commencement of the Work shall be:

(Check one of the following boxes.)

☒ [« X »] The date of execution of this Amendment.

☐ [« »] Established as follows:

(Insert a date or a means to determine the date of commencement of the Work.)

« »

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of execution of this Amendment.

§ A.2.2 Unless otherwise provided, the Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work. The Contract Time shall be measured from the date of commencement of the Work.

§ A.2.3 Substantial Completion Unless the date of substantial completion is stated in the Agreement:

§ A.2.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Construction Manager shall achieve Substantial Completion of the entire Work: [INSERT SUBSTANTIAL COMPLETION DATE IN THE A133 AGREEMENT UNLESS PARTIES AGREE OTHERWISE.]

(Check one of the following boxes and complete the necessary information.)

[☐] Not later than ☐ (☐) calendar days from the date of commencement of the Work.

[☒] By the following date:

§ A.2.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Construction Manager shall achieve Substantial Completion of such portions by the following dates:

Portion of Work	Substantial Completion Date
<input type="text"/>	<input type="text"/>

§ A.2.3.3 If the Construction Manager fails to achieve Substantial Completion as provided in this Section A.2.3, liquidated damages, if any, shall be assessed as set forth in Section 6.1.6 of the Agreement.

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Guaranteed Maximum Price and Contract Time set forth in this Amendment are based on the Contract Documents and the following:

§ A.3.1.1 The following Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

§ A.3.1.2 The following Specifications:

(Either list the Specifications here or refer to an exhibit attached to this Amendment.)

« »

Section	Title	Date	Pages
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

§ A.3.1.3 The following Drawings:

(Either list the Drawings here or refer to an exhibit attached to this Amendment.)

« Exhibit A - Drawing »

Number	Title	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

§ A.3.1.4 The Sustainability Plan, if any:

(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date, and number of pages, and include other identifying information. The Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Construction Manager's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)

Title	Date	Pages
<input type="text"/>	<input type="text"/>	<input type="text"/>

Other identifying information:

§ A.3.1.5 Allowances, if any, included in the Guaranteed Maximum Price:
(Identify each allowance.)

Item	Price

§ A.3.1.6 Assumptions and clarifications, if any, upon which the Guaranteed Maximum Price is based:
(Identify each assumption and clarification.)

«NA »

§ A.3.1.7 The Guaranteed Maximum Price is based upon the following other documents and information:
(List any other documents or information here or refer to an exhibit attached to this Amendment.)

«GMP Summary of Cost
Exhibit A - Drawing »

ARTICLE A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

§ A.4.1 The Construction Manager shall retain the consultants, contractors, design professionals, and suppliers, identified below:
(List name, discipline, address, and other information.)

«See GMP Summary of Cost »

This Amendment to the Agreement entered into as of the day and year first written above.

CITY OF HERMISTON

[CB Construction, Inc.]

OWNER (Signature)

«Byron Smith, City Manager»

(Printed name and title)

CONSTRUCTION MANAGER (Signature)

«Derek Howard »« President »

(Printed name and title)



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 14, 2024

Title/Subject

Resolution No. 2344 – Authorizing a Building Plan Review/Inspection Services Agreement with the City of Umatilla

Summary and Background

The City of Hermiston has providing Building Plan Review/Inspection Services to the City of Umatilla for many years. The initial agreement was one-directional and was at a “discounted” price in order to assist the City of Umatilla.

Since that time, the City of Umatilla has been able to staff up considerably and do more of their own plan review/inspection services work. Because they have done that and they are now in a better financial position, both cities have agreed to update the agreement to a market rate for reimbursement and make the agreement bi-directional. These changes allow for greater fairness in reflecting the amount of work needed for the respective services and make it possible for the City of Hermiston to receive services if we needed them.

The City of Umatilla approved the attached agreement during their September 3, 2024 city council meeting.

Tie-In to Council Goals

N/A

Fiscal Information

This agreement increases the hourly rate from \$80/hour to \$90/hour and increases the plan review fee split from 50%/50% to 75%/25% (with 75% going to the agency performing the plan review).

Alternatives and Recommendation

Alternatives

1. Adopt Resolution 2344
2. Amend Resolution 2344 or the attached IGA
3. Table Resolution 2344 and request more information.

Recommended Action/Motion

Motion to adopt Resolution 2344 as proposed.

Submitted By:

Byron D. Smith

RESOLUTION NO. 2344**A RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF UMATILLA FOR THE CITY OF HERMISTON TO PROVIDE BUILDING INSPECTION SERVICES AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

WHEREAS, the City of Hermiston (City) has employees that provide building inspection services; and

WHEREAS, the City has the means to provide building inspection services to additional agencies outside of the City; and

WHEREAS, the City can provide plan review and site built residential/commercial plumbing, structural, mechanical, and electrical inspections; and

WHEREAS, the City of Umatilla has the means to provide building inspection/plan review services for themselves and for additional agencies outside of the City; and

WHEREAS, the City and the City of Umatilla have proposed an Intergovernmental Agreement ("Agreement") to work cooperatively to provide building inspection services to the City and City of Umatilla, the proposed IGA is attached and incorporated by this reference; and

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

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

1. That the Intergovernmental Agreement between the City of Hermiston and the City of Umatilla to provide building inspection services is hereby approved.
2. That the City Manager is authorized to sign the Intergovernmental Agreement.
3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of October 2024.

SIGNED by the Mayor this 14th day of October 2024.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

INTERGOVERNMENTAL AGREEMENT City Contract No. _____

This Agreement is between the City of Hermiston and the City of Umatilla in accordance with ORS 190.110. The Contract Administrators of this Agreement are:

City of Hermiston	City of Umatilla
Contract Administrator: Byron Smith	Contract Administrator: David Stockdale
Title: City Manager	Title: City Manager
City of Hermiston 180 NE 2 nd St. Hermiston, OR 97838 Phone: (541) 567-5521	City of Umatilla 700 Sixth St. Po Box 130 Umatilla, OR 97882 Phone: (541) 922-3226 x102
Email: bsmith@hermiston.gov	Email: david@umatilla.gov

I. PURPOSE:

The purpose of this Agreement is to ensure that timely plan review and site built residential/commercial plumbing, structural, mechanical, and electrical inspections are performed for both the City of Umatilla and the City of Hermiston under each agency's authority. This work can be requested by either party as needed.

II. TERM OF AGREEMENT:

This Agreement shall become effective on the date at which every party has signed this Agreement. This Agreement originally expires on July 31, 2026 and automatically extends for two-year periods until officially amended in accordance with Section VI or canceled in accordance with Section VII.

III. STATEMENT OF WORK

Through this Agreement the two parties agree to perform requested services for plan review and site built residential/commercial plumbing, structural, mechanical, and electrical inspections on behalf of the other party.

Each party shall:

1. Comply with all requirements and regulations of the applicable ORS's and OAR's.
2. Provide State of Oregon certified/licensed inspectors that are employees of either party to perform all inspections.

INTERGOVERNMENTAL AGREEMENT City Contract No. _____

3. Perform requested inspections within forty-eight business (48) hours when available and plan reviews within thirty (30) business days when able.
 - a. When these timelines are not able to be met, expected timelines will be communicated.
4. Inspection results shall be recorded in Accela when completed.
5. Comply with the inspection notification requirements of applicable ORS's and OAR's.
6. Provide a request for payment on services rendered each quarter of the calendar year.
 - a. These requests will include a detailed spreadsheet of work performed both inspections and plan review.
7. Both parties reserve the right to reject inspection requests and to reject plan review requests within twenty-four (24) hours of initial request.

IV. CONSIDERATION

- A. The parties agree to pay each other an hourly rate of \$90.00 for building inspections and plan review services provided and 75% of the fees collected for plan reviews. Payment will be based upon the performance of plan review and site built residential/commercial plumbing, structural, mechanical, and electrical inspections performed.
- B. Payment under the terms of this Agreement is separate from and in addition to the payments made under any other existing Agreements between the City of Umatilla and the City of Hermiston.
- C. The parties agree to submit final invoice for work completed under this Agreement no later than thirty (30) calendar days after expiration date of this Agreement.
- D. All requests for payment shall include documentation described in Section III to justify payment under this Agreement and shall be submitted to the building department of the other party.

V. TRAVEL AND OTHER EXPENSES

Hourly rate includes travel expenses. Travel and other expenses of either parties inspectors shall not be reimbursed. Hourly rate will include travel from port to port and office/administrative time spent conducting business with and/or on behalf of the other party.

VI. AMENDMENTS

The terms of this Agreement shall not be waived, altered, modified, supplemented, or amended except by written instrument signed by both parties. This Agreement may be extended upon written amendment. The Agreement not to exceed amount may be increased to reflect any authorized extension period.

VII. TERMINATION

This Agreement may be terminated by mutual consent by both parties or by either party upon thirty (30) calendar days' notice, in writing.

VIII. NON-PERFORMANCE

INTERGOVERNMENTAL AGREEMENT City Contract No. _____

Neither party shall be held responsible for delay or failure to perform when such delay or failure is due to fire, flood, epidemic, strikes, acts of God or the public enemy, unusually severe weather, legal acts of public authorities, or delays or defaults caused by public carriers, which cannot be reasonably foreseen or provided against. Either party may terminate the Agreement, effective with the giving of written notice, after determining such delays or failure will reasonably prevent successful performance in accordance with the terms of this Agreement.

IX. ALTERNATIVE DISPUTE RESOLUTION

The parties should attempt in good faith to resolve any dispute arising out of this Agreement. This may be done at any management level, including at a level higher than persons directly responsible for administration of the Agreement.

X. INSURANCE

Each party shall insure or self-insure and be independently responsible for the risk of its own liability of claims within the scope of the Oregon Tort Claim Act (ORS 30.260-30.300).

XI. SUBCONTRACTOR

City of Hermiston shall only use inspectors that are an employee of the City of Hermiston. No subcontractors shall work under this Agreement.

XII. NONDISCRIMINATION

The parties agree to comply with all applicable requirements of Federal and State civil rights and rehabilitation statutes, rules, and regulations in the performance of this Agreement.

XIII. COMPLIANCE WITH APPLICABLE LAWS

The parties agree that both shall comply with all Federal, State, and local laws and ordinances applicable to the work to be done under this Agreement. The parties agree that this Agreement shall be administered and construed under the laws of the State of Oregon.

XIV. PARTNERSHIP

Neither party is, by virtue of this Agreement, a partner nor joint venture in connection with activities carried out under this Agreement and shall have no obligation with respect to the other party's debts or any other liability or obligation of the other party of whatever kind of nature.

XV. AUDIT

The City of Umatilla reserves the right to audit, at the City of Umatilla's expense, all records pertinent to this Agreement.

INTERGOVERNMENTAL AGREEMENT City Contract No. _____

XVI. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the parties concerning the subject matter of this Agreement and supersedes any and all prior or contemporaneous negotiations or Agreements among the parties, if any, whether written or oral, concerning the subject matter of this Agreement which is not fully expressed herein. This Agreement may not be modified or amended except in writing and signed by all parties.

XVII. Execution in Counterparts; Electronic Transmittal. This document may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Said counterparts may be transmitted by one party to the other by facsimile or electronic mail.

I. SIGNATURES

City of Hermiston Contract Administrator

City of Umatilla Contract Administrator

Byron Smith

Date

David Stockdale

Date

Title: City Manager
180 NE 2nd St.
Hermiston, OR 97838

Title: City Manager
700 Sixth St.
Umatilla, OR 97882