



CITY COUNCIL & URBAN RENEWAL AGENCY

AGENDA

MONDAY, JUNE 12, 2023

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: 841 0675 8958 Passcode: 075556 Telephone number to join is: 1 253
215 8782; or submitting comments to meetings@hermiston.or.us*

1. CALL COUNCIL/CITY MANAGER WORK SESSION MEETING TO ORDER - 6:00 PM

A. Council Rules Review & Discussion

2. ADJOURN WORK SESSION MEETING

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

4. DECLARATION OF QUORUM

5. FLAG SALUTE

6. PROCLAMATIONS, PRESENTATIONS AND RECOGNITIONS

A. 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. Committee Vacancy Announcements

B. Committee Re-Appointment Recommendation of Mark Gomolski for: Hispanic Advisory Committee Position #1- term ending 06/30/2027

C. Committee Appointment Recommendation of Albert Munoz for: Hispanic Advisory Committee Position #5- term ending 06/30/2025

D. Liquor License Application for Grocery Outlet

- E. Minutes of the May 11th Budget Committee Meeting for the City of Hermiston and Hermiston Urban Renewal Agency
- F. Minutes of the May 22 City Council and Urban Renewal Agency Meeting
- G. Minutes of the May 31st Budget Committee Meeting for the City of Hermiston and Hermiston Urban Renewal Agency

9. ITEMS REMOVED FROM CONSENT AGENDA

10. PUBLIC HEARINGS

- A.** City of Hermiston 2023-24 Fiscal Budget (Resolutions 2277, 2278, 2279, & 2280)

11. ORDINANCES AND RESOLUTIONS

- A. Resolution No. 2273– Authorizing an Intergovernmental Agreement with Umatilla County Fire District #1 regarding renovations/additions to the Public Safety Center.
- B. Resolution No. 2274 – Authorizing an Information Technology Services Agreement with the City of Pilot Rock
- C. Resolution No. 2275 – Authorizing an Information Technology Services Agreement with the City of Milton-Freewater
- D. Resolution No. 2276- Establishing “No Parking” on SW 3rd Between Orchard Ave. and Locust Ave.
- E. Resolutions 2277, 2278, 2279, & 2280- Related to the Adoption of FY2023-2024 Budget for the City of Hermiston (Public Hearing)
 - 1. Resolution 2277- Declaring the City of Hermiston's Election to Receive State Revenues
 - 2. Resolution 2278- Adopting the City of Hermiston's Budget, Make Appropriations, and Impose and Categorize Taxes for FY 2023-2024
 - 3. Resolution 2279- Establishing Reserve Funds for the City of Hermiston for FY 2023-2024
 - 4. Resolution 2280- Adopting the Employee Compensation Plan for FY 2023-2024

12. 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

- B.** Mayor's Report

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

13. ADJOURN CITY COUNCIL MEETING AND CONVENE URBAN RENEWAL AGENCY MEETING

14. CALL TO ORDER

15. NEW BUSINESS

- A. Public Hearing- HURA 2023-24 Fiscal Budget (Resolution 19)
- B. Resolution 19 to adopt the FY2023-2024 Budget for the Hermiston Urban Renewal Agency (“HURA”) (Public Hearing)

16. ADJOURN URBAN RENEWAL AGENCY MEETING

**** 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.



PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

1) Eastern Oregon Trade & Event Center (EOTEC) Committee

- Position 3, Representing the Greater Hermiston Hospitality and Tourism Committee:
 - 3-year term ending June 30, 2026 (Advertised as of 04/11/2023)
- Position 4, Representing the Community At-Large:
 - 3-year term ending June 30, 2026 (Advertised as of 04/11/2023)

2) Faith-Based Advisory Committee

- Position 5: 3-year term ending December 31, 2025 (Advertised as of 11/02/2022)

3) Hispanic Advisory Committee

- Position 2: 3-year terms ending June 30, 2026 (Advertised as of 04/11/2023)

4) Library Board

- Position 5: 4-year term ending June 30, 2027 (Advertised as of 04/11/2023)

Deadline to apply for all Committees: Open Until Filled

Interested persons are asked to submit an application to City Hall, 180 NE 2nd Street, Hermiston, or at lalarcon-strong@hermiston.or.us . 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 \$7,500 or more in any one calendar year. Preference for appointees shall be given to city residents.



HERMISTON POLICE DEPARTMENT

Section 8, Item D.



330 S. First Street
Hermiston, Oregon 97838
www.hermiston.or.us/police/home

Sine Metu Sine Gratia

Phone: 541-567-5519
Fax: 541-567-8469
Email: records@hermiston.or.us

Without Fear Without Favor

TO: City Manager Byron Smith
FROM: Captain Scott Clark
DATE: June 1, 2023
SUBJECT: Liquor License Application – Grocery Outlet

After review of the liquor license application for “Off Premises” for Grocery Outlet located at 1875 N. 1st Street Ste. E, Hermiston, I find nothing of substance after performing a criminal history check consistent with established parameters utilized by the city, to deny the application submitted by Cesilia Garcia Ruiz.

It is my recommendation this information/request be presented to the City Council.

CC: City Recorder Lilly Alarcon-Strong; Chief of Police Jason D. Edmiston

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

☐ New Outlet | ☒ Change of Ownership | ☐ Greater Privilege | ☐ Lesser Privilege | ☐ Additional Privilege

Select the license type you are applying for.

More information about all license types is available online.

Full On-Premises

- ☐ Commercial
- ☐ Caterer
- ☐ Public Passenger Carrier
- ☐ Other Public Location
- ☐ For Profit Private Club
- ☐ Nonprofit Private Club

Winery

- ☐ Primary location

Additional locations: ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th

Brewery

- ☐ Primary location

Additional locations: ☐ 2nd ☐ 3rd

Brewery-Public House

- ☐ Primary location

Additional locations: ☐ 2nd ☐ 3rd

Grower Sales Privilege

- ☐ Primary location

Additional locations: ☐ 2nd ☐ 3rd

Distillery

- ☐ Primary location

Additional tasting locations: ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th ☐ 6th

☐ Limited On-Premises

☒ Off Premises

☐ Warehouse

☐ Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

City of Hermiton

Date application received:

Optional: Date Stamp

06-01-2023

☐ Recommend this license be granted

☐ Recommend this license be denied

Printed Name

Date

LIQUOR LICENSE APPLICATION

Page 2 of 4

APPLICANT INFORMATION

Identify the applicants applying for the license. This is the entity (example: corporation or LLC) or individual(s) applying for the license. Please add an additional page if more space is needed.

Name of entity or individual applicant #1: 2562 Ventures LLC	Name of entity or individual applicant #2: Grocery Outlet Inc.
Name of entity or individual applicant #3:	Name of entity or individual applicant #4:

BUSINESS INFORMATION

Trade Name of the Business (name customers will see):
Hermiston Grocery Outlet

Premises street address (The physical location of the business and where the liquor license will be posted):
1875 N 1st Street Suite E

City: Hermiston	Zip Code: 97838	County: Umatilla
Business phone number: 541-701-0428	Business email: Hermiston@groceryoutlet.com	
Business mailing address (where we will send any items by mail as described in OAR 845-004-0065[1]): 1875 N 1st St Suite E		
City: Gresham	State: OR	Zip Code: 97030
Does the business address currently have an OLCC liquor license? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Does the business address currently have an OLCC marijuana license? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

AUTHORIZED REPRESENTATIVE – A liquor applicant or licensee may give a representative authorization to make changes to the license or application on behalf of the licensee or to receive information about a license or application.

I give permission for the below named representative to:

- ☒ Make changes regarding this license/application on my behalf.
☒ Receive information about the status of this application, including information about pending compliance action or communications between OLCC and the licensee/applicant.

Representative Name:

Cecilia Garcia Ruiz

Phone number:

503-887-3734

Email:

Ceciliagarcia2425@yahoo.com

Mailing address:

3499 NE 15th St

City:

Gresham

State:

OR

Zip Code:

97030

LIQUOR LICENSE APPLICATION

Page 3 of 4

APPLICATION CONTACT INFORMATION – Provide the point of contact for this application. If this individual is not an applicant or licensee, the Authorized Representative section must be filled in and the appropriate permission(s) must be selected.

Application Contact Name:

Cecilia Garcia Ruiz

Phone number:

503-887-3734

Email:

Cecigarcia2425@yahoo.com

TERMS

- “Real property” means the real estate (land) and generally whatever is erected or affixed to the land (for example, the building) at the business address.
- “Common area” is a privately owned area where two or more parties (property tenants) have permission to use the area in common. Examples include the walking areas between stores at a shopping center, lobbies, hallways, patios, parking lots, etc. An area’s designation as a “common area” is typically identified in the lease or rental agreement.

ATTESTATION – OWNERSHIP AND CONTROL OF THE BUSINESS AND PREMISES

- Each applicant listed in the “Application Information” section of this form has read and understands OAR 845-005-0311 and attests that:
 1. At least one applicant listed in the “Application Information” section of this form has the legal right to occupy and control the real property proposed to be licensed as shown by a property deed, lease, rental agreement, or similar document.
 2. No person not listed as an applicant in the “Application Information” section of this form has an ownership interest in the business proposed to be licensed, unless the person qualifies to have that ownership interest waived under OAR 845-005-0311.
 3. The licensed premises at the premises street address proposed to be licensed either:
 - a. Does not include any common areas; or
 - b. Does include one or more common areas; however, only the applicant(s) have the exclusive right to engage in alcohol sales and service in the area to be included as part of the licensed premises.
 - In this circumstance, the applicant(s) acknowledges responsibility for ensuring compliance with liquor laws within and in the immediate vicinity of the licensed premises, including in portions of the premises that are situated in “common areas” and that this requirement applies at all times, even when the business is closed.
 4. The licensed premises at the premises street address either:
 - a. Has no area on property controlled by a public entity (like a city, county, or state); or
 - b. Has one or more areas on property controlled by a public entity (like a city, county, or state) and the public entity has given at least one of the applicant(s) permission to exercise the privileges of the license in the area.

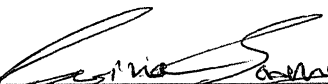
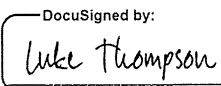
LIQUOR LICENSE APPLICATION

Page 4 of 4

- Each applicant listed in the "Application Information" section of this form has read and understands OAR 845-006-0362 and attests that:

1. Upon licensure, each licensee is responsible for the conduct of others on the licensed premises, including in outdoor areas.
2. The licensed premises will be controlled to promote public safety and prevent problems and violations, with particular emphasis on preventing minors from obtaining or consuming alcoholic beverages, preventing over-service of alcoholic beverages, preventing open containers of alcoholic beverages from leaving the licensed premises unless allowed by OLCC rules, and preventing noisy, disorderly, and unlawful activity on the licensed premises.

I attest that all answers on all forms and documents, and all information provided to the OLCC as a part of this application, are true and complete.

<u>Cesilia Garcia Roiz</u>	<u></u>	<u>5/31/2023</u>	
Print name	Signature	Date	Atty. Bar Info (if applicable)
Grocery Outlet Inc.	DocuSigned by: <u></u>	5/31/2023 09:37:22 PDT	
Print name	Signature	Date	Atty. Bar Info (if applicable)
Print name	Signature	Date	Atty. Bar Info (if applicable)
Print name	Signature	Date	Atty. Bar Info (if applicable)



OREGON LIQUOR & CANNABIS COMMISSION BUSINESS INFORMATION

Section 8, Item D.

Please Print or Type

Applicant Name: Cesilia Garcia Ruiz Phone: 503-887-3734

Trade Name (dba): Hermiston Grocery Outlet

Business Location Address: 1875 N 1st St, Suite E

City: Hermiston ZIP Code: 97838

DAYS AND HOURS OF OPERATION

Business Hours:

Sunday 8 AM to 9 PM
Monday 8 AM to 9 PM
Tuesday 8 AM to 9 PM
Wednesday 8 AM to 9 PM
Thursday 8 AM to 9 PM
Friday 8 AM to 9 PM
Saturday 8 AM to 9 PM

Outdoor Area Hours:

Sunday _____ to _____
Monday _____ to _____
Tuesday _____ to _____
Wednesday _____ to _____
Thursday _____ to _____
Friday _____ to _____
Saturday _____ to _____

The outdoor area is used for:

☐ Food service Hours: _____ to _____
☐ Alcohol service Hours: _____ to _____
☐ Enclosed, how _____

The exterior area is adequately viewed and/or supervised by Service Permittees.

(Investigator's Initials)

Seasonal Variations: ☐ Yes ☒ No If yes, explain: _____

ENTERTAINMENT

Check ALL that apply:

- | | |
|--|---|
| <input type="checkbox"/> Live Music | <input type="checkbox"/> Karaoke |
| <input type="checkbox"/> Recorded Music | <input type="checkbox"/> Coin-operated Games |
| <input type="checkbox"/> DJ Music | <input type="checkbox"/> Video Lottery Machines |
| <input type="checkbox"/> Dancing <input type="checkbox"/> Nude Dancing | <input type="checkbox"/> Social Gaming |
| <input type="checkbox"/> Live Entertainment | <input type="checkbox"/> Pool Tables |
| <input type="checkbox"/> Minor Entertainers | <input type="checkbox"/> Other: _____ |

*Minor Entertainers in an area prohibited to minors need prior approval from the OLCC

DAYS & HOURS OF LIVE OR DJ MUSIC

Sunday _____ to _____
Monday _____ to _____
Tuesday _____ to _____
Wednesday _____ to _____
Thursday _____ to _____
Friday _____ to _____
Saturday _____ to _____

SEATING COUNT

Restaurant: _____ Outdoor: _____ Lounge: _____
Banquet: _____ Other (explain): _____ Total Seating: _____

OLCC USE ONLY

Investigator Verified Seating: _____ (Y) _____ (N)

Investigator Initials: _____

Date: _____

I understand if my answers are not true and complete, the OLCC may deny my license application.

Applicant Signature: Cesilia Garcia Ruiz Date: 05/31/23

www.oregon.gov/olcc

Rev: 2.1.23



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes May 11, 2023

City of Hermiston Budget Committee Meeting

Mayor Drotzmann opened the meeting of the Budget Committee to consider the proposed budget for the 2023-2024 fiscal year at 5:30pm. Present were Budget Committee members: Doug Primmer, Anton Wanous, Rod Hardin, Brian Misner, Jackie Myers (exited at 6:45pm), Maria Duron (arrived at 6:04pm), Joshua Roberts, Roy Barron (participated through Zoom from 6:03pm-6:15pm), Larry Lankford, Jackie Linton, Paul Magaña, Nancy Peterson, David McCarthy, and Lori Davis. David Hanson was excused; Jason McAndrew and John Douglass were absent.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Chief Edmiston, Finance Director Mark Krawczyk, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, HES General Manager Nate Rivera, City Attorney Richard Tovey, Court Manager Jillian Viles, Library Director Mark Rose, EOTEC General Manager Al Davis, Senior Financial Analyst Tasha Harrell, Deputy City Recorder Heather La Beau, and City Recorder Lilly Alarcon-Strong.

Mayor Drotzmann stated the committee must elect a chair and secretary. Rod Hardin moved and Doug Primmer seconded the nomination of Brian Misner as Chair. Motion carried unanimously. Lori Davis moved and Doug Primmer seconded to nominate Anton Wanous as the secretary. Motion carried unanimously.

Budget Presentation

Budget Officer Byron Smith began the presentation (PowerPoint attached) of the City of Hermiston's FY 2023-24 Proposed Budget by thanking city staff and committee members for their efforts and time. Specifically Finance Director Mark Krawczyk and Senior Financial Analyst Tasha Harrell in putting the document together, department heads for being thoughtful putting together the budget proposals, and citizen members of the Budget Committee for their willingness to give up time and serve our community.

Introduction

The FY2023-24 budget has been prepared in accordance with the State of Oregon budget law and best practices established by the Government Finance Officers Association. It has also been developed on the foundation of the city's adopted financial policies. We continue to work to make the budget and the budget process more transparent and easier to understand. In February 2023, the City Council and City staff held a goal setting session during which goals for FY2023-24 and into the future were established. These goals were considered as this budget was adopted. I plan to highlight a few bigger picture factors that affect our budget and then dive into the more relevant details.

PERS and Interest Rates

Due to the rapid increases in interest rates, the City did not issue pension obligation bonds. Staff will continue to monitor that situation and will bring forward appropriate proposals when factors return to a favorable environment to consider that option again. PERS rates of return allowed the City to see the most favorable PERS contribution rates in many years. Depending on the employee's time in service, PERS contribution rates increased in the range of 1.25% to 1.77%.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 11, 2023

Discussion

The FY2023-24 budget continues and upholds the City's adopted policies. The all-funds budget is \$97,831,523 which is approximately \$32.6 million (49.9%) more than the FY2022-23 budget. The reason for this increase in the overall budget is the large number of capital projects the City has scheduled. The construction of various water/sewer and street projects is a big factor in the increase of the all funds budget. The addition of the IT department is also a new factor in this increase.

The FY2023-24 budget includes a 3.0% cost of living adjustment (COLA) for all City employees. I will now walk through the major funds in the budget and provide highlights about each one.

This budget I present today is the most unique I have ever presented to this City Council or any city council. This distinction is not one that I am proud of in any way. Over the past three years, the City's general fund budget has grown, and the funding provided by the federal government through various funding programs (CARES Act and ARP Act) was the source that paid for that growth. That was not my intent but that is what happened. The budget proposed below is requesting the authority to do a short-term (two fiscal years) interfund loan from the Utility Fund (\$1.36 million) and the Hermiston Electric Fund (\$680,000) to cover the remaining shortfall and then spend the next year in a thoughtful process of determining the most important needs of the City and a way to sustainably fund those needs. I will also be showing to you on the evening of May 11, 2023, a five-year projection of revenues and expenditures that would inform our needs evaluation process.

General Fund

The general fund is the location for funding some of the most basic operations of the City. It is also the location for funding many quality-of-life services. These facts make it a very diverse fund including police, finance, planning, library and parks and recreation. All of these services have some role in a safe, sustainable and livable community. Minus the interfund loans mentioned above, proposed general fund revenues are \$15,606,565. Proposed general fund expenditures are \$17,646,665. That leaves a \$2,040,000 gap between revenues and expenses.

Utility Fund

The implementation of the Capital Improvement Plan (CIP) for both water and recycled water continues to be a priority.

Street Fund

Two large projects will be worked on this fiscal year related to the street fund. The rebuilding of North 1st Place using our state earmark funds and construction of the Geer and Harper intersection project.

Hermiston Energy Services (HES) Fund

The HES budget presented begins to start tackling capital maintenance projects that are feasible after the last rate increases.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 11, 2023

Transient Room Tax (TRT) Fund

Revenues in the TRT have continued to be strong and steady.

Regional Water Fund (RWS)

This fund sees most activity in construction related to the addition of another Amazon Campus as a customer.

Enterprise Zone Project Fund

Construction has begun on the initial Amazon site within the City limits. We do not expect a payment to the Enterprise Zone fund within this fiscal year.

Eastern Oregon Trade and Event Center (EOTEC) Fund

We have put together a basic budget for a full year of city operations. There are still many unknowns but these are the best estimates we have.

(Jackie Myers exited the meeting at 6:45pm)

The Committee reviewed and discussed the budget information and Budget Officer Byron Smith answered questions regarding the budget specific to the \$2 million gap between revenues and expenses.

Public Comment

Karen Primmer, Hermiston- stated the decisions the Committee has before them is a difficult one to make and asked that the Committee make compromises such as: making cuts, consider small short-term borrowing options, and not spending money that isn't there. Mrs. Primmer also asked that the Committee not add or increase fees of any kind as many people in the community will be unable to afford them.

Tax Levy & Budget Approval

Upon further discussion, David Drotzmann moved and Rod Hardin seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously. Lori Davis moved and Doug Primmer seconded to approve the bonded debt at \$316,829. Motion carried unanimously. Joshua Roberts moved and David Drotzmann seconded to table adopting the budget until after a second Budget Committee meeting to be held prior to June 2, 2023 and directed staff to return to the Committee with several options on how to decrease the general fund budget at the next meeting. Motion carried 12-1. David Drotzmann, Doug Primmer, Anton Wanous, Rod Hardin, Brian Misner, Maria Duron, Joshua Roberts, Larry Lankford, Jackie Linton, Paul Magaña, Nancy Peterson, and Lori Davis voted in favor; David McCarthy voted against.

Adjourn City of Hermiston Budget Committee Meeting and Convene the Urban Renewal Agency Budget Meeting- There was no other business and Chair Misner adjourned the City of Hermiston Budget Committee meeting at 7:32pm and announced there would be a 5-minute recess before convening for the Hermiston Urban Renewal Agency Budget Committee meeting.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes May 11, 2023

Hermiston Urban Renewal Agency Budget Committee Meeting

Chair Drotzmann opened the meeting of the HURA Budget Committee to consider the proposed budget for the 2023-2024 fiscal year at 7:39pm. Present were Budget Committee members: Doug Primmer, Anton Wanous, Rod Hardin, Brian Misner, Maria Duron, Joshua Roberts, Larry Lankford, Jackie Linton, Paul Magaña, Nancy Peterson, David McCarthy, and Lori Davis. David Hanson, Jackie Myers, and Roy Barron were excused; Jason McAndrew and John Douglass were absent.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Chief Edmiston, Finance Director Mark Krawczyk, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, City Attorney Richard Tovey, Library Director Mark Rose, Senior Financial Analyst Tasha Harrell, Deputy City Recorder Heather La Beau, and City Recorder Lilly Alarcon-Strong.

Chair Drotzmann stated the committee must elect a chair and secretary. Doug Primmer moved and Lori Davis seconded the nomination of Brian Misner as Chair. Motion carried unanimously. Doug Primmer moved and Lori Davis seconded to nominate Anton Wanous as secretary. Motion carried unanimously.

Budget Presentation

Urban Renewal Manager Clint Spencer presented the HURA budget message and PowerPoint presentation (attached) stating the proposed Hermiston Urban Renewal Agency (HURA) Budget for the 2023-24 Fiscal Year is \$1,020,966.

The 2023-24 Fiscal Year marks an exciting change for HURA. A second urban renewal district joins the Downtown Urban Renewal Area. The new district is in the southwest quadrant of Hermiston and is tasked with large public infrastructure improvements to support the future Prairie Meadows residential development. Prairie Meadows will include a mix of housing types up to 1,300 residential units, a potential school, a potential fire station, and public parks. Beginning with this fiscal year, the Hermiston Urban Renewal Agency will administer the Downtown URA (Downtown) and the Southwest Hermiston URA (SHURA).

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

The frozen base for each urban renewal area, current assessed value, and growth is detailed in the table below. Since this is the first year for SHURA, no growth is budgeted this year.

District	Frozen Assessed Value	Current Assessed Value	Increase in Value Since Formation
Downtown	\$42,262,899	\$59,094,900	28.5%
SHURA	\$3,121,349	\$3,121,349	0%



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 11, 2023

Downtown

One capital improvement is planned for the 23-24 FY. The SE 2nd St gateway project will carry over from the 22-23 FY. The project was originally planned for prior fiscal year, but design took longer than anticipated. \$40,000 was spent on design and engineering in 22-23 and \$360,000 is carried into the 23-24 budget for construction. ODOT has offered \$50,000 in safety enhancement funds to assist with the project.

Facade Grants will increase from \$50,000 in prior years to \$60,000 moving forward. After reviewing the program, the facade grant team determined that the maximum match of \$10,000 in prior years no longer reflects inflated building and labor costs and does not represent a significant incentive to use the program. The Urban Renewal Board increased the maximum match to \$20,000. The total budget increased to \$60,000 to ensure that at least three grants are available each year.

All of the remaining Downtown budget line items are maintaining the status quo. The Festival Street line item decreases from \$5,000 in 22-23 to its regular \$3,000. 22-23 saw a temporary increase in Festival Street spending to clean the street following completion of City Hall construction. Non-Departmental expenses stay at \$138,966 and cover Downtown debt service and administrative expenses. The wayfinding project is complete within the Downtown and this line is zero for 23-24. Parking improvements maintains a \$3,000 budget in case a project of opportunity presents itself.

Southwest Hermiston Urban Renewal Area

SHURA will see substantial revenue and expenses in the 23-24 FY. The city has obtained a loan from the State of Oregon for construction of a water tower, water booster upgrades, sewer main, and public park in the Prairie Meadows development. The design and construction of these improvements will take several years to complete. In the upcoming year \$496,000 is anticipated as revenue from this loan and will be used for design and engineering expenses, primarily on the water tower and sewer main. For reference, a two-million-gallon reservoir is planned for the Prairie Meadows area, upgrades to the water booster at W Joseph Ave and SW 11th St, and one mile of sewer improvements are necessary.

Urban renewal is the funding mechanism for these public infrastructure projects, but the projects themselves will be built and owned by the City of Hermiston. No construction is anticipated during the 23-24 Fiscal Year. Additional revenue will be budgeted in 24-25 for construction. It is anticipated that the infrastructure will be complete, and housing will start construction in 2025. After housing begins, the assessed value for SHURA will increase rapidly. Since the frozen base is locked at \$3,121,349, ten houses and lots valued at \$300,000 will double the assessed value.

Additional study is underway for a potential third urban renewal district along N 1st Street. This is in the feasibility stage, but if determined to be a feasible project, will be used for congestion relief and alternative circulation for Highway 395 between Elm Ave and Theater Lane.

Public Comment

None given.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes
May 11, 2023

Budget Approval

After questions and discussion of the proposed budget, Jackie Linton moved and Doug Primmer seconded to table adopting the FY 2023-24 proposed HURA budget to a second Budget Committee meeting to be held prior to June 2, 2023 and directed staff to amend the budget documents, as necessary, to reflect accurate information. Motion carried unanimously.

Adjourn Hermiston Urban Renewal Agency Budget Committee Meeting

There was no further business and Chair Misner adjourned the Urban Renewal Agency meeting at 7:54pm.

APPROVED:

Brian Misner, Budget Chair

ATTEST:

Anton Wanous, Budget Secretary



Agenda

- Recap of 2022-23
- Budget Introduction
- Budget Overview
- Enterprise Funds
- General Fund
- Discussion/Questions



Budget Introduction



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



FY2022-23 Recap



FY2022-23 Recap



FY2022-23 Recap



Budget Introduction

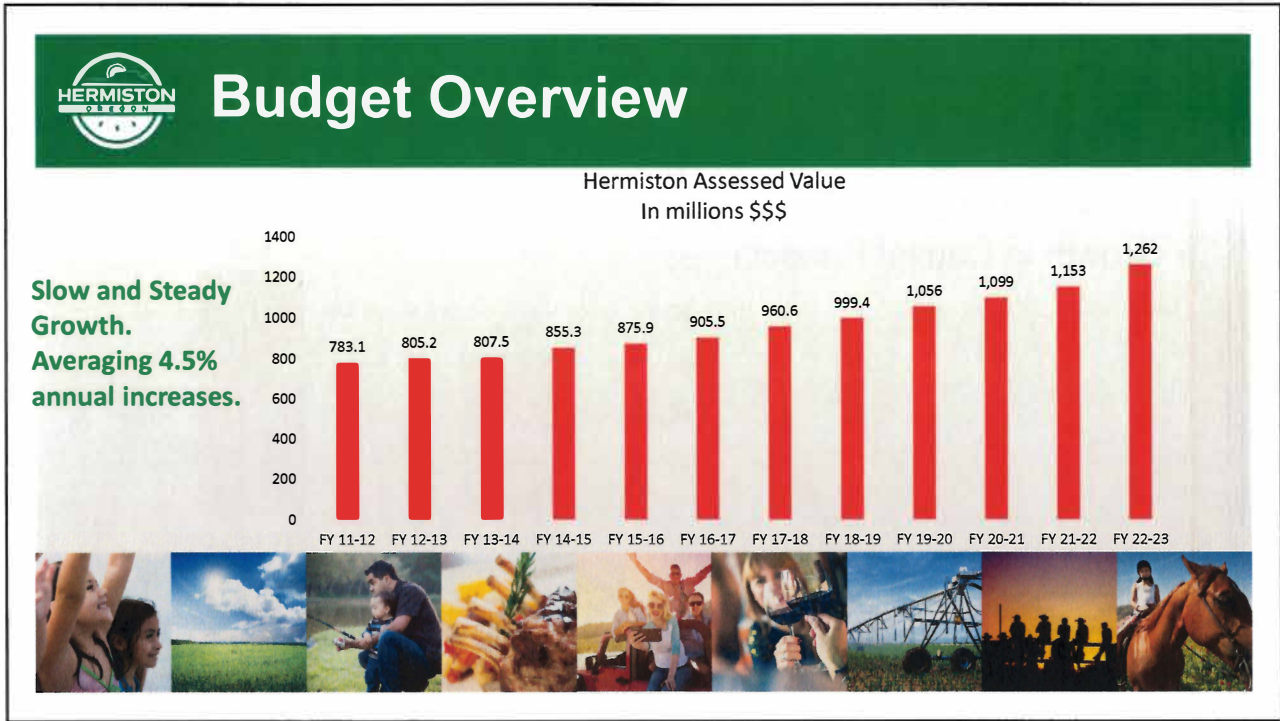
- We will be using the labeled tabs in the physical document.
- We will also be using page numbers which are in the bottom right position.



Budget Introduction

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







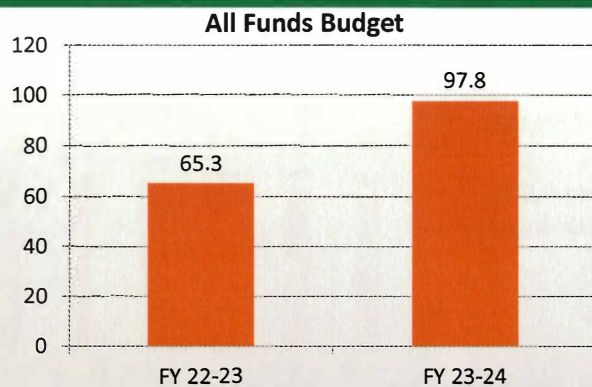
Budget Overview

- Overall Good Economy
 - Ground Broken on First Amazon Campus in the City
 - New Commercial (Marshall's/Famous Footwear)
 - Housing Growth (210 new permits)



Budget Overview

- All funds budget up 50%.
- Growth in Capital Projects





Budget Overview

Basic Assumptions

- Based on Vision, Values and Goals
- Contains a 3.0% wage increase for all employees
- Includes any PERS and Health Insurance Increases



IT Fund – Newest Fund/Department

- Page 73 – Operational Budget
 - **Started with 4 employees**
 - **Added two mid-year**
 - **One additional employee proposed**
- Started with 5 Customers
- Currently have 8 Customers (with added hours from original)
- Have 2+ more Customers coming



Street Fund

- Page 39 – Operational Budget
 - One additional employee
- Two Large Projects Planned pg. 86
 - N. 1st Place Reconstruction-\$4.2 million
 - Geer & Harper Construction-\$1.5 million



Utility Fund – Recycled Water

- Page 52 – Operational Budget
- Page 91 – Capital Projects
 - Cooling Discharge for AWS
 - Elm/395 Main



Utility Fund - Water

- Page 56 – Operational Budget
- Page 89 – Capital Projects
 - **AWS System Expansion (RWS) - \$20 million**
 - **N 1st Water Line**
 - **Well 5 Improvements**
 - **Well 6 Generator**
 - **Lead and Copper Program**



Hermiston Energy Services

- Page 60
- Almost 20 years of operations
- Continuing maintenance projects



EOTEC

- Page 70
- First full-year of operations
- Budgeting some extra for Marketing



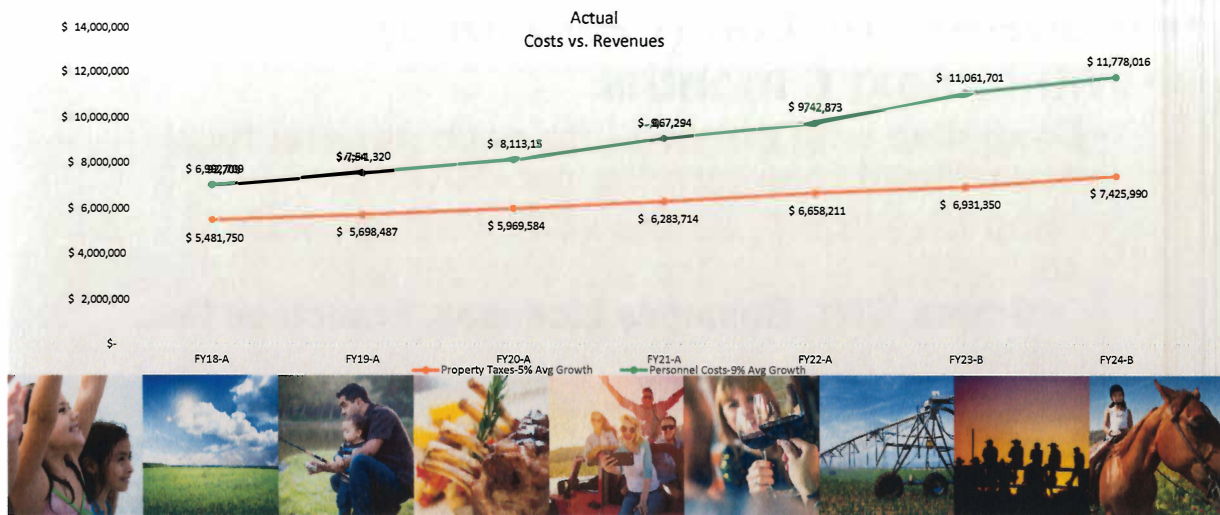
General Fund

- Most difficult year in this fund in my career
- \$2 million dollar hole in the General Fund
 - **Structural Revenue Problem**
 - **Other Cities – La Grande**
 - **Not watching the correct indicators**





General Fund



General Fund

- Proposed Solution (Part 1 of 3)
 - Take a \$2 million short-term loan from Utility Fund/HES
 - \$1.36 million special payment – page 49
 - \$680,000 special payment – page 61
 - Payback loan in FY25 with 1.5% interest using Enterprise Zone Funds





General Fund


- Proposed Solution (Part 2 of 3)
 - **Within next 6 months**
 - Deep dive with council into each general fund department to determine needs/wants
 - Deep dive into possible additional revenue sources
 - Grants, TRT, Business Licenses, Franchise Fee, etc.



General Fund

- Proposed Solution (Part 3 of 3)
 - **Within next 6 months**
 - Establish a five-year projection model



<div><div></div><div>General Fund</div></div>					
Projected					
	FY25-P	FY26-P	FY27-P	FY28-P	FY29-P
REVENUES					
Property Taxes	\$ 7,834,419	\$ 8,265,313	\$ 8,719,905	\$ 9,199,499	\$ 9,705,472
From Other Agencies	1,234,751	1,247,099	1,259,570	1,272,165	1,284,887
Service Charges	2,633,926	2,752,452	2,876,313	3,005,747	3,141,006
Trasf From	2,722,976	2,804,665	2,888,805	2,975,469	3,064,734
Lic & Franchises	1,816,715	2,014,384	2,594,959	3,348,757	4,232,708
Cash Fwd	-	-	-	-	-
Fines/Penalties	412,000	416,120	420,281	424,484	428,729
Misc Revenue	145,000	145,000	145,000	145,000	145,000
Interest	50,000	50,000	50,000	50,000	50,000
Non-Rev Receipts	2,250,000	-	-	-	-
	\$ 19,099,787	\$ 17,695,033	\$ 18,954,833	\$ 20,421,122	\$ 22,052,534
EXPENSES					
Personnel Costs	\$ 11,278,016	\$ 11,729,137	\$ 12,198,302	\$ 12,686,234	\$ 13,193,684
Materials/Services	3,585,028	3,692,579	3,803,356	3,917,457	4,034,981
Transfers	1,479,520	1,523,906	1,569,623	1,616,711	1,665,213
Debt Service	2,600,000	460,000	460,000	460,000	460,000
Capital Outlay	100,000	125,000	125,000	125,000	125,000
Contingency	55,000	55,000	55,000	55,000	55,000
	\$ 19,097,564	\$ 17,585,621	\$ 18,211,281	\$ 18,860,403	\$ 19,533,877
	2,223	109,411	743,551	1,560,720	2,518,657



General Fund

- Proposed Solution (Part 3 of 3)
 - Within next 6 months
 - Establish a written policy on handling one-time revenues





DISCUSSION!

QUESTIONS?

Thank You!

Where Life is Sweet™





HURA Budget Presentation

May 11, 2023




Façade Grant Program

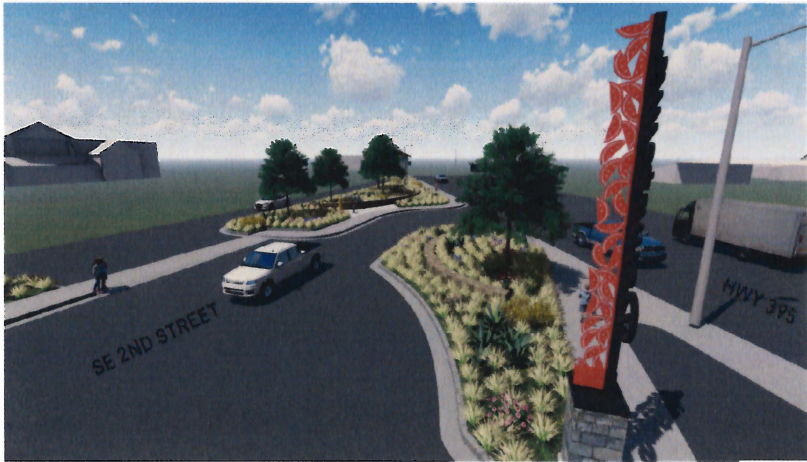


22 GRANTS AWARDED SINCE 2014!

Requesting increase from \$50,000 to \$60,000 in budget to reflect higher grant awards



2nd St Gateway Project



HERMISTON SE 2ND STREET IMPROVEMENTS | VIEW 1
MARCH 27, 2023



2nd St Gateway Project



HERMISTON SE 2ND STREET IMPROVEMENTS | VIEW 2
MARCH 27, 2023



2nd St Gateway Project



HERMISTON SE 2ND STREET IMPROVEMENTS | VIEW 5
MARCH 27, 2023



2nd St Gateway Project



HERMISTON SE 2ND STREET IMPROVEMENTS | VIEW 3
MARCH 27, 2023



SW Hermiston Urban Renewal Area



SW Hermiston Urban Renewal Area





CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
May 22, 2023

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

Recognition- Senior Youth Advisors

Mayor Drotzmann recognized the Senior Youth Advisors with certificates for their service on the various city committees and council over the past year. Those recognized were Heavenly Coleman, Katelyn Wadkins, Stormie Richmond, Lydia Vander Stelt, Elizabeth Doherty, and Hailey Gardner.

Ms. Richmond thanked the council for the opportunity and enjoyed learning about city projects. She is hopeful the upcoming Youth Advisors are given the same opportunities. She plans to attend Oregon State University in the fall to study Political Science.

Ms. Doherty shared that the community connections made while serving as a Youth Advisor are valuable. The knowledge gained of government functions will be beneficial to her for her job, government, and club activities. She will be attending Stanford University, most likely studying Human Biology.

Mr. Davis, Advisor to the Youth Advisory Council, shared a conversation he had with Mrs. Doherty, the Vice Principal at Hermiston High School. While visiting Stanford, Mrs. Doherty noted that the school and others there were interested in and impressed with Elizabeth's experience with the council and planning commission and feels it played a big part in her being accepted into the school. Mr. Davis thanked the council for organizing the Youth Advisory Council.

Mayor Drotzmann thanked Mr. Davis for his leadership engaging in the process to organize the Youth Advisory Council program. The mayor thanked the students and encouraged them to continue to stay involved and engaged in their communities.

Presentation- PATH Quarterly Report

City Manager Smith presented the report with Ms. Jessalyn Cole, Stepping Stones Executive Director, available via Zoom. Councilors discussed Navigation Center facilities, Cooling Center availability, outreach, and the site security plan.

Citizen Input on Non-Agenda Items

Kari Christianson 470 Christianson Loop- Ms. Christianson states that she is a landowner significantly affected by the proposed Gettman Road project and did not receive proper notification to appear on May 8 to comment. Questions she feels need addressed include: What are the City's goal for the route? Was a planning analysis of the route done? Is it in the public transportation plan and on what page? Was a transportation engineering study done before adding the route to the City's Capital Improvement Plan? Was public consultation part of the Capital Improvement Plan? Has the City spoken with Hermiston Irrigation District? Ms. Christianson would like to hear Fire Chief Stanton's input on how it makes the town safer and see the



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
May 22, 2023

supporting data. She has additional concerns regarding: the speed limit in a residential area, truck drivers stopping at a traffic light on a hill at Port Drive during winter conditions, the need for OSU Extension office to relocate a pump station, and the relocation of utilities for property owners.

Consent Agenda Items

Councilor Duron moved, and Councilor Barron seconded to approve Consent Agenda items A-F, to include:

- A. Committee Vacancy Announcements
- B. Recommendation & Confirmation of Appointment to the Recreation Projects Fund Advisory Committee: Helen Nevin, Position 1, Remaining 3-year term ending December 31, 2025
- C. Recommendation & Confirmation of Appointment to the Library Board: Rosario Madrigal, Position 3, Remaining 4-year term ending June 30, 2025
- D. Liquor License Application for "Off-Premises" for Dollar General located at 1206 W. Highland Ave
- E. Replat-HSD Rocky Heights 4N2810 TL 100 4N2810AB TL 2002, 2003, 2100, 2101, 2103, 2104, 2200, 2201, 2203, 2400 & 2500 4N2810AC TL 100 – 650 W Standard Ave
- F. Minutes of the May 8th Regular City Council Meeting

Motion carried unanimously.

Resolution No. 2272- Authorize Installation of Stop Signs

Assistant City Manager Morgan gave information regarding installing two additional stop signs at the intersection of SW 3rd St and W Locust Ave, creating a four-way stop.

After some discussion, Councilor Primmer moved, and Councilor Barron seconded to adopt Resolution No. 2272 and lay upon the record. Motion carried unanimously.

Airport Engineering Professional Services Agreement Award

Assistant City Manager Morgan gave information regarding the process of re-advertising for engineering services at the airport.

After some discussion, Councilor Primmer moved, and Councilor Hardin seconded to award the professional services agreement for airport engineering services to Precision Approach Engineering. Motion carried unanimously.

Review and Possible Approval of Project PATH Strategic Plan

City Manager Smith gave information regarding the updated Strategic Plan for Project PATH. Each of the partner entities will adopt the final plan.

Mayor Drotzmann expressed appreciation for the extensive process Stepping Stones and Project PATH completed to complete the plan and encouraged community members to participate on the board.



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
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Councilor Peterson moved, and Councilor Duron seconded to adopt the Project PATH Strategic Plan as presented. Motion carried unanimously.

April 2023 Financial Report

City Manager Smith presented the Financial Report using a PowerPoint presentation (attached).

Councilor Linton moved, and Councilor Hardin seconded to approve the April 2023 Financial Report as presented by City Manager Smith. Motion carried unanimously.

Committee Reports

Parks & Recreation Committee (P & R)- Councilor Myers reminded everyone of the Art Festival on June 3 at 10am in the downtown area. The Hermiston 5 and 6 grade won the championship title of the All-City Volleyball league. The league included the towns of Richland, Pasco, Kennewick, Prosser, and Hermiston and is for 5th through 8th grade. The 2nd Grade swim program is underway. A 5th grade program is being considered. The aquatic center will open June 16th and the splash pad opens on Memorial Day. The Teen Adventure Park ribbon cutting is June 6th. Changes to Hodge Park are proposed to help attract families.

Parks Director Artz anticipates the Riverfront Park playground equipment to be installed by July. Horizon Park has grass installed 88 pallets of sod, in under 2 hours thanks to 135+ I Love My City volunteers.

Hispanic Advisory Committee (HAC)- Councilor Barron spoke of the Listening Session with Susan Bower & Dr. Mark Browning of BMCC and the HAC committee and audience. Focus was on trades as a career choice. Other topics updated on were the collaboration of organizers for the Cinco de Mayo event and summer HAC meetings.

Mayor's Report

Mayor Drotzmann expressed thanks the I Love My City event. 620 volunteers plus businesses completed various community projects across the city. The volunteers showing faith and happiness in their community is appreciated. Their willingness to support and fund the process provides a valuable benefit to the community.

Council Reports

Councilor Duron thanked the police department for seeing the need to train employees in conversational Spanish. She suggests a future partnership with BMCC to offer local classes.

Youth Advisory Report

Youth Advisor Hailey Gardner thanked the council for the opportunity to serve on the Parks and Recreation Committee. She enjoyed the experience and appreciated being involved with the year's projects.

City Manager's Report

City Manager Smith introduced Court Administrator Viles who spoke regarding a Tyler Excellence Award recently given to the Hermiston Municipal Court. Tyler Technologies is the software company court staff uses



CITY COUNCIL & URBAN RENEWAL AGENCY

Regular Meeting Minutes
May 22, 2023

for their work. The court was identified for the award as they closed out 51,000 cases last year and are now 95% paperless.

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

At 7:59pm Mayor Drotzmann adjourned the City Council Meeting as there was no other business and convened the Urban Renewal Agency Meeting.

North Hermiston Urban Renewal Plan

Planning Director Spencer gave a brief overview of the North Hermiston Urban Renewal Plan and area to the members present.

Elaine Howard, of Elaine Howard Consulting, presented additional information using a PowerPoint presentation (attached).

HURA Member Barron moved and HURA member Primmer seconded to have the Hermiston Urban Renewal Agency forward the North Hermiston Urban Renewal Plan to the Hermiston Planning Commission for their review of the Plan's conformance to the Hermiston Comprehensive Plan, to the Umatilla County Commission for a briefing and then to the Hermiston City Council for their review, to hold a public hearing and vote on adoption of a non-emergency ordinance. Motion passed unanimously.

Adjourn Urban Renewal Agency Meeting

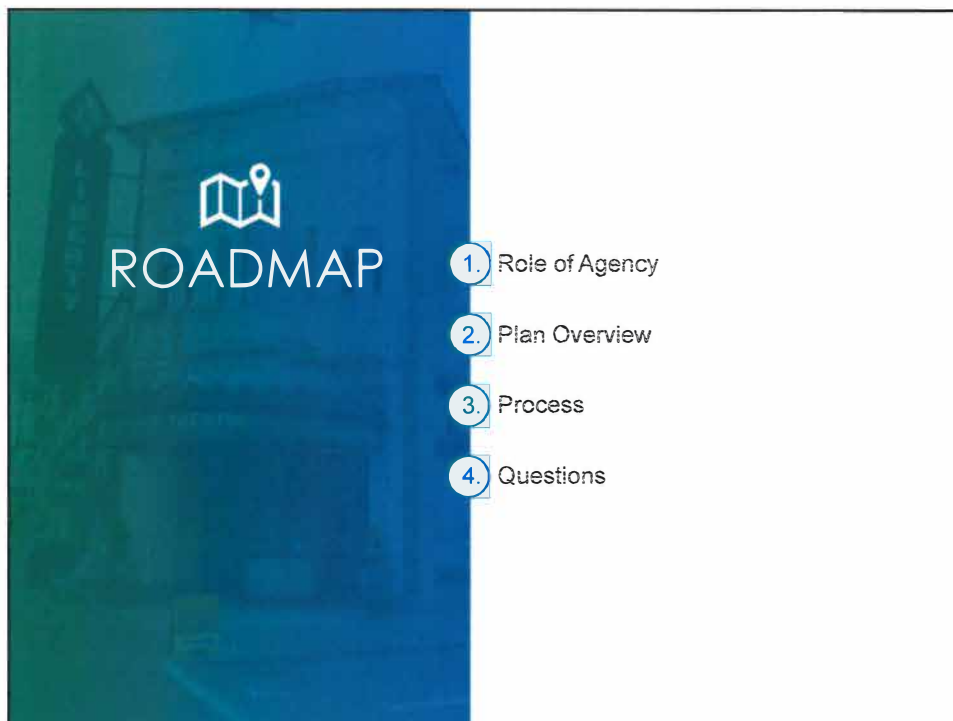
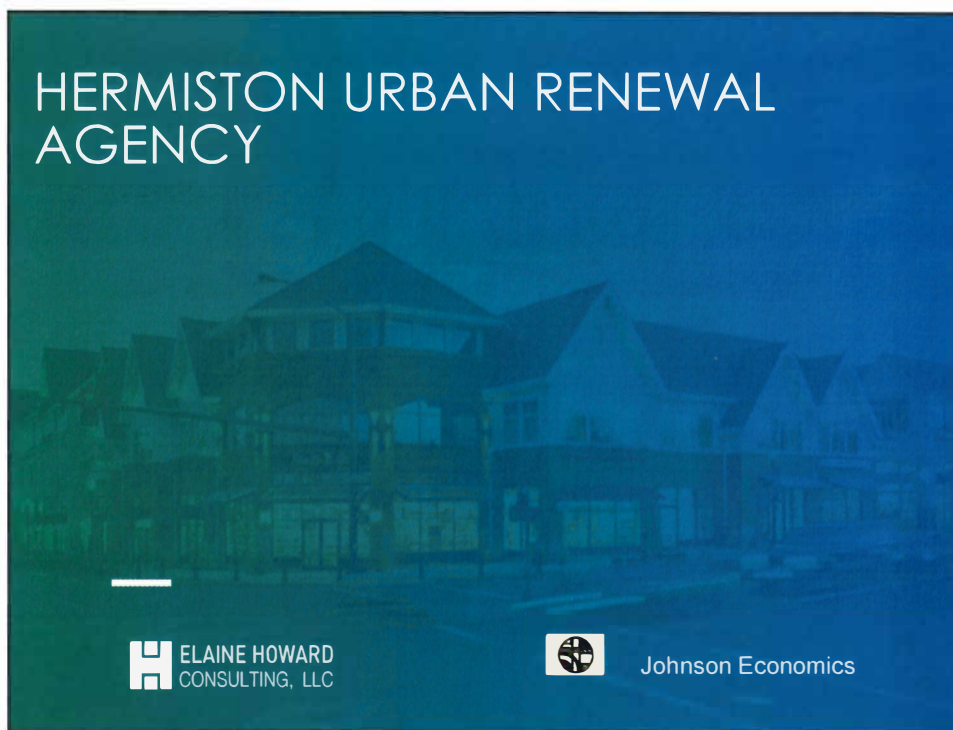
Mayor Drotzmann adjourned the HURA meeting at 8:21pm as there was no other HURA business.

SIGNED:

Dr. David Drotzmann, Mayor

ATTEST:

Heather La Beau, Assistant City Recorder



ROLE OF CITY AGENCY

To review the proposed North Hermiston Urban Renewal Plan and decide to forward it through the public process



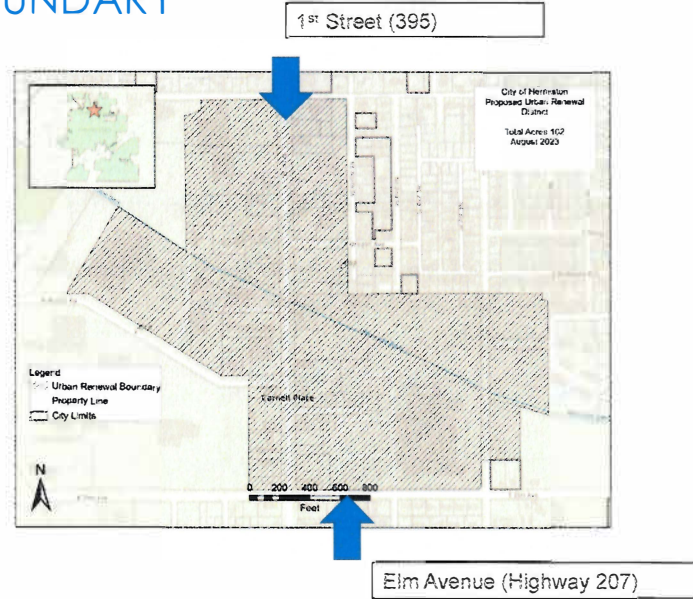
Elaine Howard Consulting LLC

HOW IS A PLAN AMENDMENT ADOPTED?



Elaine Howard Consulting LLC

BOUNDARY



STATUTORY LIMITATIONS

	Acres	Assessed Value
A. City of Hermiston Downtown Urban Renewal District	125.2	\$42,262,899
B. Southwest Hermiston Urban Renewal District	392.8	\$3,121,349
C. North Hermiston Urban Renewal District	102	\$57,095,267
D. Total Acreage/Assessed Value in URDs	620	\$102,479,515
E. Excess Value		\$16,832,001
F. City of Hermiston	5,402	\$1,262,014,564
% of City Acreage =(D/F)	11.48%	
% of City Assessed Value =(D/(F-E))		8.23%

William Howard Consulting LLC

PROJECTS

- New East West Street: NE Aspen Drive
- Signal at N 1st Street/Aspen Drive
- Extension of NE North Street to NE Aspen Drive
- New water line along NE Aspen Drive
- ROW Acquisition

Staine Howard Consulting LLC

ESTIMATED COSTS OF PROJECTS

TIF District Projects	Constant FYE 2023 \$	Year of Expenditure \$ ¹
NE Aspen Drive & NE North St. Street Improvements	\$815,250	\$898,813
Water Line Improvements (NE Aspen Drive)	\$161,750	\$178,329
Traffic Signage and Signaling	\$1,608,000	\$1,772,820
Construction Contingencies	\$1,020,000	\$1,124,550
Property Acquisition	\$208,000	\$229,320
Administration	\$10,000	\$11,205
Project Contingency (15%)	\$561,950	\$619,550
TOTAL:	\$4,384,950	\$4,834,407

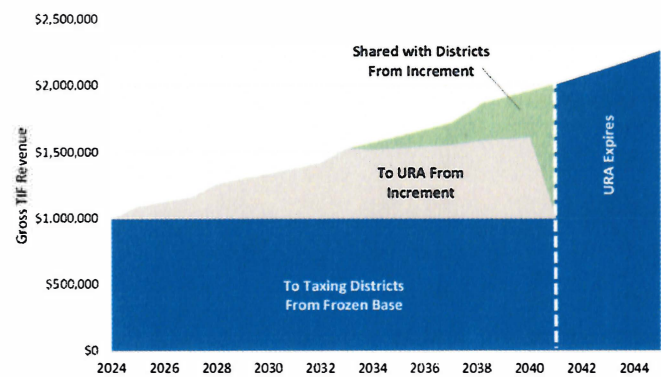
Staine Howard Consulting LLC

FINANCIAL FORECASTING

Total Net TIF	\$6,162,000
Maximum Indebtedness	\$5,000,000
Capacity (2023\$)	\$4,385,000
Years 1-5	\$3,422,000
Years 6-10	\$937,000
Years 11-15	\$17,000
Year 16	\$11,000

Blaine Howard Consulting LLC

REVENUE SHARING



Blaine Howard Consulting LLC

REVENUE SHARING

FYE	Total AV	Frozen Base AV	Incremental AV Used	Incremental AV Shared	Tax Revenue from Shared
2023 (Base Year)	57,095,267	57,095,267	-	-	-
2024	60,808,125	57,095,267	-	-	-
2025	62,632,369	57,095,267	5,537,102	-	-
2026	64,511,340	57,095,267	7,416,073	-	-
2027	66,446,680	57,095,267	9,351,413	-	-
2028	72,190,081	57,095,267	15,094,813	-	-
2029	74,355,783	57,095,267	17,260,516	-	-
2030	76,586,457	57,095,267	19,491,189	-	-
2031	78,884,050	57,095,267	21,788,783	-	-
2032	81,250,572	57,095,267	24,155,305	-	-
2033	87,438,089	57,095,267	29,054,270	-	-
2034	90,061,232	57,095,267	29,710,055	3,255,909	56,872
2035	92,763,069	57,095,267	30,385,515	5,282,287	92,268
2036	95,545,961	57,095,267	31,081,238	7,369,456	128,725
2037	98,412,340	57,095,267	31,797,832	9,519,240	166,276
2038	105,114,710	57,095,267	33,473,425	14,548,018	254,081
2039	108,268,151	57,095,267	34,261,785	16,911,099	295,393
2040	111,516,196	57,095,267	35,073,796	19,347,132	337,944
2041	114,881,682	57,095,267	14,101,412	43,665,002	762,714
TOTAL:					\$1,331,560

Elaine Howard Consulting LLC

GENERAL GOVERNMENT - Totals through FYE 2040

County	(988,767)
City of Hermiston	(2,112,369)
Umatilla County Fire District	(607,409)
Port of Umatilla	(53,435)
County Radio	(59,028)
Cemetery District	(32,011)
Mosquito Control	(70,179)
Subtotal	(3,923,197)

Elaine Howard Consulting LLC

General Government

FYE	General County	City of Hermiston	Port of Umatilla	Umatilla County Fire District 1	County Radio District	Cemetery District 8	W. Umatilla Mosquito Control	Subtotal General Gov't
2024	-	-	-	-	-	-	-	-
2025	(14,594)	(31,178)	(789)	(8,965)	(871)	(472)	(1,036)	(57,905)
2026	(19,765)	(42,226)	(1,068)	(12,142)	(1,180)	(640)	(1,403)	(78,425)
2027	(24,941)	(53,283)	(1,348)	(15,321)	(1,489)	(807)	(1,770)	(98,959)
2028	(40,155)	(85,786)	(2,170)	(24,668)	(2,397)	(1,300)	(2,850)	(159,325)
2029	(46,090)	(98,466)	(2,491)	(28,314)	(2,752)	(1,492)	(3,271)	(182,876)
2030	(52,055)	(111,210)	(2,813)	(31,978)	(3,108)	(1,685)	(3,695)	(206,544)
2031	(58,199)	(124,335)	(3,145)	(35,752)	(3,474)	(1,884)	(4,131)	(230,922)
2032	(64,528)	(137,855)	(3,487)	(39,640)	(3,852)	(2,089)	(4,580)	(256,031)
2033	(80,930)	(172,895)	(4,374)	(49,716)	(4,831)	(2,620)	(5,744)	(321,110)
2034	(79,507)	(169,856)	(4,297)	(48,842)	(4,746)	(2,574)	(5,643)	(315,465)
2035	(81,262)	(173,606)	(4,392)	(49,920)	(4,851)	(2,631)	(5,768)	(322,429)
2036	(83,123)	(177,580)	(4,492)	(51,063)	(4,962)	(2,691)	(5,900)	(329,811)
2037	(85,039)	(181,674)	(4,596)	(52,240)	(5,077)	(2,753)	(6,036)	(337,414)
2038	(89,483)	(191,169)	(4,836)	(54,970)	(5,342)	(2,897)	(6,351)	(355,050)
2039	(91,628)	(195,750)	(4,952)	(56,288)	(5,470)	(2,966)	(6,503)	(363,557)
2040	(77,468)	(165,500)	(4,186)	(47,589)	(4,625)	(2,508)	(5,498)	(307,374)
TOTAL:	(988,767)	(2,112,369)	(53,435)	(607,409)	(59,028)	(32,011)	(70,179)	(3,923,197)

Source: Howard Consulting LLC

EDUCATION – Totals through FYE 2042

Education Service District	(213,668)
Blue Mountain Community College	(229,462)
Hermiston School District 8	(1,695,130)
Subtotal	(2,138,260)
Total	(6,061,457)

Schools are funded through the State School Fund on a per pupil basis. Urban Renewal indirectly impacts them.

Source: Howard Consulting LLC

EDUCATION – Totals

FYE	Hermiston School District 8	Intermountain E.S.D.	Blue Mountain CC	Subtotal (Education)	Total (Govt. and Education)
2024	-	-	-	-	-
2025	(25,019)	(3,154)	(3,387)	(31,560)	(89,465)
2026	(33,886)	(4,271)	(4,587)	(42,744)	(121,168)
2027	(42,758)	(5,390)	(5,788)	(53,936)	(152,895)
2028	(68,841)	(8,677)	(9,319)	(86,837)	(246,163)
2029	(79,017)	(9,960)	(10,696)	(99,673)	(282,549)
2030	(89,243)	(11,249)	(12,080)	(112,573)	(319,117)
2031	(99,776)	(12,577)	(13,506)	(125,859)	(356,781)
2032	(110,626)	(13,944)	(14,975)	(139,545)	(395,576)
2033	(138,745)	(17,488)	(18,781)	(175,014)	(496,124)
2034	(136,306)	(17,181)	(18,451)	(171,938)	(487,403)
2035	(139,315)	(17,560)	(18,858)	(175,734)	(498,163)
2036	(142,504)	(17,962)	(19,290)	(179,757)	(509,568)
2037	(145,789)	(18,376)	(19,735)	(183,901)	(521,315)
2038	(153,409)	(19,337)	(20,766)	(193,513)	(548,562)
2039	(157,085)	(19,800)	(21,264)	(198,150)	(561,707)
2040	(132,810)	(16,740)	(17,978)	(167,528)	(474,902)
TOTAL:	(1,695,130)	(213,668)	(229,462)	(2,138,260)	(6,061,457)

Elaine Howard Consulting LLC

Next Steps & Schedule

1. Agency meeting
2. Planning Commission June 14
3. County briefing June 21
4. City Council hearing July 10
5. City Council vote July 24

Elaine Howard Consulting LLC

I move to forward the North
Hermiston Urban Renewal Plan to

- the taxing districts for a consult and confer time period of 45 days,
- the Hermiston Planning Commission for their review of the Plan's conformance to the Hermiston Comprehensive Plan,
- the Umatilla County Commission for a briefing and vote
- the Hermiston City Council for a public hearing and their review and vote on adoption of a non-emergency ordinance

SUGGESTED MOTION



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes May 31, 2023

City of Hermiston Budget Committee Meeting

Chair Misner opened the meeting of the Budget Committee to consider the proposed budget for the 2023-2024 fiscal year at 6:00pm. Present were Budget Committee members: Doug Primmer, David Hanson, Rod Hardin, Brian Misner, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Larry Lankford (participated through Zoom), Jackie Linton, Paul Magaña, Nancy Peterson, David McCarthy, Jason McAndrew, and John Douglass. Anton Wanous and Lori Davis were excused.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Chief Edmiston, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, HES General Manager Nate Rivera, City Attorney Richard Tovey, Library Director Mark Rose, EOTEC General Manager Al Davis, Deputy City Recorder Heather La Beau, and City Recorder Lilly Alarcon-Strong.

Election of Secretary

Chair Misner stated the committee must elect a secretary as Anton Wanous was not able to attend. Doug Primmer moved and Roy Barron seconded the nomination of Joshua Roberts as the secretary. Motion carried unanimously.

Budget Presentation

Budget Officer Byron Smith presented, reviewed, and answered questions regarding the amended information of the City of Hermiston's FY 2023-24 Proposed Budget as directed by the Budget Committee at the May 11th meeting (PowerPoint Presentation and Handouts Attached) and stated the handouts are updated versions from those previously uploaded in the agenda packet, to include:

1. EOTEC Fund
2. Cash Forward (General Fund Sheet 1)
3. Police Operations (General Fund Sheet 2)
4. Library and Recreation (General Fund Sheet 3)
5. Non-departmental (General Fund Sheet 4)
 - a. Specifically reducing contractual items such as hiring consultants and software licensing
6. Eliminating Electric Costs in all General Fund Departments (General Fund Sheet 5)
7. Inter-fund Loans (General Fund Sheet 6)
8. HES Fund Expenditures
9. Water and Recycled Water Utility Fund Expenditures

Public Comment

None given.

Budget Approval

After much discussion, David Drotzmann moved and David McCarthy seconded to approve, as presented the:

1. EOTEC Fund
2. Cash Forward (General Fund Sheet 1)
3. Police Operations (General Fund Sheet 2), with the amendment to leave the three full-time officer positions in the budget as "frozen"



Where Life is Sweet

CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes May 31, 2023

4. Library and Recreation (General Fund Sheet 3)
5. Non-departmental (General Fund Sheet 4)
6. Eliminating Electric Costs in all General Fund Departments (General Fund Sheet 5)
7. Inter-fund Loans (General Fund Sheet 6)
8. HES Fund Expenditures
9. Water and Recycled Water Utility Fund Expenditures
10. Completely removing the Council Budget in the General Fund, including travel, training, wages, etc

Motion carried 15-1. David Drotzmann, Jason McAndrew, John Douglass, Doug Primmer, Rod Hardin, Brian Misner, Maria Duron, Joshua Roberts, Larry Lankford, Paul Magaña, Nancy Peterson, Roy Barron, Jackie Myers, David Hanson, and David McCarthy voted in favor; Jackie Linton voted against.

Joshua Roberts moved and Doug Primmer seconded to approve the Proposed Budget as Amended. Motion carried 15-1. David Drotzmann, Jason McAndrew, John Douglass, Doug Primmer, Rod Hardin, Brian Misner, Maria Duron, Joshua Roberts, Larry Lankford, Paul Magaña, Nancy Peterson, Roy Barron, Jackie Myers, David Hanson, and David McCarthy voted in favor; Jackie Linton voted against.

Adjourn City of Hermiston Budget Committee Meeting

There was no other business and Chair Misner adjourned the City of Hermiston Budget Committee meeting at 7:14pm.

Hermiston Urban Renewal Agency Budget Committee Meeting

Chair Misner opened the meeting of the HURA Budget Committee to consider the proposed budget for the 2023-2024 fiscal year at 7:14pm. Present were Budget Committee members: Doug Primmer, David Hanson, Rod Hardin, Brian Misner, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Larry Lankford (participated through Zoom), Jackie Linton, Paul Magaña, Nancy Peterson, David McCarthy, Jason McAndrew, and John Douglass. Anton Wanous and Lori Davis were excused.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, City Attorney Richard Tovey, Library Director Mark Rose, EOTEC General Manager Al Davis, Deputy City Recorder Heather La Beau, and City Recorder Lilly Alarcon-Strong.

Election of Secretary

Chair Misner stated the committee must elect a secretary as Anton Wanous was not able to attend. Doug Primmer moved and Roy Barron seconded the nomination of Joshua Roberts as the secretary. Motion carried unanimously.

Budget Presentation

City Manager Byron Smith stated the proposed Hermiston Urban Renewal Agency (HURA) Budget for the 2023-24 Fiscal Year as printed in the budget document is accurate. Unfortunately, the Finance Director did not inform HURA Budget Officer Clint Spencer of the decreased budget prior to his presentation and therefore Mr.



CITY COUNCIL & URBAN RENEWAL AGENCY

Budget Committee Meeting Minutes May 31, 2023

Spencer presented a higher budgeted amount that had been originally hoped for and proposed when first evaluating the budget than what was later adjusted to in the proposed budget documents. The decreased budget will make less money available for façade grants.

Public Comment

None given.

Budget Approval

After questions and discussion of the proposed budget, David Drotzmann moved, and Joshua Roberts seconded to adopt the FY 2023-24 proposed HURA budget as presented. Motion carried unanimously.

David Drotzmann thanked the Budget Committee members for volunteering their time to make a difference in their community and specifically thanked Brian Misner, Anton Wanous, and Joshua Roberts for their roles as Chair and Secretaries of these meetings.

Adjourn Hermiston Urban Renewal Agency Budget Committee Meeting

There was no further business and Chair Misner adjourned the Urban Renewal Agency meeting at 7:19pm.

APPROVED:

Brian Misner, Budget Chair

ATTEST:

Joshua Roberts, Budget Secretary

EOTEC Fund (pg. 70) Sheet

Revenues

- Increase Trans from Res-EOTEC Equipment from \$165,000 to \$425,600
- Reduce Miscellaneous Revenue from \$315,000 to \$0

Expenditures

- Reduce Miscellaneous Contractual line from \$122,000 to \$95,000.
 - Reduce Advertising and Marketing from \$50,000 to \$30,000.
 - Reduce Travel Expenses from \$4,800 to \$2,400.
 - Reduce Minor Safety Equipment from \$3,600 to \$600.
 - Reduce Contracted/Operational Serv from \$2,000 to \$0.
-
- Make all appropriate changes to the Reserve Fund to match the above changes.

General Fund Sheet 1

Cash Forward (pg. 9)

Revise Cash Forward amount (\$679,240)

Resources

- Increase Cash Forward from \$\$327,439 to \$1,006,669 (\$679,240)

Revision in Projected Cash Forward due to unanticipated revenues received in April.

General Fund Sheet 2

Police Operations (pg. 35)

Remove Three Additional Police Officers **(-\$392,432)**

Expenditures

- Reduce Salary and Wages line from \$3,567,064 to \$3,370,522 **(-\$196,542)**
- Reduce Social Security line from \$273,592 to \$258,557 **(-\$15,035)**
- Reduce Retirement line from \$1,195,340 to \$1,180,305 **(-\$65,232)**
- Reduce Medical, Dental & Life Ins line from \$867,136 to \$788,236 **(-\$78,897)**
- Reduce Long Term Disability line from \$19,958 to \$18,836 **(-\$1,122)**
- Reduce Unemployment line from \$25,035 to \$23,659 **(-\$1,376)**
- Reduce Paid Leave Oregon line from \$14,305 to \$13,519 **(-\$786)**
- Reduce Accident Insurance line from \$74,412 to \$69,970 **(-\$4,442)**

- Reduce Leased Vehicles line from \$158,000 to \$129,000 **(-\$29,000)**

General Fund Sheet 3

Library (pg. 25)/Recreation

**Freeze Two Vacant Part-time Library Assistant positions.
(-99,849)**

Mark Rec. Coordinator position as frozen and not eliminated.

Expenditures

- Reduce Salary and Wages line from \$562,169 to \$490,982 **(-\$71,187)**
- Reduce Social Security line from \$43,014 to \$37,568 **(-\$5,446)**
- Reduce Retirement line from \$176,426 to \$154,057 **(-\$22,369)**
- Reduce Unemployment Insurance line from \$3,936 to \$3,438 **(-\$498)**
- Reduce Paid Leave Oregon line from \$2,249 to \$1,964 **(-\$285)**
- Reduce Accident Insurance line from \$506 to \$442 **(-\$64)**
- On Page XVIII of the Personnel Distribution place an “*” next to the 3.28 Library Assistants with a corresponding footnote at the bottom of the page stating, “These number includes two part-time positions that were left unfunded in the 2023-24 budget.”
- On Page XVII of the Personnel Distribution increase the approved number of Recreation Coordinators from 2.00 to 3.00 with an asterisk next to it and below a corresponding footnote at the bottom of the page stating, “This number includes one full-time position that is unfunded in the 2023-24 budget.”

General Fund Sheet 4

Non-departmental (pg. 38)

Remove \$100,000 from non-departmental. **(-\$100,000)**

Expenditures

- Reduce Miscellaneous Contractual line from \$515,000 to \$415,000.

General Fund Sheet 5

Eliminate Electricity costs in all General Fund Departments.

(-\$95,600)

Expenditures

- Airport (pg. 19) – Reduce Electricity line from \$8,000 to \$0 **(-\$8,000)**
- Building (pg. 20) – Reduce Electricity line from \$600 to \$0 **(-\$600)**
- Parks (pg. 21) – Reduce Electricity line from \$20,000 to \$0 **(-\$20,000)**
- Pool (pg. 23) – Reduce Electricity line from \$25,000 to \$0 **(-\$25,000)**
- Library (pg. 25) – Reduce Electricity line from \$10,000 to \$0 **(-\$10,000)**
- Community Ctr (pg. 27) – Reduce Electricity from \$14,000 to \$0 **(-\$14,000)**
- Harkenrider Ctr (pg. 28) – Reduce Electricity from \$6,000 to \$0 **(-\$6,000)**
- Public Safety Ctr (pg. 32) – Reduce Electricity from \$12,000 to \$0 **(-\$12,000)**



Agenda

- Review of May 11, 2023 Meeting
- Clarify Timing
- Present Options
 - **EOTEC Fund**
 - **General Fund**
 - **Other Funds**



May 11, 2023 Meeting

- Adopted the tax rate but not budget
- Find some level of cuts prior but continue with short term interfund loan.



I Love My City



Video of Volunteers working to lay sod at Horizon Park during the I Love My City Event on May 20th, 2023.



Timing Clarification

- General Fund Can Function on 7+ months of Other Revenue without needing the borrowed funds.
- Solutions/changes can be formulated, reviewed and adopted prior to that 7-month timeframe.
- Depending on the solutions/changes, we may need to borrow \$0 but for sure not the full budgeted loan amount.
- It is a need for the adopted budget to be balanced.



Budget Options

- EOTEC
 - Question on this budget with the miscellaneous revenue category
 - Find attached EOTEC sheet with list of changes to 8 lines on pages 70-71





Budget Options

- General Fund Sheet 1 – Cash Forward
 - Review Proposed Changes on General Fund Sheet 1
 - Received extraordinary revenue in April
 - Permits related to Amazon Construction
 - Contractual revenue from the City of Umatilla
 - Necessary to make this change but these revenues will be examined closely before using in a long-term fashion



Budget Options

- General Fund Sheet 2 – Additional Police Officers
 - Review Proposed Changes on General Fund Sheet 2
 - Application has been submitted to USDOJ for a COPS grant for three officers.
 - These grants are three years long and phase in full costs of the officers
 - We anticipate finding out in late summer.





Budget Options

- General Fund Sheet 3 – Freeze two part-time library positions
 - Review Proposed Changes on General Fund Sheet 3
 - Both positions vacant due to recent resignations
 - Leave positions in budget but unfunded
 - Do the same with recreation coordinator position



Budget Options

- General Fund Sheet 4 – Miscellaneous Contractual
 - Review Proposed Changes on General Fund Sheet 4





Budget Options

- General Fund Sheet 5 – Electricity Costs
 - Review Proposed Changes on General Fund Sheet 5



Budget Options

- General Fund Sheet 6 – Interfund Loans
- HES Fund Sheet – Interfund Loans
- Utility Fund Sheet – Interfund Loans
 - Review Proposed Changes on the above sheets





Proposed Solution

- Proposed Solution
 - Take a \$673,000 short-term loan from utilities for balanced budget
 - Deep dive general fund needs/wants and possible additional revenue sources
 - Establish 5-year model and add policy on one-time revenues



DISCUSSION!

QUESTIONS?

Thank You!

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Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 12, 2023

Title/Subject

Resolution No. 2273– Authorizing an Intergovernmental Agreement with Umatilla County Fire District #1 regarding renovations/additions to the Public Safety Center.

Summary and Background

With the recent completion of the new City Hall facility and the Municipal Court's relocation from the Public Safety Center (PSC) to City Hall, space at the PSC is now available for a reorganization of the space for better use by the Police Department and the Fire District.

The PSC has always been a facility shared between Fire/EMS and the Police Department even when the fire services were provided by the City directly. This facility sharing has been a benefit to both entities. Due to growth of the Police Department and the Fire District the PSC is also lacking some efficiencies that would be well used by both public safety agencies. The Fire District has been upgrading a number of their facilities from funding from a recent bond issue. They have utilized seismic retrofit grants available from the state for public safety facilities to augment that work.

The Fire District approached the City a year plus ago with the idea of a joint renovation project. We have been working with them since then on how this might move forward. This IGA memorializes a cost split on the project.

Tie-In to Council Goals

Task 3.3 – Assess public safety center project feasibility.

Fiscal Information

Design Costs will be split 55% City and 45% District.

Civil Engineering costs will be split 50% City and 50% District.

Construction Costs will be split equitably between the Parties, with the District responsible for Station 21 related costs and City responsible for Police Department related costs.

The City has been awarded a \$2.5 million grant for the project through the seismic retrofit program.

Alternatives and Recommendation

Alternatives

1. Adopt Resolution 2273
2. Amend Resolution 2273
3. Table Resolution 2273 and request more information.

Recommended Action/Motion

Motion to adopt Resolution 2273 as proposed.

Submitted By:

Byron D. Smith

RESOLUTION NO. 2273**A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE UMATILLA FIRE DISTRICT #1 FOR RENOVATIONS AND SEISMIC RETROFIT TO THE PUBLIC SAFETY CENTER AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

WHEREAS, the City of Hermiston ("City") owns the building located at 330 S 1st Street, Hermiston, Oregon ("Public Safety Center") which currently holds the Hermiston Police Department and Station 21 of the Umatilla Fire District #1 ("District"); and

WHEREAS, the Public Safety Center requires renovations and a seismic retrofit; and

WHEREAS, the City and District desire to enter into an Intergovernmental Agreement to further a joint building renovation and seismic retrofit of the Public Safety Center.

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

1. That the Intergovernmental Agreement attached to this resolution between the City of Hermiston and the Umatilla County Fire District #1 for renovations and a seismic retrofit to the Public Safety Center 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 12th day of June 2023.

SIGNED by the Mayor this 12th day of June 2023.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

INTERGOVERNMENTAL AGREEMENT PUBLIC SAFETY CENTER

THIS AGREEMENT is made and entered into by and between the City of Hermiston, a political subdivision of the State of Oregon (“City”), and the Umatilla Fire District #1, a special district of the State of Oregon (“Fire District”), referred to collectively in this Agreement as the parties.

RECITALS

- A. The City owns the building located at 330 S 1st Street, Hermiston, Oregon, (public safety center). The building currently houses the Hermiston Police Department, and the Umatilla Fire District #1 (“Station 21”).
- B. The public safety center requires renovations and a seismic retrofit.
- C. The City and Fire District desire to enter into this Intergovernmental Agreement to further a joint building renovation and seismic retrofit of the public safety center.
- D. The parties acknowledge that they have authority to execute this Intergovernmental Agreement pursuant to ORS 190.010.

NOW THEREFORE, the parties agree as follows:

- 1. Term. The term of this contract will be from March 1, 2023 to December 31, 2024 or upon completion of the work required by this Agreement, whichever is later.
- 2. Project Definition. The project includes the design and construction of renovations and seismic retrofitting at the public safety center.
- 3. City Responsibilities. The City will:
 - a. Apply for a seismic retrofit grant;
 - b. Manage Seismic Grant with District support; and
 - c. Apply City funds to Police Department renovations and additions in the Public Safety Center.
- 4. Fire District Responsibilities. The Fire District will:
 - a. Apply District funds to Station 21 renovations and additions in Public Safety Center; and
 - b. Procure and contract with selected CMGC team.
- 5. Cost Split
 - a. Design Costs will be split 55% City and 45% District.
 - b. Civil Engineering costs will be split 50% City and 50% District.
 - c. Construction Costs will be split equitably between the Parties, with the District responsible for Station 21 related costs and City responsible for Police Department related costs, except that construction and other activities that qualify for Seismic Retrofit funding will be paid for by City with any awarded Seismic Retrofit grant funds.

STANDARD TERMS AND CONDITIONS

1. Legal Relationship. In providing the services specified in this Agreement (and any associated services) both parties are public bodies and maintain their public body status as specified in ORS 30.260. Both parties understand and acknowledge that each retains all immunities and privileges granted them by the Oregon Tort Claims Act (ORS 30.260 through 30.295) and any and all other statutory rights granted as a result of their status as local public bodies. The Parties intend the legal relationship between the parties to be at all times and for all purposes under this Agreement that of independent contracting agencies.
2. Subcontracts and Assignment. Neither party shall subcontract or assign any part of the Agreement without the prior written approval of the other party. Any attempted assignment of this Agreement without the prior written approval of the other party shall be void. If consent to a subcontract is properly given, then in addition to any other provisions of this Agreement, the subcontracting party shall hold it subcontractor to all the terms and conditions of this Agreement that would otherwise bind the party to whom consent was given. The Parties agree that any such subcontracts shall have no binding effect on the consenting party to this Agreement.
3. Termination. This Agreement may be terminated as follows unless otherwise specified herein:
 - a. Mutual: The Parties may terminate this Agreement at any time by written Agreement.
 - b. Party's Sole Discretion: Either party, in its sole discretion, may terminate this Agreement for any reason on thirty (30) calendar days' written notice to the other party.
 - c. Breach: Either party may terminate this Agreement in the event of a breach by the other party. To be effective, the party seeking termination must give the other party written notice of the breach and its intent to terminate. If the breaching party does not entirely cure the breach within five (5) calendar days of the date of the notice, then the non-breaching party may terminate this Agreement at any time thereafter by giving a written notice of termination.
 - d. Termination by either party shall not constitute a waiver of any claim either party may assert against the other party.
4. Access to Records. Upon reasonable advance notice, each party shall have access to the books, documents and other records of the other party (electronic or otherwise) which are necessary for completion of this Agreement for the purpose of examination, copying and audit unless otherwise limited by law.
5. Confidentiality. No reports, information, and/or data prepared or assembled by the Parties under this Agreement shall be made available to any individual or organization by either party without the prior written approval of the other party unless required by state or federal law.

6. Compliance with Applicable Laws. Parties shall comply with all federal, state, county and local laws, ordinances, and regulations applicable to the work to be done under this Agreement, including all applicable State and local public contracting provisions.
7. Insurance. The Parties represent that they are insured according to the statutory limits set in the State of Oregon for any liability, property, or auto claims. The Parties represent that they will maintain insurance to cover any claim that may result from or arise out of this Agreement.
8. Indemnity and Hold Harmless. The Parties individually accept responsibility for liability arising out of their individual performance of this Agreement. Fire District shall hold harmless, and indemnify City from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from the Fire District's negligent acts, omissions, activities or services provided pursuant to this Agreement. City shall hold harmless, and indemnify Fire District from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from City's negligent acts, omissions, activities or services provided pursuant to this Agreement. Neither Party shall be responsible for the design consultant's or CMGC's negligent acts, omissions, activities, or services provided for the renovation and seismic retrofit of the Public Safety Center.
9. Waiver, Severability. Waiver of any default or breach under this Agreement by either party does not constitute a waiver of any subsequent default or a modification of any other provision(s) of this Agreement. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provision shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.
10. Remedies. The Parties shall be entitled all available legal and equitable remedies.
11. Dispute Resolution. The Parties shall exert every effort to cooperatively resolve any disagreements they may have under this Agreement. In the event that the Parties alone are unable to resolve any conflict under this Agreement, they agree to present their disagreements to a mutually agreeable mediator for mediation. Each party shall bear its own costs for mediation and the parties shall share the cost of the mediator. This mediation procedure shall be followed to its conclusion prior to either party seeking relief from the court, except in the case of an emergency.
12. Attorney Fees. The Parties agree if any suit or action at law, in equity, or through arbitration is filed to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorney fees, costs, and disbursements in addition to any other relief to which that party may be entitled. If the prevailing party is represented by "in-house" counsel, it shall nevertheless be entitled to recover reasonable attorney fees based upon reasonable time, rates and charges generally accepted in the Umatilla County, Oregon area for the type of legal services performed.

13. Notices/Point of Contact. All notice or demands of any kind required or desired to be given by the Parties must be in writing and shall be deemed delivered upon in-person delivery or depositing the notice or demand in the United States mail, certified or registered, postage prepaid, addressed to the respective party at its address listed below:

City of Hermiston, Attn: City Manager
180 NE 2nd Street; Hermiston, OR 97838
Email: bsmith@hermiston.or.us PH: (541) 667-5002

Umatilla Fire District #1, Attn: Fire Chief
320 S. 1st Street; Hermiston, OR 97838
Email: sstanton@ucfd1.com PH: (541) 567-8822
14. Governing Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Oregon. Any legal action involving any question arising under this Agreement must be brought in Umatilla County Circuit Court. If the claim must be brought in a federal forum then it shall be brought and conducted in the United States District Court for the State of Oregon. PARTIES AGREE TO THE JURISDICTION OF THESE COURTS.
15. Merger Clause. There are no covenants, promises, agreements, conditions, or understandings between the Parties, either oral or written, other than those contained in this Agreement. All attachment(s) hereto together constitute the entire agreement between the Parties.
16. Force Majeure. Neither City nor Fire District shall be responsible for delay or default caused by any contingency beyond their control, including, but not limited to war or insurrection, strikes or lockouts by the Parties' own employees, walkouts by the Parties' own employees, fires, natural calamities, riots or demands or requirements of governmental agencies other than City or Fire District.
17. Ownership of Work Product. The City will retain ownership of the building at the end of the project.
18. Modification. No waiver, consent, modification or change in the terms of this Agreement shall bind either party unless in writing signed by both Parties. A written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.
19. Entire Agreement. When signed by the authorized representatives of both parties, this Agreement and its attached exhibit(s) is their final and entire Agreement. This Agreement supersedes all prior and contemporaneous oral or written communications between the Parties, their agents, and representatives. There are no representations, promises, terms, conditions, or obligations other than those contained herein.

I HAVE READ THIS AGREEMENT INCLUDING THE ATTACHMENT(S). I CERTIFY THAT I HAVE THE AUTHORITY TO SIGN AND ENTER INTO THIS AGREEMENT. I UNDERSTAND THIS AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS.

UMATILLA FIRE DISTRICT #1

Signature: _____ Title: _____

Name (print): _____ Date: _____

CITY OF HERMISTON

Signature: _____ Title: _____

Name (print): _____ Date: _____



Where Life is Sweet

Mayor and Members of the City Council

STAFF REPORT

For the Meeting of June 12, 2023

Title/Subject

Resolution No. 2274 – Authorizing an Information Technology Services Agreement with the City of Pilot Rock

Summary and Background

The City of Hermiston has been in the business of providing IT services to various local governments since July 1, 2022. Things have been going well and customers seem to be pleased.

The City of Pilot Rock was also a customer of the Intermountain Educational Services District (IMESD) as all of our customers were. They were recently given notice that the IMESD will not be providing services to non-school districts after June 30, 2023. Our current staff is very familiar with their IT infrastructure and needs. This familiarity allows us to make this offer and be comfortable that we can meet their needs with the staffing levels in the proposed 2023-24 budget.

Tie-In to Council Goals

N/A

Fiscal Information

	July 1, 2023
Monthly	\$960
Annually	\$11,520
Hours/Week	2

This agreement includes a 3% annual escalator clause to help us keep up with inflation.

Alternatives and Recommendation

Alternatives

1. Adopt Resolution 2274
2. Amend Resolution 2274
3. Table Resolution 2274 and request more information.

Recommended Action/Motion

Motion to adopt Resolution 2274 as proposed.

Submitted By:

Byron D. Smith

INTERGOVERNMENTAL AGREEMENT
between
The City of Hermiston
and
The City of Pilot Rock
For Ongoing Information Technology Services

This Intergovernmental Agreement for Ongoing Information Technology Services (Agreement) is made by and between the City of Hermiston, hereinafter "COH" and the City of Pilot Rock hereinafter "COPR" (and collectively the "Parties") pursuant to ORS Chapter 190.

The Parties mutually agree as follows:

Term of Agreement. This Agreement shall be for a term of three years commencing on July 1, 2023 and expiring on June 30, 2026, with two optional three-year renewal options, unless terminated earlier as set forth herein. Renewal of the Agreement shall be in writing and subject to the mutual agreement of the Parties. At the conclusion of the original term or any subsequent renewal term, if the parties are not able to reach a mutual agreement on the terms and conditions for a renewal option, in their sole discretion, either party may terminate the Agreement upon ninety (90) days' written notice to the other without cause.

Scope of Work. COH shall perform the work described in Attachment A, Statement of Work, which is attached to this Agreement and incorporated into this Agreement by this reference.

Consideration. COPR agrees to pay COH \$960.00 per month for approximately 8 hours of IT service per month beginning July 1, 2023. The fees referred in this section of this Agreement shall increase by three (3)% per year on July 1 of each year in which this Agreement is in effect except 2023, such increase to be effective as of the anniversary date of this Agreement. COPR will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for COPR, COPR agrees to reimburse COH for those costs. COH agrees to notify COPR prior to purchasing anything over \$500 and to provide adequate documentation and invoice COU for the cost. In the event that there is a future change in the need for basic services by COPR, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

Payment for Work. No payments shall be made until this Agreement is fully executed by both Parties. Invoices shall be issued on a monthly basis beginning August 1, 2023. Unless otherwise specified in Attachment A, COH will submit invoices monthly for services rendered and COPR shall remit payment within 30 calendar days of receipt of invoice.

STANDARD TERMS AND CONDITIONS

1. **Legal Relationship.** The Parties intend the legal relationship between the parties to be at all times and for all purposes under this Agreement that of independent contracting agencies.
2. **Subcontracts and Assignment.** Neither party shall subcontract or assign any part of the Agreement without the prior written approval of the other party. Any attempted assignment of this Agreement without the prior written approval of the other party shall be void. If consent to a subcontract is properly given, then in addition to any other provisions of this Agreement, the subcontracting party shall hold it subcontractor to all the terms and conditions of this Agreement that would otherwise bind the party to whom consent was given. The Parties agree that any such subcontracts shall have no binding effect on the consenting party to this Agreement.
3. **Termination.** This Agreement may be terminated as follows unless otherwise specified herein:
 - a. Mutual: The Parties may terminate this Agreement at any time by written Agreement. COPR shall pay COH for all materials purchased and work performed prior to the termination date.
 - b. Party's Sole Discretion: Either party, in its sole discretion, may terminate this Agreement for any reason on thirty (30) calendar days' written notice to the other party. COPR shall pay COH for all materials purchased and work performed prior to the termination date.
 - c. Breach: Either party may terminate this Agreement in the event of a breach by the other party. To be effective, the party seeking termination must give the other party written notice of the breach and its intent to terminate. If the breaching party does not entirely cure the breach within five (5) calendar days of the date of the notice, then the non-breaching party may terminate this Agreement at any time thereafter by giving a written notice of termination. COPR shall pay COH for all materials purchased and work performed prior to the termination date.
 - d. Termination by either party shall not constitute a waiver of any claim either party may assert against the other party.
4. **Access to Records.** Upon reasonable advance notice, each party shall have access to the books, documents and other records of the other party (electronic or otherwise) which are necessary for completion of this Agreement for the purpose of examination, copying and audit unless otherwise limited by law.

5. **Confidentiality.** No reports, information, and/or data prepared or assembled by the Parties under this Agreement shall be made available to any individual or organization by either party without the prior written approval of the other party unless required by state or federal law. If COH IT staff in their work is exposed to proprietary data particularly related to Economic Development/Business Recruitment efforts, they shall not disclose that to either party to this agreement.
6. **Compliance with Applicable Laws.** Parties shall comply with all federal, state, county and local laws, ordinances, and regulations applicable to the work to be done under this Agreement, including all applicable State and local public contracting provisions.
7. **Insurance.** The Parties represent that they are insured according to the statutory limits set in the State of Oregon for any liability, property, or auto claims. The Parties represent that they will maintain insurance to cover any claim that may result from or arise out of this Agreement. COH is insured for workers' compensation as required by law and shall provide benefits as prescribed by the State of Oregon.
8. **Indemnity and Hold Harmless.** The Parties individually accept responsibility for liability arising out of their individual performance of this Agreement. COPR shall hold harmless, and indemnify COH from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from the COPR's negligent acts, omissions, activities or services provided pursuant to this Agreement. COH shall hold harmless, and indemnify COPR from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from COH's negligent acts, omissions, activities or services provided pursuant to this Agreement.
9. **Waiver, Severability.** Waiver of any default or breach under this Agreement by either party does not constitute a waiver of any subsequent default or a modification of any other provision(s) of this Agreement. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provision shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.
10. **Remedies.** In case of COPR's breach, COH shall be entitled to receipt of payments for work performed and to any other available legal and equitable remedies. In case of COH's breach, COPR shall be entitled to a refund of any prepayments of any work not performed and to any other available legal and equitable remedies.

11. Dispute Resolution. The Parties shall exert every effort to cooperatively resolve any disagreements they may have under this Agreement. In the event that the Parties alone are unable to resolve any conflict under this Agreement, they agree to present their disagreements to a mutually agreeable mediator for mediation. Each party shall bear its own costs for mediation and the parties shall share the cost of the mediator. This mediation procedure shall be followed to its conclusion prior to either party seeking relief from the court, except in the case of an emergency.

12. Attorney Fees. The Parties agree if any suit or action at law, in equity, or through arbitration is filed to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorney fees, costs, and disbursements in addition to any other relief to which that party may be entitled. If the prevailing party is represented by "in-house" counsel, it shall nevertheless be entitled to recover reasonable attorney fees based upon reasonable time, rates and charges generally accepted in the Morrow/Umatilla County, Oregon area for the type of legal services performed.

13. Notices/Point of Contact. All notice or demands of any kind required or desired to be given by the Parties must be in writing and shall be deemed delivered upon in-person delivery or depositing the notice or demand in the United States mail, certified or registered, postage prepaid, addressed to the respective party at its address listed below:

City of Hermiston, Attn: City Manager
180 NE 2nd Street; Hermiston, OR 97838
Email: bsmith@hermiston.or.us PH: (541) 667-5002

City of Pilot Rock, Attn: Chief of Police
P.O. Box 130, Pilot Rock, OR 97868
Email: william.caldera@cityofpilotrock.org PH: (541) 443-1224

14. Governing Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Oregon. Any legal action involving any question arising under this Agreement must be brought in Umatilla County Circuit Court. If the claim must be brought in a federal forum then it shall be brought and conducted in the United States COPR Court for the State of Oregon. PARTIES AGREE TO THE JURISDICTION OF THESE COURTS.

15. Force Majeure. Neither COH nor COPR shall be responsible for delay or default caused by any contingency beyond their control, including, but not limited to war or insurrection, strikes or lockouts by the Parties' own employees, walkouts by the Parties' own employees, fires, natural calamities, riots or demands or requirements of governmental agencies other than COH or COPR.

16. Ownership of Work Product. Any and all goods and services developed for COPR pursuant to this Agreement are intended as works made for hire. Works made for hire are the exclusive property of COPR.

17. Modification. No waiver, consent, modification or change in the terms of this Agreement shall bind either party unless in writing signed by both Parties. A written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

18. Entire Agreement. When signed by the authorized representatives of both parties, this Agreement and its attached exhibit(s) is their final and entire Agreement. This Agreement supersedes all prior and contemporaneous oral or written communications between the Parties, their agents, and representatives. There are no representations, promises, terms, conditions, or obligations other than those contained herein.

I HAVE READ THIS AGREEMENT INCLUDING THE ATTACHMENT(S). I CERTIFY THAT I HAVE THE AUTHORITY TO SIGN AND ENTER INTO THIS AGREEMENT. I UNDERSTAND THIS AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS.

CITY OF PILOT ROCK

Signature: _____

Title: _____

Name (print): _____

Date: _____

CITY OF HERMISTON

Signature: _____

Title: _____

Name (print): _____

Date: _____

Attachment A: Statement of Work

8 assumed hours per month of service.

Current hourly billing rate: \$120 per hour.

Managed Help Desk

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

Managed Server and Infrastructure Support

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

Managed Workstations/Laptops/Software

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

Active Directory

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

Expectations:

To ensure COH's ability to provide satisfaction to COPR, the following provisions apply as appropriate to services contracted with COH. COH is pleased to offer a complete package of IT support services for COPR. The IT support package is designed to handle all COPR's

IGA IT SERVICES

Page 6 of 8

technology-related needs. All servers, workstations, and other network devices and Microsoft Operating Systems are considered covered items that will be maintained or serviced.

What this service covers and includes:

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

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

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

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

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

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

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

IGA IT SERVICES

Page 7 of 8

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

Service Level Agreements (SLAs):

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

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

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

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

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

RESOLUTION NO. 2274**A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PILOT ROCK FOR THE CITY OF HERMISTON TO PROVIDE INFORMATION TECHNOLOGY SERVICES TO THE CITY OF PILOT ROCK AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

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

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

WHEREAS, the City and the City of Pilot Rock have reached an agreement to provide ongoing IT services to the City of Pilot Rock; and

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

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

1. That the Intergovernmental Agreement attached to this resolution between the City of Hermiston and the City of Pilot Rock to provide ongoing IT 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 12th day of June 2023.

SIGNED by the Mayor this 12th day of June 2023.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 12, 2023

Title/Subject

Resolution No. 2275 – Authorizing an Information Technology Services Agreement with the City of Milton-Freewater

Summary and Background

The City of Hermiston has been in the business of providing IT services to various local governments since July 1, 2022. Things have been going well and customers seem to be pleased.

The City of Milton-Freewater was also a customer of the Intermountain Educational Services District (IMESD) as all of our customers were. They were recently given notice that the IMESD will not be providing services to non-school districts after June 30, 2023. Our current staff is very familiar with their IT infrastructure and needs. This familiarity allows us to make this offer and be comfortable that we can meet their needs with the staffing levels in the proposed 2023-24 budget.

Tie-In to Council Goals

N/A

Fiscal Information

	July 1, 2023
Monthly	\$8,256
Annually	\$92,072
Hours/Week	16

This agreement includes a 3% annual escalator clause to help us keep up with inflation.

Alternatives and Recommendation

Alternatives

1. Adopt Resolution 2275
2. Amend Resolution 2275
3. Table Resolution 2275 and request more information.

Recommended Action/Motion

Motion to adopt Resolution 2275 as proposed.

Submitted By:

Byron D. Smith

RESOLUTION NO. 2275**A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF MILTON-FREEWATER FOR THE CITY OF HERMISTON TO PROVIDE INFORMATION TECHNOLOGY SERVICES TO THE CITY OF MILTON-FREEWATER AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

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

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

WHEREAS, the City and the City of Milton-Freewater (CM-F) have reached an agreement to provide ongoing IT services to the CM-F; and

WHEREAS, CM-F has signed the Intergovernmental Agreement; and

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

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

1. That the Intergovernmental Agreement attached to this resolution between the City of Hermiston and the City of Milton-Freewater to provide ongoing IT 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 12th day of June, 2023.

SIGNED by the Mayor this 12th day of June, 2023.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

INTERGOVERNMENTAL AGREEMENT
between
The City of Hermiston
and
The City of Milton-Freewater
For Ongoing Information Technology Services

This Intergovernmental Agreement for Ongoing Information Technology Services (Agreement) is made by and between the City of Hermiston, hereinafter "COH" and the City of Milton-Freewater hereinafter "COM-F" (and collectively the "Parties") pursuant to ORS Chapter 190.

The Parties mutually agree as follows:

Term of Agreement. This Agreement shall be for a term of three years commencing on July 1, 2023 and expiring on June 30, 2026 with two optional three-year renewal options, unless terminated earlier as set forth herein. Renewal of the Agreement shall be in writing and subject to the mutual agreement of the Parties. At the conclusion of the original term or any subsequent renewal term, if the parties are not able to reach a mutual agreement on the terms and conditions for a renewal option, in their sole discretion, either party may terminate the Agreement upon ninety (90) days' written notice to the other without cause.

Scope of Work. COH shall perform the work described in Attachment A, Statement of Work, which is attached to this Agreement and incorporated into this Agreement by this reference.

Consideration. COM-F agrees to pay COH \$8,256.00 per month for approximately 16 hours of IT service per week beginning July 1, 2023. The fees referred in this section of this Agreement shall increase by three (3)% per year on July 1 of each year in which this Agreement is in effect except 2023, such increase to be effective as of the anniversary date of this Agreement. COM-F will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for COM-F, COM-F agrees to reimburse COH for those costs. COH agrees to notify COM-F prior to purchasing anything over \$500 and to provide adequate documentation and invoice COU for the cost. In the event that there is a future change in the need for basic services by COM-F, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

Payment for Work. No payments shall be made until this Agreement is fully executed by both Parties. Invoices shall be issued on a monthly basis beginning August 1st, 2023. Unless otherwise specified in Attachment A, COH will submit invoices monthly for services rendered and COM-F shall remit payment within 30 calendar days of receipt of invoice.

STANDARD TERMS AND CONDITIONS

1. **Legal Relationship.** The Parties intend the legal relationship between the parties to be at all times and for all purposes under this Agreement that of independent contracting agencies.
2. **Subcontracts and Assignment.** Neither party shall subcontract or assign any part of the Agreement without the prior written approval of the other party. Any attempted assignment of this Agreement without the prior written approval of the other party shall be void. If consent to a subcontract is properly given, then in addition to any other provisions of this Agreement, the subcontracting party shall hold it subcontractor to all the terms and conditions of this Agreement that would otherwise bind the party to whom consent was given. The Parties agree that any such subcontracts shall have no binding effect on the consenting party to this Agreement.
3. **Termination.** This Agreement may be terminated as follows unless otherwise specified herein:
 - a. Mutual: The Parties may terminate this Agreement at any time by written Agreement. COM-F shall pay COH for all materials purchased and work performed prior to the termination date.
 - b. Party's Sole Discretion: Either party, in its sole discretion, may terminate this Agreement for any reason on thirty (30) calendar days' written notice to the other party. COM-F shall pay COH for all materials purchased and work performed prior to the termination date.
 - c. Breach: Either party may terminate this Agreement in the event of a breach by the other party. To be effective, the party seeking termination must give the other party written notice of the breach and its intent to terminate. If the breaching party does not entirely cure the breach within five (5) calendar days of the date of the notice, then the non-breaching party may terminate this Agreement at any time thereafter by giving a written notice of termination. COM-F shall pay COH for all materials purchased and work performed prior to the termination date.
 - d. Termination by either party shall not constitute a waiver of any claim either party may assert against the other party.
4. **Access to Records.** Upon reasonable advance notice, each party shall have access to the books, documents and other records of the other party (electronic or otherwise) which are necessary for completion of this Agreement for the purpose of examination, copying and audit unless otherwise limited by law.

5. **Confidentiality.** No reports, information, and/or data prepared or assembled by the Parties under this Agreement shall be made available to any individual or organization by either party without the prior written approval of the other party unless required by state or federal law. If COH IT staff in their work is exposed to proprietary data particularly related to Economic Development/Business Recruitment efforts, they shall not disclose that to either party to this agreement.
6. **Compliance with Applicable Laws.** Parties shall comply with all federal, state, county and local laws, ordinances, and regulations applicable to the work to be done under this Agreement, including all applicable State and local public contracting provisions.
7. **Insurance.** The Parties represent that they are insured according to the statutory limits set in the State of Oregon for any liability, property, or auto claims. The Parties represent that they will maintain insurance to cover any claim that may result from or arise out of this Agreement. COH is insured for workers' compensation as required by law and shall provide benefits as prescribed by the State of Oregon.
8. **Indemnity and Hold Harmless.** The Parties individually accept responsibility for liability arising out of their individual performance of this Agreement. COM-F shall hold harmless, and indemnify COH from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from the COM-F's negligent acts, omissions, activities or services provided pursuant to this Agreement. COH shall hold harmless, and indemnify COM-F from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from COH's negligent acts, omissions, activities or services provided pursuant to this Agreement.
9. **Waiver, Severability.** Waiver of any default or breach under this Agreement by either party does not constitute a waiver of any subsequent default or a modification of any other provision(s) of this Agreement. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provision shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.
10. **Remedies.** In case of COM-F's breach, COH shall be entitled to receipt of payments for work performed and to any other available legal and equitable remedies. In case of COH's breach, COM-F shall be entitled to a refund of any prepayments of any work not performed and to any other available legal and equitable remedies.

11. Dispute Resolution. The Parties shall exert every effort to cooperatively resolve any disagreements they may have under this Agreement. In the event that the Parties alone are unable to resolve any conflict under this Agreement, they agree to present their disagreements to a mutually agreeable mediator for mediation. Each party shall bear its own costs for mediation and the parties shall share the cost of the mediator. This mediation procedure shall be followed to its conclusion prior to either party seeking relief from the court, except in the case of an emergency.

12. Attorney Fees. The Parties agree if any suit or action at law, in equity, or through arbitration is filed to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorney fees, costs, and disbursements in addition to any other relief to which that party may be entitled. If the prevailing party is represented by "in-house" counsel, it shall nevertheless be entitled to recover reasonable attorney fees based upon reasonable time, rates and charges generally accepted in the Morrow/Umatilla County, Oregon area for the type of legal services performed.

13. Notices/Point of Contact. All notice or demands of any kind required or desired to be given by the Parties must be in writing and shall be deemed delivered upon in-person delivery or depositing the notice or demand in the United States mail, certified or registered, postage prepaid, addressed to the respective party at its address listed below:

City of Hermiston, Attn: City Manager
180 NE 2nd Street; Hermiston, OR 97838
Email: bsmith@hermiston.or.us PH: (541) 667-5002

City of Milton Freewater, Attn: City Manager
P.O. Box 6, Milton-Freewater, OR 97862
Email: linda.hall@milton-freewater-or.gov PH: (541) 938-8242

14. Governing Law. The provisions of this Agreement shall be construed in accordance with the laws of the State of Oregon. Any legal action involving any question arising under this Agreement must be brought in Umatilla County Circuit Court. If the claim must be brought in a federal forum then it shall be brought and conducted in the United States COM-F Court for the State of Oregon. PARTIES AGREE TO THE JURISDICTION OF THESE COURTS.

15. Force Majeure. Neither COH nor COM-F shall be responsible for delay or default caused by any contingency beyond their control, including, but not limited to war or insurrection, strikes or lockouts by the Parties' own employees, walkouts by the Parties' own employees, fires, natural calamities, riots or demands or requirements of governmental agencies other than COH or COM-F.

16. Ownership of Work Product. Any and all goods and services developed for COM-F pursuant to this Agreement are intended as works made for hire. Works made for hire are the exclusive property of COM-F.

17. Modification. No waiver, consent, modification or change in the terms of this Agreement shall bind either party unless in writing signed by both Parties. A written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

18. Entire Agreement. When signed by the authorized representatives of both parties, this Agreement and its attached exhibit(s) is their final and entire Agreement. This Agreement supersedes all prior and contemporaneous oral or written communications between the Parties, their agents, and representatives. There are no representations, promises, terms, conditions, or obligations other than those contained herein.

I HAVE READ THIS AGREEMENT INCLUDING THE ATTACHMENT(S). I CERTIFY THAT I HAVE THE AUTHORITY TO SIGN AND ENTER INTO THIS AGREEMENT. I UNDERSTAND THIS AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS.

CITY OF MILTON-FREEWATER

Signature: Lewis S. Key

Title: Mayer

Name (print): Lewis S. Key

Date: May 8, 2023

CITY OF HERMISTON

Signature: _____

Title: _____

Name (print): _____

Date: _____

Attachment A: Statement of Work

16 assumed hours per week of service.

Current hourly billing rate: \$120 per hour.

Managed Help Desk

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

Managed Server and Infrastructure Support

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

Managed Workstations/Laptops/Software

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

Active Directory

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

Expectations:

To ensure COH's ability to provide satisfaction to COM-F, the following provisions apply as appropriate to services contracted with COH. COH is pleased to offer a complete package of IT support services for COM-F. The IT support package is designed to handle all COM-F's

IGA IT SERVICES

Page 6 of 8

technology-related needs. All servers, workstations, and other network devices and Microsoft Operating Systems are considered covered items that will be maintained or serviced.

What this service covers and includes:

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

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

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

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

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

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

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

Service Level Agreements (SLAs):

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

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

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

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

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



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 12, 2023

Title/Subject

Resolution No. 2276- Establishing “No Parking” on SW 3rd Between Orchard Ave. and Locust Ave.

Summary and Background

This resolution establishes two “No Parking” zones on SW 3rd Street, between Orchard Avenue, and Locust Avenue. On the west side of the street, the zone would go from the intersection with Orchard, 155’ to the north; roughly equating to the frontage of the “Food Pod” on to SW 3rd. On the east side of the street, the zone would be 40’ between the driveways to the city-owned parking lot.

This is being requested by the Confederated Tribes of the Umatilla Indian Reservation through their Kayak Public Transit department. This area at 3rd & Orchard has, since 2018, been a meet-up location for KAYAK’s “Hermiston Hopper” and “Hermiston HART” buses, where riders of the two separate routes have the opportunity to transfer.

The HART Bus, which operates within the city, stops at this location up to 12 times per day between 7am and 7pm. The Hopper Bus, which operates between Hermiston and Pendleton, stops at this location up to 3 times per day.

Since the development of the “Food Pod,” the bus has had issues from time to time with customers parking where the bus needs to park. Although the bus can sometimes make due by parking further to the North, it is extremely challenging at those times when both buses need to meet up at that location.

The covered shelter was removed from this location in mid-May as a result of vandalism in the form of broken-out glass. These shelters have been vandalized a number of times over the past couple of years, and it costs the City’s General Fund approximately \$800 each time to replace the glass. This time, it was determined to remove the shelter and store it for a time before considering reintroduction of the shelter. Unfortunately, removal of the shelter also removed a passive indication that this is a bus-stop and that vehicles should not park there.

The “No Parking” area on the east side of the street is requested to be much smaller because only one bus at a time ever parks there due to the optimized routing of the buses.

Tie-In to Council Goals

Focus Area- Transportation: Improve mobility and transportation

Fiscal Information

This action is not anticipated to have a noticeable fiscal impact; although addition of “No Parking” does create one additional item for the Police Department to potentially have to enforce on, but it is anticipated that compliance will be largely voluntary and increase over time.

Alternatives and Recommendation

Alternatives

1. Approve Resolution 2276
2. Reject Resolution 2276
3. Request changes

Recommended Action/Motion

Approve Resolution 2276

Submitted By:

Mark Morgan

RESOLUTION NO. 2276**A RESOLUTION TO ESTABLISH A NO PARKING ZONE**

WHEREAS, pursuant to HMC §70.03, the City Council for the City of Hermiston shall exercise all local traffic authority to regulating the parking and standing of vehicles; and

WHEREAS, it has been requested that “No Parking Zones” be established on SW 3rd Street between Orchard Avenue and Locust Avenue to facilitate public transportation; and

WHEREAS, on the west side of SW 3rd, the “No Parking Zone” would be approximately 155 feet from the intersection with Orchard Avenue and on the east side of the SW 3rd, the “No Parking Zone” would be the approximately 40 feet between the driveways to the city-owned parking lot.

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

1. That it is expedient and necessary to establish “No Parking Zones” on SW 3rd Street at the following locations for vehicular traffic regulation in accordance with the provisions outlined in Section 70.03 of the Hermiston Municipal Code:

<u>Street</u>	<u>Traffic</u>	<u>Length of No Parking Zone</u>
SW 3rd Street	North Bound	Approximately 40 feet between driveways to the city-owned parking lot on the East side of SW 3rd
SW 3rd Street	South Bound	North approximately 155 feet on the West side of SW 3rd from the intersection with Orchard Avenue

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

PASSED by the Common Council this 12th day of June 2023.

SIGNED by the Mayor this 12th day of June 2023.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

Kayak Public Transit Agency
Hermiston HART Route Review
May 25, 2023

Basis for Assumptions and Recommendations

It has been determined that there are several areas and bus stops along the Hermiston HART route which are located in unsafe places. This review is based on the Safety Management System process. This process identifies risks and hazards and suggestions to mitigate are remove those risks and hazards. The SMS processes have been discussed at previous Kayak driver safety meetings.

Actual Locations Determined to be Safety Risks or Hazards

1. Northbound on 11th Street (Highway 207) at both the Ridgeway and Hartley Street stops. There is not adequate room to pull the bus out of the lane of traffic so cars behind often will unsafely pass the bus into on-coming southbound traffic lane or honk their horns wanting the bus to get moving. This poses a safety risk to the bus, traffic and passengers boarding and deboarding the bus. There is no viable alternative for the location of these two stops on 11th Street.
2. Eastbound onto West Ridgeway off 11th Street is immediately around the corner which does not allow adequate room for the bus to stop away from that corner and poses a risk to traffic coming from West Ridgeway onto 11th Street and coming off 11th Street onto West Ridgeway. The recommendation is to move the stop further eastward down West Ridgeway about one block.
3. Traveling eastbound down to 3rd Street from 11th Street, it is safer to use Hermiston Avenue instead of Ridgeway. Traveling south on 3rd Street from Ridgeway, there is limited sight distance at the intersection of 3rd and Hermiston Avenue due to parked commercial vehicles on 3rd at a nearby store. By traveling eastbound on Hermiston Avenue, it eliminates having to cross this intersection. Recommendation is the above-mentioned route

change by using Hermiston Avenue instead of Ridgeway to proceed to 3rd and Orchard.

4. 3rd and Orchard has become a safety hazard since the opening of the food pods and removal of the vandalized bus shelter. During busy times of the day with cars parked along the curb where the bus would normally stop out of the traffic lane, there is now no place for the bus to safely stop/park where the shelter was located. There is no viable alternative at this location other than for the bus to stop mid-block further north on 3rd if space is available.
5. Traveling eastbound on Hermiston Avenue from 11th to 3rd Steet, there are no stops as there is traveling westbound on Orchard from 3rd to 11th. The westbound stop is at 7th and Orchard. It is suggested to add an "in-between" stop eastbound on Hermiston Avenue at 7th Street.
6. Traveling southbound on 4th Street, one block south of Wal Mart, curb stop at Dogwood has no safe place to stop out of the traffic lane. There is no viable alternative at this location.
7. Approaching Highland Park on East Main Street, turn north on east 13th right turn onto Madrona Street and circle the park in a clockwise direction and return westbound on East Main Street. Due to an accident that occurred at the intersection of Madrona and East 13th Street involving the HART bus and a passenger vehicle, this route re-direction will help to minimize the risk at this intersection.

Most of the high risk and hazardous locations appear to be on the west side of Highway 395. Generally speaking, the locations on the east side of Highway 395 appear to be low risk and low hazard areas.

To better understand this summary text, it is recommended to have an application of Google Earth or Maps available to better view the locations mentioned from an ariel view.

Submitted by Robert Johnson
Kayak Driver Training Instructor



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of June 12, 2023

Title/Subject

Resolutions related to the adoption of FY2023-2024 Budget for the City of Hermiston

Summary and Background

Resolutions 2277, 2278, 2279 and 2280 are being presented for Council approval.

Resolution 2277 declares the City of Hermiston's intent/election to receive State revenues pursuant to ORS221.070.

Resolution 2278 adopts the City of Hermiston's budget, makes appropriations, imposes, and categorizes taxes for FY2023-2024.

Resolution 2279 establishes Reserve Accounts in the City of Hermiston's Reserve Fund for FY2023-2024.

Resolution 2280 establishes the Compensation Plan for City of Hermiston employees effective July 1, 2023.

Tie-In to Council Goals

The proposed budget for the City of Hermiston for FY2023-2024 ties into City of Hermiston's Vision and Values for FY2023-2024 in exercising fiscal prudence, promoting citizen engagement, building an inclusive environment that values and respects contributions of all people, promotes community partnerships to leverage expertise/resources to best serve the public and to promote diverse housing options, accessible community assets, a healthy environment and high quality education.

Fiscal Information

The adopted budget request for FY2023-2024 for the City of Hermiston is \$ 97,034,368.

Alternatives and Recommendation

Alternatives

1. Adopt the resolutions as presented/recommended.
2. Do not adopt the resolutions as presented/recommended.
3. Adopt the resolutions with amended totals/different parameters.

Recommended Action/Motion

Staff recommends the resolutions be adopted as presented/recommended

Submitted By:

Mark Krawczyk
Director of Finance

RESOLUTION NO. 2277

**A RESOLUTION DECLARING THE CITY OF HERMISTON'S ELECTION
TO RECEIVE STATE REVENUES**

BE IT RESOLVED that, pursuant to ORS 221.770, the City of Hermiston hereby elects to receive state revenues for the fiscal year 2023-2024.

PASSED by the Common Council this 12th day of June, 2023

SIGNED by the Mayor this 12th day of June, 2023

By: _____
David Drotzmann, MAYOR

ATTEST:

By: _____
Lilly Alarcon-Strong, CMC, CITY RECORDER

RESOLUTION NO. 2278

A RESOLUTION ADOPTING THE CITY OF HERMISTON’S BUDGET, MAKE APPROPRIATIONS, AND IMPOSE AND CATEGORIZE TAXES FOR FY2023-2024

BE IT RESOLVED that the City Council of the City of Hermiston, Umatilla County, hereby adopts the budget for fiscal year 2023-2024 in the total of \$97,034,368 now on file at the offices of the City Recorder.

Making Appropriations

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2023 and for the purposes shown below are hereby appropriated:

GENERAL FUND

City Council	-
Manager/Legal	1,059,519
Planning	464,191
Finance	697,192
Transportation	472,000
Airport	320,300
Building Inspections	571,405
Parks	716,975
Parks/Utility Landscaping	44,115
Municipal Pool	553,287
Municipal Buildings	150,790
Library	894,012
Recreation	609,596
Community Center	200,972
Harkenrider Center	60,010
Court	733,137
Police Operations	6,616,489
Public Safety Building	43,000
Transfers to Bonded Debt	216,720
Transfer to Reserve	1,070,000
Transfer to IT	192,800
Debt Service	460,825
Non-Departmental	705,300
Contingency	53,276
TOTAL	16,905,911

GO / FF&C BONDED DEBT FUND

Debt Service	626,677
TOTAL	626,677

STATE TAX STREET FUND

Personnel Services	712,901
Materials & Services	1,124,650
Capital Outlay	20,000
Transfer to Reserve Fund	393,231
Transfer to General Fund	160,800
Transfer to IT Fund	9,000
Contingency	30,000
TOTAL	2,450,582

TRANSIENT ROOM TAX FUND

Materials & Services	142,500
Transfer to General Fund	400,000
Transfer to Reserve	156,000
Transfer to EOTEC	225,000
Debt Service	146,100
Contingency	75,000
TOTAL	1,144,600

UTILITY FUND

Recycled Water – Personnel Services	1,426,542
Recycled Water – Materials & Services	1,993,560
Water – Personnel Services	1,006,227
Water – Materials & Services	1,408,465
Transfer to Reserve	1,791,536
Transfer to General Fund	727,900
Transfer to IT	38,600
Debt Service	2,233,057
Contingency	2,238,510
Special Payments	673,000
TOTAL	13,537,397

RESERVE FUND

Materials & Services	831,000
Capital Outlay	40,120,204
Transfer to General Fund	284,810
Transfer to EOTEC	425,600
Reserve for Future Expenditure	1,094,394
Contingency	<u>738,323</u>
TOTAL	43,494,331

MISCELLANEOUS SPECIAL REVENUE FUND

Material Services	30,000
Special Payments	<u>40,000</u>
TOTAL	70,000

HERMISTON ENERGY SERVICES

Personnel Services	218,716
Materials & Services	7,900,683
Capital Outlay	1,200,000
Transfer to General Fund	171,850
Transfer to Reserve Fund	200,000
Transfer to IT Fund	2,350
Debt Service	1,071,150
Contingency	<u>2,348,304</u>
TOTAL	13,113,053

REGIONAL WATER FUND

Personnel Services	251,992
Materials & Services	680,463
Transfer to Reserve Fund	200,000
Transfer to General Fund	90,850
Contingency	<u>667,122</u>
TOTAL	1,890,427

CHRISTMAS EXPRESS SPECIAL REVENUE FUND

Materials & Services	25,000
Reserve for Future Expenditures	<u>5,000</u>
TOTAL	30,000

LAW ENFORCEMENT SPECIAL REVENUE FUND

Personnel Services	-
Materials & Services	-
Reserve for Future Expenditures	16,014
Contingency	<u>20,000</u>
TOTAL	36,014

LIBRARY FUND

Materials & Services	2,300
Capital Outlay	1,000
Contingency	<u>29,700</u>
TOTAL	33,000

ENTERPRISE ZONE PROJECT FUND

Transfer to Utility – NE Water Tower	377,500
Transfer to Reserve	50,000
Transfer to General Fund	460,825
Contingency	<u>760,374</u>
TOTAL	1,648,699

EOTEC OPERATIONS FUND

Personnel Services	482,145
Materials & Services	237,148
Transfer to General Fund	55,350
Transfer to IT Fund	<u>9,000</u>
TOTAL	783,643

IT FUND

Personnel Services	972,488
Materials & Services	81,750
Transfer to General Fund	145,650
Contingency	<u>70,146</u>
TOTAL	1,270,034

TOTAL APPROPRIATION ALL FUNDS	97,034,368
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Imposing The Tax

BE IT RESOLVED that the City Council of the City of Hermiston, Umatilla County, hereby imposes the taxes provided for in the adopted budget at the rate of \$6.0860 per \$1,000 of the assessed value for operations; and in the amount of \$316,626 for bonds; and that these taxes are hereby imposed and categorized for tax year 2023-2024 upon the assessed value of all taxable property within the City of Hermiston.

Categorizing the Tax

	General Government <u>Limitation</u>	Excluded from <u>Limitation</u>
General Fund	\$6.0860/\$1,000	
GO / FF&C Bonded Debt Fund		\$316,829

This resolution shall become effective immediately upon its passage as of the date and year set out below.

PASSED by the Common Council this 12th day of June, 2023

SIGNED by the Mayor this 12th day of June, 2023

By: _____
David Drotzmann, MAYOR

ATTEST:

By: _____
Lilly Alarcon-Strong, CMC, CITY RECORDER

RESOLUTION NO. 2279

**A RESOLUTION ESTABLISHING RESERVE FUNDS
FOR THE CITY OF HERMISTON FOR FY2023-2024**

BE IT RESOLVED that Resolution No. 2224 is hereby repealed and the City of Hermiston does hereby establish the following Reserve Funds listed in Exhibit A attached to and made a part of the resolution.

PASSED by the Common Council this 12th day of June, 2023

SIGNED by the Mayor this 12th day of June, 2023

By: _____
David Drotzmann, MAYOR

ATTEST:

By: _____
Lilly Alarcon-Strong, CMC, CITY RECORDER

Exhibit A / Resolution 2279

Office Equipment	Res-Future Exp- HES Rate Stabilization
Employment Claims	Res-Future Exp- Utility Rate Stabilization
Airport Improvements	Res-Future Exp- Office Equipment
Airport Future Hangar	Res-Future Exp- Employment Claims
Disc Golf Course	Res-Future Exp- Airport Improvements
Funland Playground	Res-Future Exp- TRT/Tourism
Aquatic Ctr Maint & Repair	Res-Future Exp- TRT/Park Development
TRT/Tourism	Res-Future Exp- Hermiston Family Aquatic Center
TRT/Park Development	Res-Future Exp- Bicycle Trails
Bicycle Trails	Res-Future Exp- Parks SDC
Parks- SDC	Res-Future Exp- Skate Park
Skate Park	Res-Future Exp- Victory Square Park
Victory Square Park	Res-Future Exp- South 2nd St Gateway
South 2nd St Gateway	Res-Future Exp- Street Equipment
Sunset Park	Res-Future Exp- Airport Hangar
West Highland Trail	Res-Future Exp- Street Maintenance
Street Equipment	Res-Future Exp- Street Maintenance
Street Maintenance	Res-Future Exp- CIP Street Construction
CIP Street Construction	Res-Future Exp- New Street Building
Traffic Control 11th & Elm	Res-Future Exp- Traffic Control 11th & Elm
Public Works- Elm St Entrance	Res-Future Exp- Library Capital Reserve
New Street Building	Res-Future Exp- HPD Vehicle Upfitting
E. Penney Ave Roadway Imprvment	Res-Future Exp- HPD Equipment
Transportation SDC Exp	Res-Future Exp- Public Works Elm Entrance
Parks	Res-Future Exp- CIP Water Projects
HES Gas Utility	Res-Future Exp- HES Gas Utility
Library Capital Reserve	Res-Future Exp- Highland Summit Booster
HPD Vehicle Upfitting	Res-Future Exp- Sanitary Sewer Equipment
HPD Equipment	Res-Future Exp- RWT Plant Improvements
Sanitary Sewer Dept Equipment	Res-Future Exp- Sanitary Sewer - SDC
RWT Plant Improvements	Res-Future Exp- Water Dept Equipment
Sanitary Sewer - SDC	Res-Future Exp- Water- SDC
CIP Water Projects	Res-Future Exp- CIP - RWTP Projects
North East Water Tank	Res-Future Exp- Repair/Replace Regional
Water Dept Equipment	Res-Future Exp- HCC Maintenance/Repair
Water- SDC	Res-Future Exp- HES Improvements
Alora Heights SDC	Res-Future Exp- Belt Park
Highland Summit Booster	Res-Future Exp- Community Enhancements
CIP-RWTP Projects	Res-Future Exp- City Hall Improvements
Repair/Replace- Regional	Res-Future Exp- EOTEC TPA/Marketing
HES Improvements	Res-Future Exp- EOTEC Equipment
EOTEC TPA/Marketing	Res-Future Exp- Funland Playground
EOTEC Equipment	Res-Future Exp- Alora Heights
HCC Maintenance & Repair	Res-Future Exp- Highland/Kennison Field
Community Enhancements	Res-Future Exp- NE Water Tank
City Hall Improvements	
Belt Park Supp Env Project	

RESOLUTION NO. 2280

WHEREAS, effective July 1, 2023 a 3.0% increase in compensation has been approved by the mayor and council of the City of Hermiston,

NOW THEREFORE BE IT RESOLVED by the mayor and council of the City of Hermiston, Oregon, that the pay plan adopted by Resolution No. 2225 shall be repealed and superseded as follows:

SECTION 1. All offices and positions of the City are divided into the classified and exempt services.

Exempt Services:

1. All employees identified by the Employee Handbook and meeting the guidelines defined by the Fair Labor Standards Act ("FLSA") and Oregon Wage and Hour laws as exempt.
2. Members of boards and commissions.
3. Volunteer personnel and personnel appointed to serve without pay.
4. Consultants and counselors rendering temporary professional services.

Classified Services: The classified services shall include all other positions that are not specifically placed in the exempt service by this resolution.

SECTION 2. Schedule A sets forth the basic salary ranges and increment steps for City of Hermiston employees.

SECTION 3. Schedule B sets forth representative position titles which shall be assigned to the Salary Range Numbers.

SECTION 4. Schedule C sets forth the basic pay ranges and increment steps and representative position titles for City of Hermiston Parks & Recreation Seasonal Temporary employees.

This resolution shall become effective on July 1, 2023.

Passed by the Common Council this 12th day of June, 2023.

Signed by the Mayor this 12th day of June, 2023.

By: _____
David Drotzmann, MAYOR

ATTEST:

By: _____
Lilly Alarcon-Strong, CMC, CITY RECORDER

Schedule A
July 1, 2023 (3% COLA)

Range	Step A	Step B	Step C	Step D	Step E	Step F
30	3,121	3,246	3,376	3,510	-	-
31	3,532	3,673	3,820	3,972	4,131	4,297
32	3,663	3,811	3,963	4,122	4,285	4,458
33	3,799	3,951	4,109	4,274	4,445	4,623
34	3,940	4,098	4,261	4,432	4,609	4,793
35	4,086	4,250	4,419	4,596	4,779	4,971
36	4,239	4,407	4,584	4,767	4,960	5,157
37	4,398	4,573	4,757	4,947	5,145	5,349
38	4,561	4,743	4,933	5,130	5,335	5,549
39	4,731	4,919	5,115	5,320	5,532	5,754
40	4,906	5,104	5,308	5,520	5,740	5,970
41	5,089	5,292	5,504	5,726	5,954	6,191
42	5,278	5,490	5,709	5,938	6,176	6,421
43	5,474	5,693	5,921	6,159	6,403	6,662
44	5,678	5,906	6,142	6,389	6,643	6,909
45	5,890	6,124	6,370	6,624	6,890	7,165
46	6,095	6,337	6,590	6,853	7,128	7,413
47	6,306	6,557	6,819	7,093	7,376	7,670
48	6,522	6,782	7,054	7,335	7,629	7,934
49	6,748	7,018	7,299	7,591	7,894	8,209
50	6,979	7,260	7,549	7,851	8,166	8,492
51	7,223	7,512	7,812	8,123	8,450	8,788
52	7,472	7,770	8,083	8,405	8,742	9,092
53	7,731	8,040	8,362	8,696	9,044	9,405
54	8,000	8,320	8,652	8,998	9,359	9,732
55	8,275	8,605	8,950	9,308	9,680	10,068
56	8,561	8,904	9,260	9,631	10,016	10,418
57	8,858	9,213	9,580	9,965	10,363	10,778
58	9,073	9,436	9,814	10,207	10,615	11,040
59	9,483	9,862	10,256	10,666	11,093	11,537
60	9,809	10,202	10,609	11,033	11,475	11,934

POSITIONS GROUPED BY SALARY RANGE NUMBERSRange Number

(31)	<u>3,532 – 3,673 – 3,820 – 3,972 – 4,131 – 4,297</u> Park Facility Team Member
(32)	<u>3,663 – 3,811 – 3,963 – 4,122 – 4,285 – 4,458</u> General Clerical Library Assistant Water Meter Technician
(34)	<u>3,940 – 4,098 – 4,261 – 4,432 – 4,609 – 4,793</u> Municipal Service Worker I Senior Library Assistant Recycled Water Utility Worker I Water Utility Worker I
(36)	<u>4,239 – 4,407 – 4,584 – 4,767 – 4,960 – 5,157</u> Court Clerk Librarian I Recreation Coordinator Senior General Clerical Water Utility Worker I-A
(37)	<u>4,398 – 4,573 – 4,757 – 4,947 – 5,145 – 5,349</u> Code Enforcement Recreation Coordinator/Facility Manager
(38)	<u>4,561 – 4,743 – 4,933 – 5,130 – 5,355 – 5,549</u> Librarian II Municipal Service Worker II Recycled Water Utility Worker II Recreation Coordinator/Aquatic Center Manager Technology Support Specialist Water Utility Worker II
(39)	<u>4,731 – 4,919 – 5,115 – 5,320 – 5,532 – 5,754</u> Water Utility Worker II-A
(40)	<u>4,906 – 5,104 – 5,308 – 5,520 – 5,740 – 5,970</u> Planning/Building Admin Assistant Assistant City Planner/Deputy City Recorder Mechanic/Municipal Worker Recycled Water Operator/ Lab Manager Recycled Water Utility Worker III Customer Service Representative Water Utility Worker III
(41)	<u>5,089 – 5,292 – 5,504 – 5,726 – 5,954 – 6,191</u> Water Utility Worker III-A

(42)	<u>5,278 – 5,490 – 5,709 – 5,938 – 6,176 – 6,421</u> EOTEC Operations Manager Municipal Buildings Supervisor Park/Facility Lead Worker Recycled Water Utility Worker IV Municipal Service Lead Worker Water Utility Worker IV
(44)	<u>5,678 – 5,906 – 6,142 – 6,389 – 6,643 – 6,909</u> Assistant Library Director Executive Assistant/City Recorder Human Resources Specialist Senior Financial Analyst
(46)	<u>6,095 – 6,337 – 6,590 – 6,853 – 7,128 – 7,413</u> Building/Electrical Inspector Communications Manager Park Manager Systems/Network Engineer Recycled Water Chief Operator Water Chief Operator
(49)	<u>6,748 – 7,018 – 7,299 – 7,591 – 7,894 – 8,209</u> Assistant Building Official EOTEC General Manager Library Director
(50)	<u>6,979 – 7,260 – 7,549 – 7,851 – 8,166 – 8,492</u> Court Administrator
(52)	<u>7,472 – 7,770 – 8,083 – 8,405 – 8,742 – 9,092</u> Building Official IT Senior Engineer Parks and Recreation Director Street Superintendent
(53)	<u>7,731 – 8,040 – 8,362 – 8,696 – 9,044 – 9,405</u> Police Sergeant Recycled Water Superintendent Water Superintendent
(54)	<u>8,000 – 8,320 – 8,652 – 8,998 – 9,359 – 9,732</u> City Planner IT Director
(55)	<u>8,275 – 8,605 – 8,950 – 9,308 – 9,680 – 10,068</u> Police Lieutenant
(57)	<u>8,858 – 9,213 – 9,580 – 9,965 – 10,363 – 10,778</u> Police Captain
(59)	<u>9,483 – 9,862 – 10,256 – 10,666 – 11,093 – 11,537</u> City Attorney Assistant City Manager Electric General Manager Finance Director Police Chief

All public works employees, except department heads and all employees working on a temporary or part-time basis, shall be paid the hourly equivalent of the monthly salary of the position class and step number in which they are employed, based upon the actual number of hours worked, computed as follows:

- (a) Number of hours in the employing department's work week multiplied by 52 weeks equals the number of hours per year.
- (b) Present monthly salary of employee multiplied by 12 months equals' annual equivalent of monthly salary.
- (c) Annual equivalent of monthly salary divided by the number of hours per year equals hourly equivalent of monthly salary

Schedule C

Parks & Recreation and EOTEC Seasonal Pay Scales
Effective 07/01/2023 (min. Wage \$13.20)

Parks (03.6710, 03.6715)

Pay Code	Position	Step A	Step B	Step C	Step D	Step E	Step F	Step G
	Park Team Member	\$14.70	\$15.70	\$16.70	\$17.70	\$18.70	\$19.70	\$20.70

Aquatics (03.6720)

Pay Code	Position	Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-14	Aq. Asst Mgr	\$18.95	\$19.70	\$20.45	\$21.20	\$21.95	\$22.70	\$23.45
11-03	Aq. Supervisor	\$15.95	\$16.70	\$17.45	\$18.20	\$18.70	\$19.20	\$19.70
11-09	Aq. Lead	\$13.70	\$14.20	\$14.70	\$15.20	\$15.70	\$16.20	\$16.70
11-04	Aq. WSI	\$13.70	\$14.20	\$14.70	\$15.20	\$15.70	\$16.20	\$16.70
11-01	Aq. Lifeguard	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70	\$14.95
11-06	Aq. Team Member	\$13.20	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70
11-15	Aq. Instructor	\$14.70	\$15.70	\$16.70	\$17.70	\$18.70	\$19.70	\$20.70
11-23	Aq. Red Cross Instructor	\$20.70	\$22.70	\$24.70	\$26.70	\$28.70	\$30.70	\$33.20

Recreation (03.6750)

Pay Code	Position	Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-18	Rec. Specialist	\$14.95	\$15.45	\$15.95	\$16.45	\$16.95	\$17.45	\$17.95
11-19	Rec. Instructor	\$14.95	\$15.70	\$16.70	\$17.70	\$18.70	\$19.70	\$20.70
11-17	Rec. Lead	\$13.70	\$14.20	\$14.70	\$15.20	\$15.70	\$16.20	\$16.70
11-20	Rec. Adult Official	\$16.70	\$18.20	\$19.70	\$21.20	\$22.70	\$24.20	\$25.70
11-28	Rec. Team Member	\$13.20	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70
11-21	Rec. Youth Official	\$13.70	\$14.70	\$15.70	\$16.70	\$17.70	\$18.70	\$20.70

Community Center (03.6760)

Pay Code	Position	Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-29	CC Facility Attendant	\$13.20	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70
11-30	CC Facility Support	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70	\$14.95
11-31	CC Event Staff	\$17.70	\$17.95	\$18.20	\$18.45	\$18.70	\$18.95	\$19.20

Harkenrider (03.6770)

Pay Code	Position	Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-32	HC Facility Attendant	\$13.20	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70
11-34	HC Facility Support	\$13.45	\$13.70	\$13.95	\$14.20	\$14.45	\$14.70	\$14.95

EOTEC (25.6450)

Pay Code	Position	Step A	Step B	Step C	Step D	Step E	Step F	Step G
	EOTEC Team Member	\$13.20	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of June 12, 2023

Title/Subject

Resolution 19 to adopt the FY2023-2024 Budget for the Hermiston Urban Renewal Agency ("HURA").

Summary and Background

Resolution 19 is being presented for approval by the HURA Board of Directors

Tie-In to Council Goals

No goals are applicable. Budget approval is a matter of administration of state law.

Fiscal Information

The adopted budget request for FY2023-2024 is \$1,020,966.

Alternatives and Recommendation

Alternatives

1. Adopt Resolution 19 as presented/recommended
2. Do not adopt Resolution 19 as presented/recommended
3. Adopt Resolution 19 with amended totals/different parameters.

Recommended Action/Motion

Staff recommends Resolution 19 be adopted as presented/recommended

Submitted By:

Clint Spencer

RESOLUTION NO. 19**Adopting the Budget**

BE IT RESOLVED that the Board of Directors of the Hermiston Urban Renewal Agency, hereby adopts the Budget for fiscal year 2023-24 in the total of \$1,020,966 now on file at the office of the City of Hermiston City Recorder.

Making Appropriations

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2023 and for the purposes shown below are hereby appropriated:

General Fund

Materials & Services	\$908,000
Debt Service	\$100,615
Contingency	\$12,351
TOTAL	\$1,020,966

Declaring Tax Increment

BE IT RESOLVED that the Board of Directors of the Hermiston Urban Renewal Agency hereby certifies to the county assessor for the Hermiston Urban Renewal Downtown Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, or the Oregon Constitution.

This resolution shall become effective immediately upon its passage as of the date and year set out below.

PASSED by the Urban Renewal Agency this 12th day of June, 2023.

SIGNED by the Director this 12th day of June, 2023.

David Drotzmann, DIRECTOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER