

AGENDA

MONDAY, JUNE 09, 2025

COUNCIL CHAMBERS - 180 NE 2ND ST.

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

Zoom with Meeting ID: 829 0043 5622 Passcode: 417097 Telephone number to join is:1 253 215 8782; or submitting comments to meetings@hermiston.gov

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

- 1. CALL COUNCIL/CITY MANAGER WORK SESSION MEETING TO ORDER 6:00 PM
 - A. Presentation- Hermiston Civic Leadership Academy
- 2. ADJOURN WORK SESSION MEETING
- CALL REGULAR MEETING TO ORDER 7:00 PM
- 4. DECLARATION OF QUORUM
- 5. FLAG SALUTE
- 6. RECOGNITION
 - A. Recognition of Downtown Banner Contest Winner
- 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 Announcement
- B. Change of Ownership Application for Off Premises Sales for Dino Mart located at 710 W Hermiston Ave
- C. Initiate annexation proceedings Jaber Investment LLC 4N2802BA Tax Lot 100 2455 NE 7th St
- D. Minutes of the May 15th City and HURA Budget Committee Meetings
- E. Minutes of the May 27th City Council Work Session and Regular Meeting

9. ITEMS REMOVED FROM CONSENT AGENDA

10. PUBLIC HEARINGS

A. 2025-26 Budget of the City of Hermiston (See Resolutions 2371-2374 Below)

11. RESOLUTIONS

- A. Resolution No. 2371- Declaring the City of Hermiston's Election to Receive State Revenues
- B. Resolution No. 2372- Adopting the City of Hermiston's Budget, Make Appropriations, and Impose and Categorize Taxes for FY 2025-2026
- C. Resolution No. 2373- Establishing Reserve Funds for the City of Hermiston for FY 2025-2026
- D. Resolution No. 2374- Establishing City Compensation Plan for the City of Hermiston for FY 2025-2026
- E. Resolution No. 2375 Section 3 HUD Requirements Resolution

12. OTHER

A. Adoption of FY2025-26 Umatilla County Dispatch Agreement

13. COMMITTEE REPORTS

A. City Committee and Liaison:

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

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

- E. Youth Advisory Report
- F. Manager's Report
- 14. ADJOURN CITY COUNCIL MEETING AND CONVENE URBAN RENEWAL AGENCY MEETING At or After 7:30 PM
- 15. CALL TO ORDER
- **16. NEW BUSINESS**
 - A. Public Hearing: 2025-26 Budget of the Hermiston Urban Renewal Agency (HURA Resolution No. 24)
 - B. HURA Resolution No. 24- Adopt the FY 2025-26 Budget for the Hermiston Urban Renewal Agency (HURA)
- 17. 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.



Mayor and Members of the City Council **STAFF REPORT**

For the Meeting of June 9, 2025

Title/Subject

Recognition of Downtown Banner Contest Winner

Summary and Background

This is the second year of the community-wide banner contest. Residents were asked to design a banner that represents the Hermiston spirit using elements of the City of Hermiston brand. Nathan Brown was 16 when he designed the banner in 2024. His design includes the Hermiston watermelon and Butte. The Hermiston Downtown District administers the program, and the banners went on display downtown in May.

Tie-In to Council Goals

Goal 4: Connected + Engaged

Action 4.1 Explore expansion of engagement with education partners to develop and implement youth engagement plan to increase understanding of and involvement with City.

Fiscal Information

A \$100 prize goes to Nathan as the banner contest winner.

Alternatives and Recommendation

N/A

Submitted By:

Byron D. Smith



CERTIFICATE OF RECOGNITION

Presented to

Nathan Brown

for his outstanding contribution to the City of Hermiston's culture, identity and vibrancy through his creation of the downtown banner design that proudly decorates our streets.

His artwork beautifully captures the spirit of Hermiston — featuring our iconic watermelon, the distinctive Butte, and radiant sunshine — while honoring our community's legacy, celebrating its present, and inspiring its future. These banners provide a vibrant and lasting sense of place that enhances the character of Downtown Hermiston for all who live, work, and visit here.

Let it be known this 9th day of June 2025 that Nathan Brown's creativity and talent have brightened the Hermiston community through his design.

Doug Primmer, Hermiston Mayor **Byron Smith,** Hermiston City Manager



PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

- 1. Hispanic Advisory Committee
 - o Position 5: 3-year term ending June 30, 2028 (Advertised 04/29/2025)
- 2. Library Board
 - Position 3: 4-year term ending June 30, 2029 (Advertised 04/29/2025)
- 3. Airport Advisory Committee
 - Position 2: Remaining 3-year term ending October 31, 2026 (Advertised 11/08/2024)
- 4. Eastern Oregon Trade & Event Center (EOTEC) Committee
 - Positions 6 & 7: 3-year term ending June 30, 2028 (Advertised 04/29/2025)

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 <u>lalarconstrong@hermiston.gov</u>. Application forms are available at City Hall or on the City's website at https://hermiston.or.us/volunteer. If you have questions, please call Lilly Alarcon-Strong at 541-567-5521.

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



HERMISTON POLICE DEPARTMENT

330 S. First Street Hermiston, Oregon 97838 www.hermiston.gov/police Phone: 541-567-5519 Fax: 541-567-8469

Email: records@hermiston.gov

Sine Metu Sine Gratia Without Fear Without Favor



TO: City Manager Byron Smith

FROM: Chief Jason Edmiston

DATE: May 29th, 2025

SUBJECT: Liquor License Application – Dino Mart

After review of the liquor license application for Dino Mart at 710 W Hermiston Avenue, 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 Jaskaranpal Khinda.

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



Off-Premises Sales

Limited On-Premises Sales

Full On-Premises, Caterer

Full On-Premises, Other Public Location

Full On-Premises, Public Passenger Carrier

OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation - Liquor License

Annual Liquor License Types Brewery-Public House Brewery Distillery Grower Sales Privilege Full On-Premises, Commercial Winery Full On-Premises, For Profit Private Club Wholesale Malt Beverage & Wine Full On-Premises, Non Profit Private Club

Warehouse

Section 1 – Submission – To be completed by Applicant:
License Information
Legal Entity/Individual Applicant Name(s): JSK Hermiston LLC
Proposed Trade Name: Dino Mart
Premises Address: 710 W. Hermiston Ave Unit:
City: Hermiston County: Umatilla zip: 97838
Application Type: O New License Application O Change of Location
License Type: OFF-Premises Sales Additional Location for an Existing License
Application Contact Information
Contact Name: JASK RHINDA Phone: 509-731-244
Mailing Address: 1309 Heritage Hills pl
City: Selah State: WA Zip: 98942
Email Address: Jaskkhinda Qgmail.com
Business Details
Please check all that apply to your proposed business operations at this location:
Manufacturing/Production
Retail Off-Premises Sales
Retail On-Premises Sales & Consumption
If there will be On-Premises Consumption at this location:
Indoor Consumption Outdoor Consumption
Proposing to Allow Minors
Section 1 continued on next page



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation - Liquor License

Section 1 Continued - Submission - To be completed by Applicant:

Legal Entity/Individual Applicant Name(s): JSK Hermiston LLC

Proposed Trade Name: Dino Mart

IMPORTANT: You MUST submit this form to the local government PRIOR to submitting to OLCC.

Section 2 must be completed by the local government for this form to be accepted with your CAMP application.

Section 2 - Acceptance - To be completed by Local Government:

Local Government Recommendation Proof of Acceptance

After accepting this form, please return a copy to the applicant with received and accepted information

City or County Name: City of Hermiston Optional Date Received Stamp

Date Application Received: 05/29/2025

Received by: Lilly Alarcon-Strong, CMC, City Recorder

Section 3 – Recommendation - To be completed by Local Government:

O Recommend this license be granted

O Recommend this license be denied (Please include documentation that meets OAR 845-005-0308)

No Recommendation/Neutral

Name of Reviewing Official: Jason Edmiston

Title: Chief of Police

Date: 05/29/2025

Signature:

After providing your recommendation and signature, please return this form to the applicant.



Mayor and Members of the City Council **STAFF REPORT**

For the Meeting of June 9, 2025

Title/Subject

Initiate annexation proceedings Jaber Investment LLC 4N2802BA Tax Lot 100 - 2455 NE 7th St

Summary and Background

The city has received an application from Ibrahim Jaber of Jaber Investment LLC to annex 3.5 acres of land located at 2455 NE 7th St.

The property is described as 4N2802BA Tax Lot 100. The applicant wishes to develop the property residentially and requires annexation to allow connection to city services which are located in E Punkin Center Road. The property lies within the urban portion of the Urban Growth Boundary and has a Comprehensive Plan Map designation of Medium Density Residential (M) which corresponds to a Medium-High Density Residential (R-3) zoning on the city's zoning map. The applicant has requested annexation with an R-3 zoning designation.

Under ORS 222.120, the city may dispense with an election on annexation except when required to hold an election by charter. The City of Hermiston does not require an election on annexation and the city council typically does not submit annexation requests to voters. When an election is not held, the city council must set dates for public hearings on the proposed annexation. By motion, the city council will establish hearing dates before the planning commission on July 9, 2025 and the city council on July 28, 2025.

Tie-In to Council Goals

Annexations are a matter of administration of city ordinances. This annexation provides an opportunity for additional residential development.

Fiscal Information

At the current assessed value of the property, financial impact to the city will be approximately \$662 in property tax revenue. Subsequent development of the property will greatly increase the assessed value of the property.

Alternatives and Recommendation

Alternatives

Initiate annexation proceedings and direct staff to schedule hearings.

Do not initiate annexation proceedings.

Recommended Action/Motion

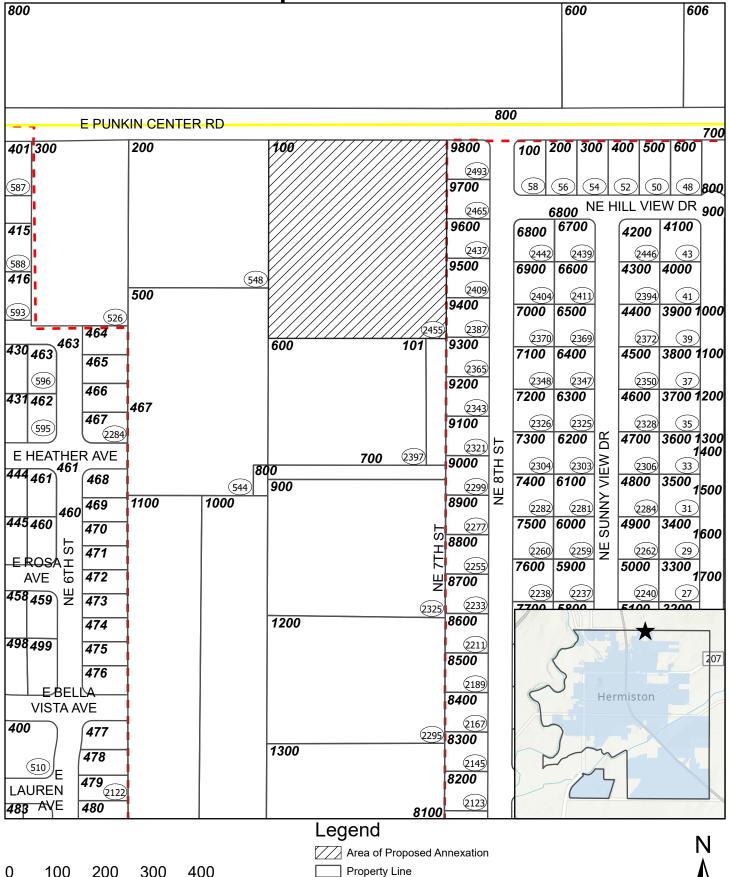
Staff recommends the city council initiate proceedings to annex the property with an R-3 zoning designation.

Motion that the annexation be initiated and direct staff to schedule public hearings. Hearings would be scheduled before the Planning Commission on July 9, 2025 and the City Council on July 28, 2025.

Submitted By:

C.F. Spencer, Planning Director

Notice of Proposed Land Use Action



Feet

Property Line

City Limits

Urban Growth Boundary





Budget Committee Meeting Minutes May 15, 2025

City of Hermiston Budget Committee Meeting

Mayor Doug Primmer opened the meeting of the Budget Committee to consider the proposed budget for the 2025-2026 fiscal year at 5:30pm. Present were Budget Committee members: Anton Wanous, Jason McAndrew, Rod Hardin, Lori Davis, Brian Misner, David Hanson, John Douglass, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy. Ed Brookshier and Paul Magaña were excused.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Chief Edmiston, Finance Director Ignacio Palacios, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, City Attorney Richard Tovey, Library Director Mark Rose, EOTEC General Manager Al Davis, Deputy City Recorder/Planner Heather La Beau, Hermiston Energy Services General Manager Nate Rivera, HR Specialist Crystal Inners, and City Recorder Lilly Alarcon-Strong.

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

Budget Presentation

Budget Officer Byron Smith began the presentation (PowerPoint attached) of the City of Hermiston's FY 2025-26 Proposed Budget by thanking city staff and committee members for their efforts and time. Specifically Finance Director Ignacio Palacios 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 FY2025-26 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 January 2025, the City Council and City staff held a goal setting session during which goals for FY2025-26 and into the future were established. These goals were considered as this budget was assembled.

Below are a few big picture items that affect our budget:

- PERS contribution rates increased 2.16%.
- Property and liability insurance increased approximately 5%.
- Health insurance rates will increase by almost 9%.



Budget Committee Meeting Minutes May 15, 2025

Discussion

The FY2025-26 all-funds budget is \$128,076,639 which is approximately \$11.8 million (10.1%) larger than the FY2024-25 budget. The major reason for this increase in the overall budget is the addition of the EOTEC RV Project (\$8 million). The rest of the increase comes from the creation of a Building Department Fund. Although it isn't truly any additional cost or revenue, the quirks of fund accounting cause a one-time increase in the overall budget.

The FY2025-26 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.

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 these services have a role in a safe, sustainable, and livable community.

General fund revenues and expenditures are estimated to be \$23,029,813 for the fiscal year 2026. This is a \$3.0 million increase or 15%. Approximately \$2.7 million (13% of the 15%) of that is from transferring the assets accumulated by the building department to the new building fund. This transfer is required by state law.

There are a few changes to the personnel housed in the general fund. They are as follows:

- An additional Lieutenant position in the Police Department is proposed to assist in the Patrol division as the additional requirements of department accreditation.
- Due to our continued growth and the growth in safety regulations, we are proposing the addition
 of a safety/risk management position. Our workers' compensation insurance rates continue to rise
 because we need to dedicate more time to safety education and follow-up. The cost of this position
 will be shared 50/50 with the Utility and Street Funds.
- We are also proposing to add back some additional staff (0.6 FTE) to the Library as they anticipate reopening the full library in FY2025-26.
- We are also proposing to add additional part-time staffing hours to the Harkenrider center budget in conjunction with higher usage of the newly added usable basement space.
- Finally, the additional workload of the utility billing and solid waste franchise management has brought us to the point of requesting an additional position in the Finance Department that will be 90% funded by the Utility Fund.

Utility Fund

This fund will be sharing the costs with the Street Fund a CIP-related position to assist in managing the growing number of infrastructure projects in both funds. They will also be sharing in the costs of the



Budget Committee Meeting Minutes May 15, 2025

safety/risk management position and the Finance Department position. These two departments will continue to work on CIP projects to maintain and improve our water infrastructure.

Street Fund

As discussed above, this fund will be paying for a portion of the CIP related position and the safety/risk related position. From a project standpoint the Geer and Harper intersection project will be the focus for the street department.

Hermiston Energy Services (HES) Fund

The HES budget presented implements the council approved rate adjustments and the related capital maintenance projects.

Building Inspections Fund

This fund is new for FY2025-26. This fund provides for residential and commercial inspections and permitting through inspections, consulting, and code interpretation. There are no major budget changes proposed. Due to the increased revenue received by the City in the Building Inspections area, staff felt it was necessary to separate this fund to be more transparent in our compliance with the applicable state law.

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 various projects including the Aquifer Storage and Recovery project in partnership with Amazon Web Services (AWS).

Enterprise Zone Project Fund

This year will be the first year for regular annual revenues and expenditures to happen in this fund due to the certificate of occupancy for buildings on the AWS PDX 138 campus. This occurrence will mean annual payments in lieu of taxes and regular payments to various other taxing districts including Umatilla County Fire District #1.

Eastern Oregon Trade and Event Center (EOTEC) Fund

This fund has a massive increase due to the construction of an RV Park in partnership with AWS. We are working hard to tighten up the operational budget of EOTEC as it continues to build a solid audience.

Information Technology (IT) Fund

This fund continues to be balanced and building a small reserve. In the prior budget (FY2024-25) a position was approved. Due to efficiencies and other factors, that position was never added. We have proposed keeping the additional position but holding it vacant until additional contracts are added that



Budget Committee Meeting Minutes May 15, 2025

will require additional staffing. I would like to thank all of city staff especially Ignacio Palacios and Tasha Harrell for the work they did to complete the budget. Lastly, I would like to thank the City Council and the citizen members of the Budget Committee for your willingness to give your time and serve our community. It is an honor to work with professional and skilled City employees and dedicated community volunteers to present the FY2025-26 budget.

Public Comment

None given.

Tax Levy & Budget Approval

Upon further discussion and answering budget committee questions, Doug Primmer moved Lori Davis seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously. David McCarthy moved and Maria Duron seconded to approve the bonded debt at \$32,000. Motion carried unanimously. Jackie Linton moved and Rod Hardin seconded to approve the FY 2025-26 proposed budget. Motion carried unanimously.

<u>Adjourn City of Hermiston Budget Committee Meeting and Convene the Urban Renewal Agency Budget Meeting-</u> There was no other business and Chair Misner adjourned the City of Hermiston Budget Committee meeting at 6:58pm and announced the Hermiston Urban Renewal Agency Budget Committee meeting would convene immediately.

Hermiston Urban Renewal Agency Budget Committee Meeting

Chair Doug Primmer opened the meeting of the HURA Budget Committee to consider the proposed budget for the 2025-2026 fiscal year at 6:58pm. Present were Budget Committee members: Anton Wanous, Jason McAndrew, Rod Hardin, Lori Davis, Brian Misner, David Hanson, John Douglass, Allen Hayward, Jackie Myers, Maria Duron, Joshua Roberts, Roy Barron, Jackie Linton, Jeff Kelso, and David McCarthy. Ed Brookshier and Paul Magaña were excused.

City Staff present included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Chief Edmiston, Finance Director Ignacio Palacios, Parks and Recreation Director Brandon Artz, IT Director Jordan Standley, Planning Director Clint Spencer, City Attorney Richard Tovey, Library Director Mark Rose, EOTEC General Manager Al Davis, Deputy City Recorder/Planner Heather La Beau, Hermiston Energy Services General Manager Nate Rivera, HR Specialist Crystal Inners, and City Recorder Lilly Alarcon-Strong.

Chair Doug Primmer stated the committee must elect a chair and secretary. Doug Primmer moved and Anton Wanous seconded the nomination of Brian Misner as Chair. Motion carried unanimously. David McCarthy moved and Joshua Roberts seconded to nominate Anton Wanous as secretary. Motion carried unanimously.



Budget Committee Meeting Minutes May 15, 2025

Budget Presentation

Urban Renewal Manager Clint Spencer presented the HURA budget message and information (PowerPoint presentation attached) stating the proposed Hermiston Urban Renewal Agency (HURA) Budget for the 2025-26 Fiscal Year is \$5,857,000.

The 2025-26 Fiscal Year will be active for HURA. FY 2025-26 will be the first full-year of operation for the North Urban Renewal Area and construction of the NE Aspen Drive extension will be a priority project. These public road improvements will improve safety and circulation on the busiest road segment in Hermiston, N First St (Highway 395) between Elm Ave and Theater Lane. The Hermiston Urban Renewal Agency will continue to administer the Downtown URA (Downtown), the Southwest Hermiston URA (SHURA), and the North Hermiston URA (NURA).

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 second year for NURA and no development has occurred in SHURA, no growth is budgeted for either district this year. However, NURA has already seen the development of Popeye's within the district which will contribute to an increase in the frozen base.

District	Frozen Assessed Value	Current Assessed Value	Increase in Value Since Formation
Downtown	\$42,262,899	\$64,825,628	35.9%
SHURA	\$3,494,912	\$3,494,912	0%
NURA	\$43,345,990	\$43,345,990	0%

Downtown

No capital improvements are planned for the 25/26 FY. The SE 2 St gateway project was completed in the 23/24 FY and this year will be used to build cash reserves for future projects. The Façade Grant line item holds steady at \$60,000.

All of the remaining Downtown budget line items are maintaining the status quo. The Festival Street line item holds at \$3,000. The wayfinding project is complete within the Downtown and this line is zero for 25/26. Parking improvements maintains a \$3,000 budget in case a project of opportunity presents itself.

Southwest Hermiston Urban Renewal Area (SHURA)

SHURA has no proposed expenses for the 25/26 FY. Residential development of the area will require construction of a water tower, water booster upgrades, sewer main, and public park. The design and construction of these improvements will take several years to complete. Ownership changes and the



Budget Committee Meeting Minutes
May 15, 2025

primary developer deciding not to pursue the project have put all design work on hold until a new development plan is proposed.

North Hermiston Urban Renewal Area (NURA)

NURA is a one-project urban renewal area. The project will build a new street connecting N First St and NE 4 Street, extending between NE Aspen Drive and the Home Depot access drive. Signalization is also planned. The 25/26 FY is intended to acquire right of way, complete street design and engineering, prepare bid documents, and construct the street. As of the date of this memo, design is complete and right of way acquisition is ongoing. Total budget is \$5,200,000. A small portion of the total project budget was expended across the prior two fiscal years but accumulated interest is higher than the current expenditure leaving the remaining budget for 25/26 at \$5,200,000.

Shared Expenses

Non-Departmental expenses are proposed at \$591,000 and cover debt service and administrative expenses across all three urban renewal areas. Debt service covers reimbursement of loans for Festival Street construction in the downtown and City bond loan repayment for street design, right of way acquisition, and construction in NURA.

Public Comment

None given.

Budget Approval

After questions and discussion of the proposed budget, Doug Primmer moved and Jackie Myers seconded to approve the FY 2025-26 proposed HURA budget with modifications as recommended by Planning Director Clint Spencer. Motion carried unanimously.

Adjourn Hermiston Urban Renewal Agency Budget Committee Meeting

The Committee thanked staff for their work on the budget and making it easy to understand. There was no further business and Chair Misner adjourned the Urban Renewal Agency meeting at 7:18pm.

	APPROVED:	
ATTEST:	Brian Misner, Budget Chair	
Anton Wanous, E	Budget Secretary	



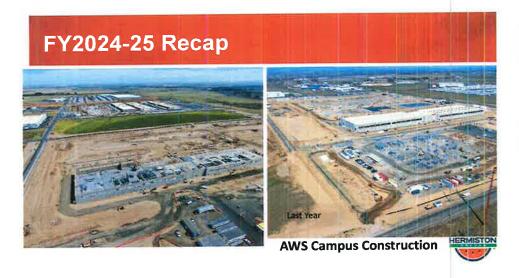
Agenda

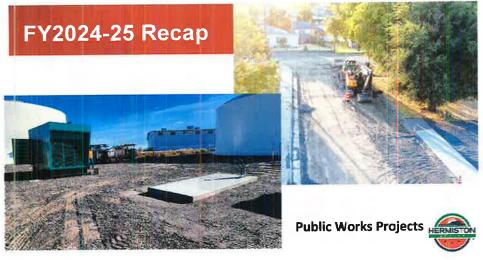
- Recap of 2024-25
- Budget Introduction
- Budget Overview
- Enterprise Funds
- General Fund
- Discussion/Questions



FY2024-25 Recap Water Projects











FY2024-25 Recap – General Fund

- Ninth month of 2024-25 fiscal year (75%)
- Monthly Revenues are over projections by ~\$840k
 - When compared to budget, revenues are meeting expectation at 78.8% (property taxes annualized)
 - UEC Franchise Fees last quarter a large increase
 - Law Enforcement Staffing Fee 111% of budget
 - Business Licenses Somewhat slow about 50% of budget
 - Building Permit Revenue Very Strong

FY2024-25 Recap – General Fund

- Monthly Expenses under projections by ~\$1,424k
 - Although, five departments are over budget when compared to projected all departments are meeting or are below budget through March 2025



FY2024-25 Recap - Other Funds

- EOTEC Fund Struggling
 - Bringing in Cities portion for Barns
- Utility Fund
 - Utility fund ~\$680k over projected revenues
 - One-time Septic Service revenue from AWS

FY2024-25 Recap – Capital Projects

- Harkenrider/Arc/IT Buildout/EOTEC Barns Complete
- Library Fall 2025 Completion
- Public Safety Center Winter 2026 Completion





Budget Introduction



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

Budget Introduction

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

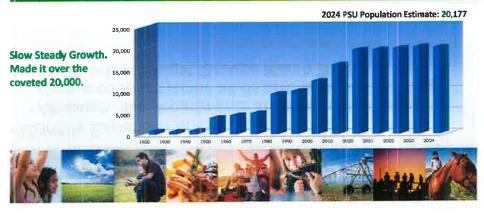


Budget Introduction

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



Budget Overview

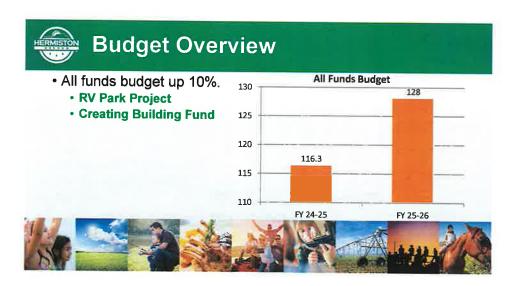


Budget Overview Hermiston Assessed Value In millions \$\$\$ Slow and Steady Growth. Averaging 4.2% annual increases. PY 11-12 FY 12-13 FY 13-14 FY 14-15 FY 15-16 FY 16-17 FY 17-18 FY 13-19 FY 13-20 FY 20-21 FY 21-22 FY 23-23 FY 23-24 FY 24-25



- Overall Good Local Economy
 - Ground Broken on Second Amazon Campus in the City
 - Housing Growth (89 new residential dwelling permits in 2024)



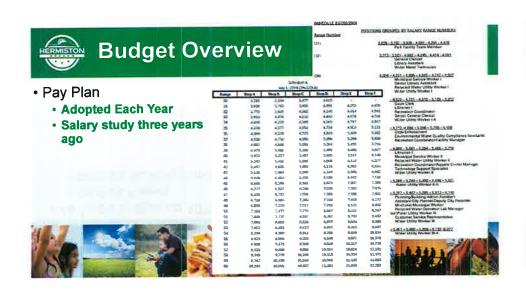


Budget Overview

Basic Assumptions

- Based on Vision, Values and Goals
- Contains a 3.0% wage increase for all employees
- Contains 2.16% PERS rates changes
- Property and Liability insurance increased 5%
- Health insurance rates will increase by ~9%







Budget Overview-Staffing Changes

- Proposed Staffing Changes
 - Adding a safety/risk management position (50/50 GF/Utilities)
 - Adding an additional customer service position in Finance (10/90 GF/Utilities)
 - Adding a lieutenant position in Police Department
 - Adding a Capital Improvement Plan Manager Position (33/67 Streets/Utilities)
 - · Reallocation of Positions in Parks/Recreation



IT Fund - Pg. 89

- Operational Budget
 - •\$1.5 million
 - \$1.1 million from customers
 - •\$269,000 from City of Hermiston
 - 7 employees currently
 - •One additional employee proposed if additional customers sign-on

Street Fund – pg. 55

- Operational Budget
 - •\$2.5 million
- Large Projects Planned pg. 102
 - Geer/Harper Construction-\$1.6 million
 - N. 1st Place Construction-\$1.5 million
 - •NW 2nd Paving (LID) \$580,000



Utility Fund – Recycled Water – pg. 66

- Operational Budget
 - •\$8.0 million
- •Page 110 Capital Projects
 - Cooling Discharge for AWS \$2.8 million
 - Lift #7 Rebuild \$600,000
 - Evelyn Gravity Sewer Replacement-\$480,000



Utility Fund - Water - pg. 68

- Operational Budget
 - •\$8.1 million
- Page 107 Capital Projects
 - •AWS System Expansion (RWS) \$10.9 million
 - Orchard Main Replacement \$1.3 million
 - Well #6 Chlorination \$1.0 million
 - Well #4 Controls Finishing



Hermiston Energy Services – pg. 72

- Operational Budget
 - •\$14.0 million
- Continuing Construction Work Plan Pg. 111



- Moved out of General Fund based on state law requirements
- Operational Budget
 - •\$4.3 million
 - \$2.7 million in reserve for future expense
 - Overhead allocations to GF and IT





EOTEC - pg. 85

- Operations
 - ·\$890,000
- RV Park Construction
 - •\$8.0 million



Greater Hermiston Enterprise Zone – pg. 123

- First-time for ongoing EZ within City Limits
- Revenue
 - From Lamb Weston
 - From Amazon Web Services
- Distributions
 - To Various Internal Funds



Greater Hermiston Enterprise Zone – pg. 123

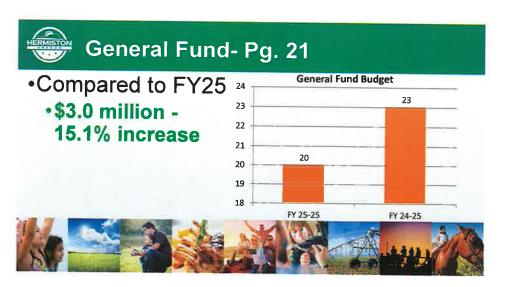
- First-time for ongoing EZ within City Limits
- Expenses
 - Internal Funds
 - · City Hall
 - Civic Projects
 - NE Water Tower
 - Parks Reserve



Greater Hermiston Enterprise Zone – pg. 123

- External Payments (\$2.26 million-Materials/Services)
 - Community Development Contribution (50/50)
 - Upon Initial Construction (None This Year)
 - Annual Improvement Fee (50/50)
 - Depends on #of Completed Buildings (\$2.0 mill)
 - Additional Annual Fee
 - All Taxing Jurisdictions as if \$25 million on tax roll (includes city and county)
 - Public Safety Impact Fee
 - Dedicated to Fire District
 - Student Success Fee
 - Dedicated to School District (Stanfield)







- ·Why Increase?.
 - Transferring out Building Department Funds
 - •13.6% of the 15.1% (1.5% outside of that)
 - Additional Police Lieutenant
 - Portions of Safety and Customer Service Positions





General Fund

- Revenues
 - Increased Franchise Fees from UEC
 - •1st In Lieu of Tax Revenue (Additional Annual Fee)





General Fund

- •City Manager/Legal pg. 28
 - Adding safety/risk management position (shared)
 - •+20.2%





- •Finance pg. 30
 - •+15.1%
 - Adding customer service position (shared)





General Fund

- •Police pg. 49
 - · First Full-Year with Good Shepherd beat
 - Adding Lieutenant to allow for accreditation
 - .+9%
 - Moving into renovated building





General Fund

- •Court pg. 45
 - · Difficulty in hiring attorneys
 - +2.5%





General Fund

- Planning pg. 29
 - Completed one of two transportation studies
 - -25.4%



HERMISTON

General Fund

- Parks-35/Recreation-40/Pool-37/Community Center-41/Harkenrider-42
 - Anticipating increased rentals and programs
 - Average of ~10% increase





General Fund

- •Library pg. 39
 - Partially returning staff hours
 - Moving into new building
 - •+14.7%



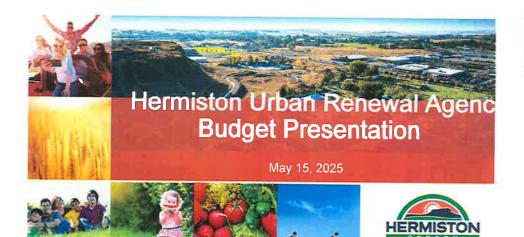


General Fund

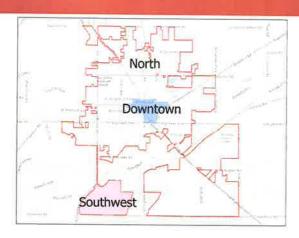
- •Airport pg. 33
 - •-12.8%
 - Life Flight moving operations to Good Shepherd
- •Transportation pg. 32
 - -15.4%
 - Reduction in cost for taxi contract







Urban Renewal Areas





Urban Renewal Agency

- · Manages three areas
- · Operates through tax-increment financing
- Total budget of \$5,857,000 for all three areas



Urban Renewal Agency

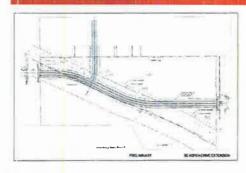
- New accounting approach for 2025-26
 - Each area will be broken out into distinct accounts for both revenue and expenses
 - Previously revenue was held in common and expended for each area
 - In this fiscal year funds will be transferred out of the common administrative area and allocated to each fund
 - The resulting transfers decrease carry forward cash on hand for appropriate expending
 - Creates a cleaner visual reference for the cash on hand and expenditures for each area
 - Complies with state urban renewal budgeting law for isolating tax revenue within each area

Urban Renewal Agency

- A new general fund is created and all existing assets will be placed in this fund and transferred to the appropriate district
- The general fund will start with a \$5,857,000 balance and immediately transfer \$5,545,000 to the North district and \$266,000 to the Downtown district
 - \$46,000 remains in the general fund for administrative expenses such as the annual audit and legal counsel as needed



Urban Renewal Agency



- The North area is budgeted for \$5,200,000 for the construction of NE Aspen Ave construction & \$345,000 for debt service
- Appraisal is complete as of May 9 and offers are ready to go to the property owners for right of way acquisition
- Bidding in summer but potentially pushed to winter for better bidding climate

Urban Renewal Agency

- The Downtown area is budgeted for \$266,000
- \$102,000 is budgeted for debt service covering loans for Festival Street and SE 2nd Street construction as well as the initial façade grant seed loan from the city
- \$60,000 continues in the façade grant budget
 - District will match up to \$20,000 for façade, landscape, or parking improvements for remodeling and new construction
 - Additional \$6,000 for potential landscape improvements as needed
- \$98,000 is in contingency to build savings for future projects



Urban Renewal Agency



- The Southwest area has a zero revenue and zero expenditure budget
- No increase in assessed value since district formation
- Developer has decided not to pursue the residential project
- If a new residential project is proposed the infrastructure design work will recommence
- If a different user appears, such as an industrial project, district will terminate





CITY COUNCIL

Work Session Meeting Minutes May 27, 2025

Mayor Primmer called the work session meeting to order at 6:00pm. Present were Councilors Hayward, Roberts, McCarthy, Duron (arrived at 6:15pm), Myers, and Kelso. Councilor Linton and Barron were excused. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Finance Director Ignacio Palacios, Chief Jason Edmiston, Parks and Recreation Director Brandon Artz, Library Director Mark Rose, and City Recorder Lilly Alarcon-Strong.

City Committee Review

City Manager Smith presented additional information provided at the April 28th meeting (PowerPoint Presentation attached) regarding the different Boards and Committees and introduced Chair members who discussed their respective Committee, Board, or Commission, to include:

Library Board

Chair Lisa Depew and Library Director Mark Rose spoke regarding: Construction updates; the small number of items the community can check out due to having to downsize building size, however, the community is still able to check out materials housed at other libraries in the community; the storage of all other items off-site; programing, now and in the future with the remodeled Library, stating most programing is happening at City Hall but due to limited space availability programing have been reduced; adjustment of Library hours to fit the needs of the community while staying in-budget; focusing on policies to address the new spaces and equipment that will be available in the remodeled Library; and the difficulty it can be to meet regularly without a quorum and finding volunteers who want to serve on the Board.

Airport Advisory Committee

Airport Manager Rolf Anderson Leirvik gave information regarding: Life Flight activity at the Airport and how their future move to Good Shepherd Health Care Systems will impact the Airport; the many other different flights that go in and out of the airport each day to include agriculture, UPS overnight, real estate and construction businesses, as well as various small and large jets; T-Hangar construction updates to accommodate as many as 10 planes as well as giving information regarding the recent 10% tax and Annual Fee tax that the State of Washington is implementing on purchases of \$600,000 or more, which most planes are, this new tax will bring many people in the aviation industry to Oregon/Hermiston which will increase demands for T-Hangars, fuel, mechanics, and the like; long-term plan to expand the runway and other Airport improvement projects where the City is only responsible for about 5% of costs; fuel tax; non-aviation land leases; a successful flight school of 10-15 students each year from all around the area, and more.

Eastern Oregon Trade and Event Center (EOTEC) Advisory Committee

City Manager Smith stated he will give updates as the Chair recently moved from the area. City Manager Smith stated the Committee hears regular updates from EOTEC General Manager Al Davis, and briefly spoke about HEROS (HERmiston Oregon Sportsplex), Barn expansion projects, and future RV Park as these items have been recently discussed in great detail to the Council.



CITY COUNCIL

Work Session Meeting Minutes May 27, 2025

Faith-Based Advisory Committee

Chair Dan Mahon stated the Committee is focused on intentional efforts, engagement, and communication to the faith-based community and community as a whole, with a greater emphasis on community needs and what the Committee can do to aid in these needs; the Committee recently had two new members join; the most recently goals have been to establish resources for those struggling with food insecurities as the closing of Desert Rose Ministries has impacted this community, the Committee has been working with community partners like Made to Thrive, Good Shepherd Health Care Systems, Stepping Stones Alliance, Solid Rock Church, Euvalcree, Agape House, and others in these efforts; Hermiston School District Adoption, where local churches adopt a public school in Hermiston an provide support for staff and students from snacks to clothes, school supplies, and more; I Love My City efforts; Monthly Pastor Breakfast Meeting where 12-25 pastors gather to discuss a variety of topics; diverse churches coming together to strengthen relationships and the Community and more.

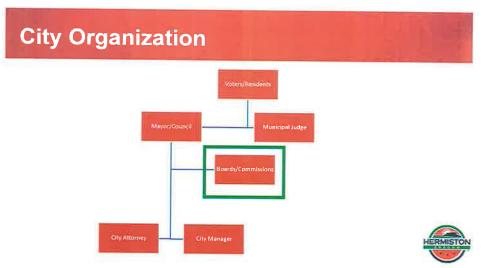
Planning Commission

Chair Dean Fialka and Planning Director Clint Spencer gave information regarding: current large residential developments; land inventory and expanding industrial lands; combined Commissioner experience is about 120 years with Commissioner Margaret Saylor being the longest serving member in the State of Oregon with 50 years of service; how busy the Planning Department and Planning Commission is with meetings starting at 7:00pm and ending at midnight at times; Commissioners have very difficult rulings to make but always try to make decisions based on the best interest of the community, and more.

Adjournment

City Manager Smith stated the Chair of the Parks and Recreation and Recreation Fund Advisory Committee are present to ready to present to the Council, but suggested, based on the time, that the Council adjourn the work session meeting and convene the regular City Council meeting where these presentations can resume and complete. The Council agreed and Mayor Primmer adjourned the work session meeting at 7:04pm and stated the regular council meeting would convene after a short break.





Committees

- Why Do We Have Them?
 - . "Aid the Council in the conduct of public affairs"
 - · A method of public engagement
 - Bringing different perspectives to ideas
- What Kinds of Committees (Boards/Commissions/Committees)?
 - Council Appointed
 - · State Mandated
 - · Community Driven
 - · Council-Only (Policy)
- Sources
 - Ordinances
 - · Council Rules
 - 2025 Council, Staff, Committee and Council Committee Appointments List



Committees

	Ordinance	Council Rules	Committee List Only	State Required	Council Only	Council/Public	Public with Council Liaison
Alirport Advisory Committee	X						×
Budget Committee	X			X		x	
Community Accountability Board	-		X				
Community Enhancement Committee			X			x	
EOYEC Advisory Committee	X						x
Faith-Based Advisory Committee	Х						x
Hispanic Advisory Committee	X.						x
Library Board	х						×
Parks and Recreation Committee	X						×
Planning Commission	X			×			
Public Infrastructure Committee			×		×		
Public Safety Committee			×		×		
Public Transit Committee			×		×		
Recreation Projects Fund Advisory Committee	×					x	
Sanitary Disposal Committee			×		×		
Vacancy Review Soard (Selection Committee)		×			×		(CC)

Committees w/Public Members

- · Hispanic Advisory Committee
 - · Five (5) members with ties to Hermiston's Hispanic Community
 - · Powers and Duties
 - Provide a means of communication between the city's Hispanic community and the city's elected and appointed officials.
 - This enhanced communication will assist in the development of a stronger community that is respectful of all nationalities, races, ethnic groups and cultures.
 - · Established by ordinance public members with a council liaison



Committees w/Public Members

- · Library Board
 - · Five (5) members
 - Powers and Duties
 - · Advise the Librarian, Mayor and Council on the following topics:
 - (A) Rules and policies for the governance of the library;
 - (B) Preparation and submission of an annual budget request;
 - (C) Expenditures from the library fund;
 - The acceptance, use or expenditure of any real or personal property or funds donated to the library;
 - (E) Working with the Umatilla County Library District; and
 - (F) Such other activities as the Librarian, Mayor and Council may request.
 - · Established by ordinance public members with a council liaison



Committees w/Public Members

- Airport Advisory Committee
 - · Five (5) members
 - · Powers and Duties
 - Advise on rules governing the commercial and noncommercial aeronautical activities on the Hermiston Airport, which don't abridge, enlarge, or modify the rules and standards of the Federal Aviation Administration (FAA).
 - Established by ordinance public members with a council liaison



Committees w/Public Members

- · Eastern Oregon Trade and Event Center
 - · Seven (7) members
 - Umatilla County Fair recommendation
 - . Farm-City Pro Rodeo recommendation
 - Chamber recommendation
 - · Four (4) at-large
 - Powers and Duties
 - Advise the Mayor, Council and City Manager on items related to the operations, maintenance and development of the EOTEC.
 - Established by ordinance public members with a council liaison



Committees w/Public Members

- Faith Based Advisory Committee
 - Five (5) members with a connection to Hermiston's faith-based community
 - Powers and Duties
 - Provide a means of communication between the city's religious community and the city's elected and appointed officials.
 - Help determine where the city can have a positive impact on the quality of life of the residents of the City of Hermiston.
 - Established by ordinance public members with a council liaison



Committees w/Public Members

- Parks and Recreation Committee
 - · Seven (7) members
 - · Powers and Duties
 - Advise the Mayor, Council and City Manager on items related to the parks system and the recreation programs of the City.
 - Act as the Community Tree Board.
 - Established by ordinance public members with council liaison



Committees w/Public Members

- Recreation Projects Fund Advisory Committee
 - Five (5) members
 - · Motel operator
 - · Parks and Recreation Committee member
 - · Chamber Representative
 - · City Council member
 - · At large not affiliated
 - Powers and Duties
 - Solicits applications for and then makes recommendations to the Mayor, Council and City Manager on items related to allocation of transient lodging funds to recreation-related projects (9%).
 - Established by ordinance public members with voting councilor



Committees w/Public Members

- Planning Commission
 - · Nine (9) members
 - · Powers and Duties
 - Spelled out in ORS 227.090
 - Transportation
 - Housing
 - Zoning
 - Future growth and beautification of the City
 - Industrial Development
 - · Established by ordinance public members
 - Based on ORS 227.030
 - No more than two voting members of the commission may be in the real estate business.
 - No more than two members shall be engaged in the same kind of occupation, business, trade or profession.



Significant Land	Ordinance	Council Rules	Committee List Only	State Required	Council Only	Council/Public	Public with Council Liaison
Airport Advisory Committee	х						х
Budget Committee	×			×		X	
Community Accountability Board	0		X				
Community Enhancement Committee			X			×	
EOTEC Advisory Committee	X						×
Faith-Based Advisory Committee	X						X
Hispanic Advisory Committee	Х						X
Library Board	х						X
Parks and Recreation Committee	X						X.
Planning Commission	х			×			
Public Infrastructure Committee			X		×		
Public Safety Committee			X		×		
Public Transit Committee	4.		×		X		
Recreation Projects Fund Advisory Committee	х					×	
Sanitary Disposal Committee	4		X		X		
Vacancy Review Board (Selection Committee)		×			×		_





Regular Meeting Minutes May 27, 2025

Mayor Primmer called the regular meeting to order at 7:07pm. Present were Councilors Hayward, Roberts, McCarthy, Duron, Linton, Myers, Kelso, and Barron (arrived at 7:42pm). City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Finance Director Ignacio Palacios, Chief Jason Edmiston, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Mayor Primmer announced that the Council would continue to hear the remaining City Committees presentations and then move forward with the regular City Council agenda.

Work Session Continued- City Committee Review

Parks and Recreation Advisory Committee

Chair Hunter Tibbals and Parks and Recreation Director Brandon Artz spoke regarding: the many parks, programs, and events that the department manages and operates, Mr. Tibbals stated he recently moved to Hermiston from a city with a population of over 120,000 and has been blown away by these events and programs; Parks and Recreation Masterplan; Skatepark updates; Park renaming process, one of which will come before the Council tonight; the work and volunteerism involved in I Love My City efforts; Expansions of sports programs offered at HEROS with tournaments bringing in thousands of dollars into the community; the importance of having thriving outdoor areas such as Parks to help the community be healthy; the incredible videos of projects Mr. Artz makes to showcase improvements made; and how proud Mr. Tibbals is to serve on this Committee with other great community members, support of great service clubs, generous community members, and Mr. Artz and his team.

Recreation Projects Fund Advisory Committee

Chair Hunter Tibbals and Parks and Recreation Director Brandon Artz spoke regarding: the Committee is currently taking applications for funding for community programing with a deadline of May 31st; Currently, application requests have reached a total of \$159,000 with \$125,000 in available funding; The Committee will meet June 18th to review and make funding allocation recommendations; previous events/organizations who have received funding include: Cinco de Mayo, Juneteenth, Downtown District's MelonFest, Basketball Club, HEROS, Made to Thrive, and more; and spoke regarding this great program for the community.

After each Committee presentation, the Council expressed their gratitude for the leadership and volunteerism all Committee members give to their community and asked that each Committee let the Council know if there are ways the Council could help invest in their success.

Citizen Input on Non-Agenda Items

Karen Jones, 1010 W Highland Ave- Asked for a cost estimate on the Hermiston Aquatic Wellness Center and if the information will be presented to the public for review.

City Manager Smith stated the preliminary cost estimate is \$60 million and the assigned Task Force is continuing to meet to discuss this topic but the City does plan to present this information to the Council this fall for review.



Regular Meeting Minutes May 27, 2025

Consent Agenda Items

Councilor McCarty moved, and Councilor Myers seconded to approve Consent Agenda item A-G to include:

- A. Committee Vacancy Announcement
- B. Confirmation to appoint Kyndra Stone to Position 5 of the EOTEC Advisory Committee with a term expiration of June 30, 2028. 1
- C. Confirmation to appoint Mark Rademacher to Position 3 of the Airport Advisory Committee with a remaining term expiration of October 31, 2027.
- D. Final Plat- Upland Meadows Phase 1 & 2 4N2802A Tax Lot 500 811 E Theater Lane
- E. New Liquor License Application for Off Premises Sales for Fast Mart Hermiston Inc. located at 582 E Main Street.
- F. New Liquor License Application for Off Premises Sales for Grocery Outlet located at 1875 N 1st St, Suite E.
- G. Minutes of the May 12th City Council Regular Meeting Motion carried unanimously.

Public Hearing - Initiate Formation of LID 323 on NW 2nd Street (Ordinance No. 2371)

After hearing no declarations of conflict of interest from the Council, City Manager Smith read the hearing guidelines and Mayor Primmer opened the hearing at 7:32pm.

Assistant City Manager Smith gave information (PowerPoint presentation attached) regarding the possible formation of LID 323 due to scheduled traffic barricades being installed on W Elm Av by the Oregon Department of Transportation and how this will impact traffic in the area.

(Councilor Barron arrived 7:42pm)

Public Testimony

Opponents/Remonstrances

Rhonda Schroeder, PO Box 203- stated these properties have been in their family for over 50 years. The area is prone to speeders and the family has major concerns if the area is paved as the gravel does slow down drivers, paving would make the area more dangerous and prone to accidents. The area is light industrial with storage units where trucks drive slow in the area, increased traffic will want to drive faster and make this area dangerous. The estimated \$580,000 is more than they make in 10 years and it would be best if the City paved all the way through Jennie Ave instead.

Emmett Scott, 805 W Quince Ave- Stated Rhonda Schroeder is his grandmother and heard in tonight's presentation that the City wants to install rainwater swells in the new street, however, he graduated high school last year and wants the Council to know that high schoolers love to catch speed on these rainwater swells and jump them which will be another danger to add to this area.



Regular Meeting Minutes May 27, 2025

Mary Jane Hughs, 149 NE 12th St- Stated she is Rhonda Schroeder's sister and some of the staff report presented by Assistant City Manager Morgan is incorrect as the street sweeper takes some of the rocks from that area into the paved street after speeding vehicles go in and out of the street. There isn't many vehicles that travel down this street but could be in the next 2-3 years. The family also provides storage facilities to domestic violence victims and if they have to pay the \$580,000 this will impact how they help those victims going forward. Mrs. Hughs also thanked the Police Department for all the work they do.

Hearing no proponents or neutral parties who wished to give public testimony, Mayor Primmer closed the hearing at 8:17pm.

After additional discussion and questions from the Council, Councilor McCarthy moved and Councilor Kelso seconded to make a finding that the proposed local improvement is immediately needed to address a threat to public health, safety or welfare. Councilor Hayward, Roberts, Myers, McCarthy, Duron, Kelso, and Barron voted in favor; Councilor Linton voted against. Motion failed 7-1.

City Attorney Tovey stated the vote must be unanimous in order to proceed with the LID, however the Council is welcome to make another motion.

Councilor Linton moved to continue the hearing to another date and time with the condition that no sidewalks be installed to save money. Hearing no second, the motion died.

Councilor McCarthy moved and Councilor Roberts seconded to continue the hearing to a specific date and time. Councilor McCarthy rescinded his motion once the Council was notified by City Attorney Tovey that the hearing could no longer be continued as it was closed.

Councilor Barron moved and Councilor Hayward seconded to suspend the formation of the LID for not less than six months. Councilor Hayward, Roberts, Myers, McCarthy, Duron, Kelso, and Barron voted in favor; Councilor Linton voted against. Motion carried 7-1.

Ordinance No. 2371- Creating LID 323

Mayor Primmer stated there will be no action on this item per the Public Hearing results.

Resolution No. 2369- Parks & Recreation Committee Recommendation to Name the New Park in the Cimmaron Development Sherman Park- Parks and Recreation Director Artz spoke regarding the community efforts made to involve the public in naming ideas for this new park, and after reviewing all the entries, the Parks and Recreation Committee is recommending naming the park Sherman Park in recognition of the vast community contributions made by the Sherman's.

Members of the Council spoke regarding the contributions both Ric and Karen Sherman have made to the community and honoring them both in this way would be ideal.

Mayor Primmer asked that Council consider amending the Resolution to include Karen and read the resolution in its entirely adding "Karen" and "their" to the updated resolution.



Regular Meeting Minutes May 27, 2025

Public Comment

Karen Jones, 1010 W Highland Ave- Thanks the Council for the wonderful idea of naming the park after both Ric and Karen Sherman who have contributed so much to the community.

Councilor Linton moved, and Councilor Duron seconded to approve Resolution No. 2369 with the amendments as read aloud by Mayor Primmer and lay upon the record. Motion carried unanimously.

Resolution No. 2370- Airport RPZ Agreement to Purchase Real Property

Assistant City Manager Morgan presented information (PowerPoint Presentation attached) regarding purchasing additional real property to expand the Airport's Runway Protection Zone as described in the agenda packet.

Councilors Roberts and Jeff spoke regarding the incredible opportunity to purchase this property while only contributing \$100,000 of City funding and thanked staff for their long game efforts making this happen. Councilor Myers moved, and Councilor Hayward seconded to approve Resolution No. 2370 and lay upon the record. Motion carried unanimously.

April 2025 Financial Report

After addressing questions from the Council, Councilor Roberts moved and Councilor Duron seconded to accept the April 2025 Financial Report as presented by Finance Director Palacios, Assistant City Manager Morgan, and City Manager Smith (PowerPoint Presentation attached). Motion carried unanimously.

City Committee Review

City Manager Smith stated the Council has heard from all City Committees, Boards, and Commissions as well as received information and recommendations regarding said Committees and is open to questions or discussion regarding staff's recommendation as proposed in the agenda packet.

After some discussion and clarification on committee appointments vs nominations for Council members, Councilor Duron moved and Councilor Myers seconded to approve staff recommendations as presented in the staff report of the agenda packet. Motion carried unanimously.

Committee Reports

<u>Recreation Projects Fund Advisory Committee</u>- Councilor McCarthy stated the deadline for application submission are May 31.

Mayor's Report

Mayor Primmer stated he's had a busy couple of weeks.

Council Presidents Report

Councilor McCarthy spoke regarding Chamber of Commerce ribbon cutting events in June.



Regular Meeting Minutes May 27, 2025

Council Reports

Councilor Hayward thanked all who volunteered and participated in the I Love My City events.

Councilor Kelso stated he also volunteered in the I Love My City tire recycling area and stated he recently attended the City of Umatilla Council Meeting and encouraged the Council and public to attend their meetings as well.

Councilor Barron stated he arrived late as he was in attendance of the High Schools Scholarship Night where three of the Youth Advisors received a large amount of scholarship and gave them praise for their accomplishments.

Councilor McCarthy reminded the Council that the Civic Leadership Academy will present their report to the Council at next week's meeting.

Youth Advisory Report

None present.

City Manager's Report

City Manager Smith stated he will be meeting School District staff to discuss additional resources the School District plans to provide to the Youth Advisor Program next year.

<u>Adjourn</u>

There was no other business and Mayor Primmer adjourned the regular City Council meeting at 9:23pm.

	SIGNED:
ATTEST:	Doug Primmer, Mayor
Lilly Alarcon-Strong,	CMC, City Recorder

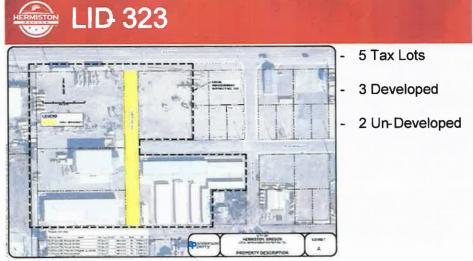


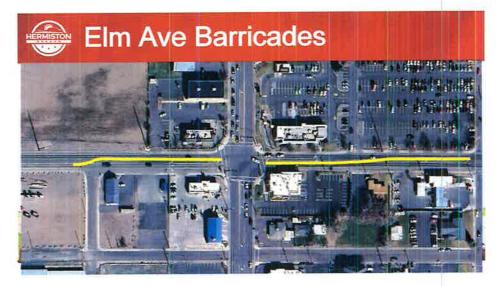


- Approves formation of LID323 to construct street/curb/gutter/sidewalk/stormwater infrastructure on NW 2nd Between Elm Ave. and Cherry Ave.
- Assess 100% of cost to benefitting properties













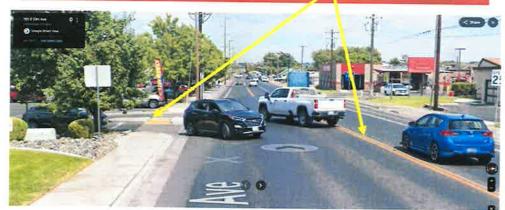
395: 2012Pre-Barricade



Elm Ave @ McDonald's 2012



Elm Ave: 2024 With "Wedge"

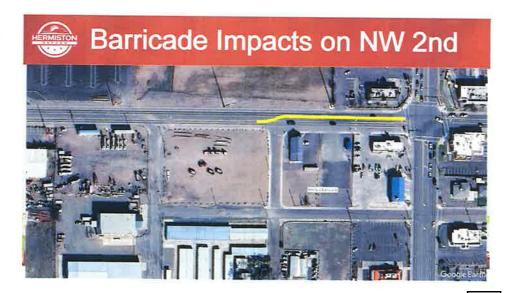




Elm Ave @ Starbucks

Photo Credit: "Hermiston Bad Driver Shaming" - Facebook









Recommendation



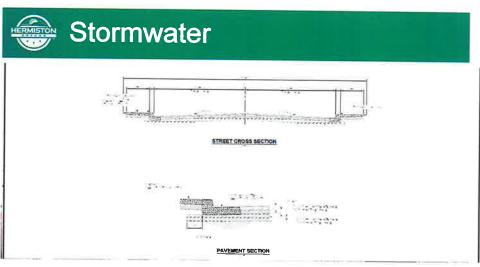
- Develop NW 2nd w/LID
- Pave/Curb/Sidewalk
- Adjacent Benefits
- Adjacent Pay 100% Cost
- City Build Dogwood
 - Pave/Curb/Sidewalk
 - Non-Adjacent Benefits
 - City Pay 100% Cost
 - ~40% if All Together

Timeline

- March 24: Council Ask for Preliminary Engineering Rep.
- March 24: Council 'Intent to Form' Set May 12 Hearing
- March 25: Notice Mailed to Property Owners
- May 8: Staff Identified Typo & Ask for Hearing Delay
- May 9: Property Owner "Remonstrances" Received









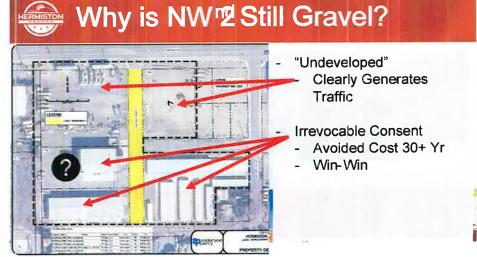


HERMISTON

Why is NW¹² Still Gravel?

- Un-Developed Properties Not Required to Build Adjacent Street.
- Historically Some Properties Allowed to Develop In Exchange for Building Street in Future: Irrevocable Consent/Non-Remonstrance







LID Rules: HMC 34.30

- Valid Remonstrances from more than 60% of Lots
- Council May Override Remonstrances by Unanimous Agreement that Improvements are needed immediately for public health, safety, or welfare



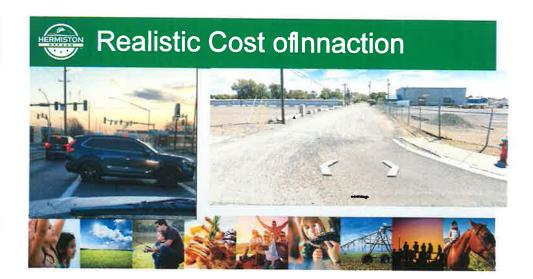
Realistically - Actively Used - Future Development Requirement Anyway - Avoided Cost 30+ Yr

Realistically

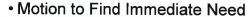


Generally Common
Ownership (Same PO Box)

City Building Dogwood Will Contribute ~40% of cost



Next Steps



Motion to Approve Ordinance 2371

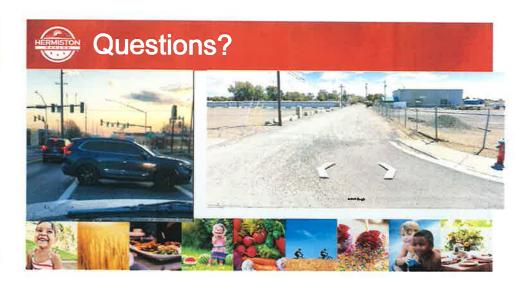
• Design/Bid: Fall '25

• Construct: Spring '26

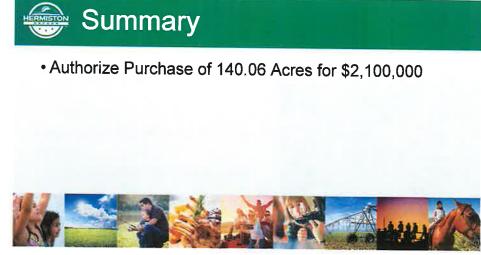
• Levy Actual Cost: Spring '26

• 10 Year Repayment at City's Borrowing Cost













Background

- RPZ Protection on Master Plan since 1970's
- Direct Property Owner Contact Since 2017
- Environmental/Cultural/Etc. Completed 2017-2025
- Appraisal & Appraisal Review (2025): \$2,100,000
- First Right of Refusal to Lease at Fair Market Value





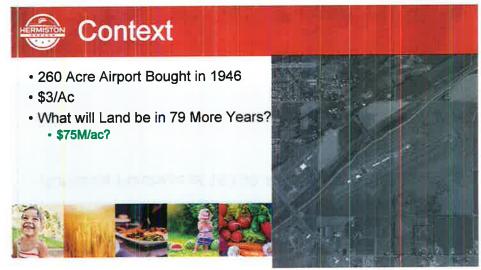
- FAA: \$1,890,000
- ODA: \$150,000
- City Out of Pocket (Including Costs to -Date): ~\$100,000
- True City ROI: <5 Years



Grant Assurances

- Maximize Local Revenue to Support Airport Operations
- Farm Land Currently best financial return for City
- Other Future Uses will Need to Pay Market Rates





Questions?





Hermiston Urban Renewal Agency (HURA)

 North Hermiston Urban Renewal Area – ROW appraisals complete with anticipated bidding this summer.



General Fund

- Tenth month (or 83.3%) of 2024-25 fiscal year
- Monthly Revenues are over projections by ~\$1,029k
 - When compared to budget, revenues are meeting expectation at 83.8% (property taxes annualized)

General Fund

- Monthly Expenses under projections by ~\$1,089k
 - Although, four departments are over budget when compared to projected only City Council is over budget
 - this will be addressed in May 2025.





Special Revenue Funds

- Observations:
 - Included is a EOTEC fund summary for April 2025
 Financial Reports
 - · It is presented compared to projected
 - Actual revenues are \$1,209k or 80% of budget
 - Actual expenditures \$38k over in materials & services primarily due to events cleaning, janitorial and related utilities



Utility and Street Funds

- Observations:
 - Utility fund ~\$680k over projected revenues
 - This corresponds to one time 'septic service' in recycled water



Capital Projects

- A number of projects in design:
 - Geer/Harper Realignment- full design expected by late Spring
 - N. 1st Sidewalk (additional ROW with UPRR has begun)
 - RWS Backup Generators
 - Well #6 Chlorination Structure
 - Aguifer Storage/Recovery drilling is underway
 - Well #4 Controls contract awarded, initial work begins in June

Capital Projects

- · Hangar Replacement foundation work to begin
- Library Drywall nearly complete with new window and door entrances 'cut' into front of building
- The Arc Painting completed
- Public Safety Center
 - Interior framing underway
 - Sally Port addition nearly complete
 - · Roofing installation has begun





55



Mayor and Members of the City Council STAFF REPORT For the Meeting of June 9, 2024

Title/Subject

Resolutions related to the adoption of FY2025-2026 Budget for the City of Hermiston.

Summary and Background

Resolutions 2371, 2372, 2373 and 2374 are presented for Council approval.

Resolution 2371 declares the City of Hermiston's intent/election to receive State revenues pursuant to ORS221.070.

Resolution 2372 adopts the City of Hermiston's budget, makes appropriations, imposes, and categorizes taxes for FY2025-2026.

Resolution 2373 establishes Reserve Accounts in the City of Hermiston's Reserve Fund for FY2025-2026.

Resolution 2374 establishes the Compensation Plan for City of Hermiston employees effective July 1, 2025.

Tie-In to Council Goals

The approved budget for the City of Hermiston for FY2025-2026 ties into City of Hermiston's Vision and Values for FY2025-2026 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 serve the public and to promote diverse housing options, accessible community assets, a healthy environment, and a quality education.

Fiscal Information

The adopted budget request for FY2025-2026 for the City of Hermiston is **\$128,076,639** as approved by the Budget Committee at the Budget Committee meeting held on May 15, 2024.

Alternatives and Recommendation

<u>Alternatives</u>

- 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 adopted as presented/recommended.

Submitted By:

Ignacio Palacios Finance Director

RESOLUTION NO. 2371

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

WHEREAS, pursuant to ORS 221.770, the City of Hermiston must elect to receive state revenues for the fiscal year 2025-2026.

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

- 1. That pursuant to ORS 221.770, the City of Hermiston hereby elects to receive state revenues for the fiscal year 2025-2026.
- 2. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 9th day of June 2025

SIGNED by the Mayor this 9th day of June 2025

Doug Primmer, MAYOR
ATTEST:
Lilly Alarcon-Strong, CMC, CITY RECORDER

RESOLUTION NO. 2371 Page 1 of 1

RESOLUTION NO. 2372

A RESOLUTION ADOPTING THE CITY OF HERMISTON'S BUDGET, MAKE APPROPRIATIONS, AND IMPOSE AND CATEGORIZE TAXES FOR FY2025-2026

THE CITY OF HERMISTON RESOLVES AS FOLLOWS: that the City Council of the City of Hermiston, Umatilla County, hereby adopts the budget for fiscal year 2025-2026 in the total of \$128,076,639 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, 2025 and for the purposes shown below are hereby appropriated:

GENERAL FUND

City Council	59,262
Manager/Legal	1,325,509
Planning	872,441
Finance	921,482
Transportation	467,000
Airport	554,150
Parks	848,227
Parks/Utility Landscaping	113,647
Municipal Pool	663,494
Municipal Buildings	156,769
Library	1,074,288
Recreation	757,940
Community Center	296,204
Harkenrider Center	132,146
Court	1,060,509
Police Operations	8,727,918
Public Safety Building	65,000
Transfer to Streets	70,000
Transfer to Building Inspections	2,722,000
Transfer to Bonded Debt	237,000
Transfer to Reserve	208,100
Transfer to IT	196,600
Debt Service	461,000
Non-Departmental	1,061,850
Contingency	335,527
TOTAL	23,029,813

GO / FF&C BONDED DEBT FUND

Debt Service	1,276,000
TOTAL	1,276,000

RESOLUTION NO. 2372 Page 1 of 5

STATE TAX STREET FUND

Personnel Services	930,216
Materials & Services	976,786
Capital Outlay	53,600
Transfer to Reserve Fund	292,153
Transfer to General Fund	185,500
Transfer to IT Fund	9,600
Contingency	67,032
TOTAL	2,514,887

TRANSIENT ROOM TAX FUND

Materials & Services	141,500
Transfer to General Fund	562,500
Transfer to Reserve	219,375
Transfer to EOTEC	260,625
Debt Service	145,000
Contingency	36,000
TOTAL	1,365,000

UTILITY FUND

Recycled Water – Personnel Services	1,776,408
Recycled Water – Materials & Services	2,302,840
Water – Personnel Services	1,109,217
Water – Materials & Services	1,736,265
Capital Outlay	457,500
Transfer to Reserve	4,279,656
Transfer to General Fund	890,500
Transfer to Street Fund	53,000
Transfer to IT	41,500
Debt Service	2,238,100
Contingency	1,193,000
TOTAL	16,077,986

RESERVE FUND

Materials & Services	971,000
Capital Outlay	35,647,530
Transfer to Utility	278,032
Debt Service	25,000
Reserve for Future Expenditure	1,568,656
Contingency	486,356
TOTAL	38,976,574

RESOLUTION NO. 2372 Page 2 of 5

MISCELLANEOUS SPECIAL REVENUE FUND

Material Services	158,000
TOTAL	158,000
HERMISTON ENERGY SERVICES	
Personnel Services	234,102
Materials & Services	8,631,609
Capital Outlay	2,000,000
Transfer to General Fund	198,500
Transfer to Reserve Fund	500,000
Transfer to IT Fund	2,500
Debt Service	1,070,000
Contingency	1,407,012
TOTAL	14,043,723
REGIONAL WATER FUND	
Personnel Services	327,844
Materials & Services	757,600
Transfer to Reserve Fund	1,650,000
Transfer to General Fund	104,500
Contingency	106,056
TOTAL	2,946,000
CHRISTMAS EXPRESS SPECIAL REVENUE	FUND
Materials & Services	40,000
Reserve for Future Expenditures	25,000
TOTAL	65,000
LAW ENFORCEMENT SPECIAL REVENUE	FUND
Reserve for Future Expenditures	49,780
TOTAL	49,780

RESOLUTION NO. 2372 Page 3 of 5

ENTERPRISE ZONE PROJECT FUND

Materials & Services	2,265,497
Transfer to Utility – NE Water Tower	378,100
Transfer to Reserve	50,000
Transfer to General Fund	521,000
Transfer to Bonded Debt	1,035,000
Contingency	820,598
TOTAL	5,070,195
BUILDING INSPECTIONS FUND	
Personnel Services	796,599
Materials & Services	448,560
Capital Outlay	80,000
Transfer to General Fund	49,200
Transfer to IT	9,500
Reserve for Future Expenditure	2,785,141
Contingency	150,000
TOTAL	4,319,000
EOTEC OPERATIONS FUND	
Personnel Services	485,603
Materials & Services	406,850
Transfer to General Fund	68,000
Transfer to IT Fund	9,700
Capital Outlay	7,647,472
TOTAL	8,617,625
IT FUND	
Personnel Services	1,203,221
Materials & Services	117,800
Capital Outlay	50,000
Transfer to General Fund	172,000
Contingency	6,035
TOTAL	1,549,056
CITY HALL CONSTRUCTION	
Transfer to EOTEC	275,000
TOTAL	275,000
2024 FFC BOND FUND	
Transfer to General Fund Building Construction	234,000
TOTAL	234,000

RESOLUTION NO. 2372

GENERAL FUND BUILDING CONSTRUCTION FUND

Capital Outlay	7,259,000
Transfer to EOTEC	250,000
TOTAL	7,509,000

TOTAL APPROPRIATION ALL FUNDS

128,076,639

Imposing The Tax

THE CITY OF HERMISTON RESOLVES AS FOLLOWS: 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 \$32,500 for bonds; and that these taxes are hereby imposed and categorized for tax year 2025-2026 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 GO / FF&C Bonded Debt Fund	\$6.0860/\$1,000	\$32,500

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

PASSED by the Common Council this 9th day of June 2025

SIGNED by the Mayor this 9th day of June 2025

Doug Primmer, MAYOR
ATTEST:
Lilly Alarcon-Strong, CMC, CITY RECORDER

RESOLUTION NO. 2372 Page 5 of 5

RESOLUTION NO. 2373

A RESOLUTION ESTABLISHING RESERVE FUNDS FOR THE CITY OF HERMISTON FOR FY2025-2026

THE CITY OF HERMISTON RESOLVES AS FOLLOWS:

- 1. That Resolution No. 2328 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.
- 2. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 9th day of June 2025

SIGNED by the Mayor this 9th day of June 2025

Doug Primmer, MAYOR
ATTEST:
Lilly Alarcon-Strong, CMC, CITY RECORDER

RESOLUTION NO. 2373 Page 1 of 1

Exhibit A / Resolution 2373

Office Equipment

Employment Claims

Airport Improvements

Airport Future Hangar

Funland Playground

Res-Future Exp- HES Rate Stabilization

Res-Future Exp- Utility Rate Stabilization

Res-Future Exp- Office Equipment

Res-Future Exp- Employment Claims

Res-Future Exp- Airport Improvements

Aquatic Ctr Maint & Repair Res-Future Exp- TRT/Tourism

TRT/Tourism Res-Future Exp- TRT/Park Development

TRT/Park Development Res-Future Exp- Hermiston Family Aquatic Center

Bicycle Trails
Parks- SDC
Res-Future Exp- Bicycle Trails
Res-Future Exp- Parks SDC
Skate Park
Res-Future Exp- Skate Park

Street Equipment Res-Future Exp- Victory Square Park
Street Maintenance Res-Future Exp- South 2nd St Gateway
CIP Street Construction Res-Future Exp- Street Equipment
New Street Building Res-Future Exp- Airport Hangar

E. Penney Ave Roadway Imprvment

Transportation SDC Exp

Res-Future Exp- Street Maintenance

Res-Future Exp- Street Maintenance

Res-Future Exp- CIP Street Construction

HES Utility Explore

Res-Future Exp- New Street Building

Library Capital Reserve

Res-Future Exp- Traffic Control 11th & Elm

HPD Vehicle Upfitting

Res-Future Exp- Library Capital Reserve

HPD Equipment

Res-Future Exp- HPD Vehicle Upfitting

Sanitary Sewer Dept Equipment Res-Future Exp- HPD Equipment RWT Plant Improvements Res-Future Exp- Public Works Elm Entrance Regional Water SDC Res-Future Exp- CIP Water Projects

Sanitary Sewer - SDC Res-Future Exp- HES Utility Explore
CIP Water Projects Res-Future Exp- Highland Summit Booster

Water Dept Equipment

Water- SDC

Res-Future Exp- Sanitary Sewer Equipment

Res-Future Exp- RWT Plant Improvements

Res-Future Exp- Sanitary Sewer - SDC

Repair/Replace- Regional

Res-Future Exp- Water Dept Equipment

HES Improvements Res-Future Exp- Water- SDC

EOTEC TPA/Marketing

Res-Future Exp- Water- SDC

Res-Future Exp- Repair/Replace Regional

HCC Maintenance & Repair

Res-Future Exp- HCC Maintenace/Repair

Community Enhancements Res-Future Exp- HES Improvements

City Hall Improvements

Res-Future Exp- Belt Park

Res-Future Exp- Community Enhancements

Res-Future Exp- City Hall Improvements

Res-Future Exp- EOTEC TPA/Marketing

Res-Future Exp- EOTEC Equipment
Res-Future Exp- Funland Playground

Res-Future Exp- Alora Heights

Res-Future Exp- Highland/Kennison Field

Res-Future Exp- NE Water Tank

RESOLUTION NO. 2374

A RESOLUTION ESTABLISHING CITY COMPENSATION PLAN FOR THE CITY OF HERMISTON FOR FY2025-2026

WHEREAS, effective July 1, 2025 a 3.0% increase in compensation has been approved by the mayor and council of the City of Hermiston,

NOW THEREFORE THE CITY OF HERMISTON RESOLVES AS FOLLOWS: that the pay plan adopted by Resolution No. 2329 shall be repealed and superseded as follows:

<u>SECTION 1.</u> 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.

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

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

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

<u>SECTION 4</u>. 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, 2025.

Doug Primmer, MAYOR
Doug Filliller, MATOK
ATTEST:

RESOLUTION NO. 2374 Page 1 of 1

Schedule A July 1, 2025 (3% COLA)

Range	Step A	Step B	Step C	Step D	Step E	Step F
30	\$ 3,311	\$ 3,444	\$ 3,581	\$ 3,724	\$ -	\$ -
31	\$ 3,747	\$ 3,897	\$ 4,053	\$ 4,214	\$ 4,383	\$ 4,559
32	\$ 3,887	\$ 4,043	\$ 4,204	\$ 4,373	\$ 4,546	\$ 4,729
33	\$ 4,030	\$ 4,192	\$ 4,359	\$ 4,534	\$ 4,716	\$ 4,904
34	\$ 4,180	\$ 4,348	\$ 4,521	\$ 4,702	\$ 4,890	\$ 5,085
35	\$ 4,335	\$ 4,508	\$ 4,688	\$ 4,876	\$ 5,070	\$ 5,274
36	\$ 4,497	\$ 4,676	\$ 4,863	\$ 5,057	\$ 5,262	\$ 5,471
37	\$ 4,666	\$ 4,852	\$ 5,047	\$ 5,249	\$ 5,458	\$ 5,674
38	\$ 4,838	\$ 5,032	\$ 5,233	\$ 5,443	\$ 5,660	\$ 5,887
39	\$ 5,019	\$ 5,218	\$ 5,427	\$ 5,644	\$ 5,869	\$ 6,105
40	\$ 5,205	\$ 5,415	\$ 5,631	\$ 5,856	\$ 6,090	\$ 6,333
41	\$ 5,399	\$ 5,614	\$ 5,839	\$ 6,074	\$ 6,316	\$ 6,568
42	\$ 5,600	\$ 5,825	\$ 6,057	\$ 6,300	\$ 6,553	\$ 6,812
43	\$ 5,807	\$ 6,040	\$ 6,282	\$ 6,534	\$ 6,793	\$ 7,068
44	\$ 6,024	\$ 6,266	\$ 6,516	\$ 6,778	\$ 7,047	\$ 7,329
45	\$ 6,248	\$ 6,497	\$ 6,758	\$ 7,027	\$ 7,309	\$ 7,601
46	\$ 6,466	\$ 6,723	\$ 6,992	\$ 7,270	\$ 7,562	\$ 7,864
47	\$ 6,690	\$ 6,956	\$ 7,235	\$ 7,525	\$ 7,825	\$ 8,138
48	\$ 6,919	\$ 7,195	\$ 7,483	\$ 7,782	\$ 8,094	\$ 8,417
49	\$ 7,159	\$ 7,445	\$ 7,743	\$ 8,053	\$ 8,375	\$ 8,709
50	\$ 7,404	\$ 7,702	\$ 8,008	\$ 8,329	\$ 8,664	\$ 9,009
51	\$ 7,663	\$ 7,969	\$ 8,288	\$ 8,618	\$ 8,965	\$ 9,323
52	\$ 7,927	\$ 8,243	\$ 8,576	\$ 8,917	\$ 9,274	\$ 9,646
53	\$ 8,202	\$ 8,530	\$ 8,871	\$ 9,225	\$ 9,594	\$ 9,978
54	\$ 8,488	\$ 8,826	\$ 9,179	\$ 9,546	\$ 9,929	\$ 10,324
55	\$ 8,778	\$ 9,130	\$ 9,495	\$ 9,875	\$ 10,270	\$ 10,681
56	\$ 9,083	\$ 9,446	\$ 9,824	\$ 10,217	\$ 10,626	\$ 11,052
57	\$ 9,397	\$ 9,774	\$ 10,164	\$ 10,572	\$ 10,994	\$ 11,434
58	\$ 9,626	\$ 10,011	\$ 10,411	\$ 10,828	\$ 11,262	\$ 11,712
59	\$ 10,060	\$ 10,463	\$ 10,881	\$ 11,315	\$ 11,769	\$ 12,239
60	\$ 10,407	\$ 10,824	\$ 11,255	\$ 11,705	\$ 12,173	\$ 12,661

SCHEDULE B 07/01/2025

POSITIONS GROUPED BY SALARY RANGE NUMBERS

Range Number	TONO STOOTED DT ONE THE TIME NOTIFIE
(31)	3,747 – 3,897 – 4,053 – 4,214 – 4,383 -4,559 Park Facility Team Member Recreation Specialist
(32)	3,887 – 4,043 – 4,204 – 4,373 – 4,546 – 4,729 General Clerical Library Assistant Water Meter Technician
(34)	4,180 – 4,348 – 4,521 – 4,702 – 4,890 – 5,085 Municipal Service Worker I Senior Library Assistant
(35)	4,335 – 4,508 – 4,688 – 4,876 – 5,070 – 5,274 Recycled Water Utility Worker I Water Utility Worker I
(36)	4,497 – 4,676 – 4,863 – 5,057 – 5,262 – 5,471 Court Clerk Librarian I Recreation Coordinator Senior General Clerical Water Utility Worker I-A
(37)	4,666 – 4,852 – 5,047 – 5,249 – 5,458 – 5,674 Code Enforcement Environmental Water Quality Compliance Specialist Recreation Coordinator/Facility Manager
(38)	4,838 – 5,032 – 5,233 – 5,443 – 5,660 – 5,887 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>5,019 – 5,218 – 5,427 – 5,644 – 5,869 – 6,105</u> Water Utility Worker II-A
(40)	5,205 – 5,415 – 5,631 – 5,856 – 6,090 – 6,333 Mechanic/Municipal Worker Recycled Water Operator/ Lab Manager Recycled Water Utility Worker III Customer Service Representative Water Utility Worker III
(41)	<u>5,399 – 5,614 – 5,839 – 6,074 – 6,316 – 6,568</u> Water Utility Worker III-A

(42)	5,600 – 5,825 – 6,057 – 6,300 – 6,553 – 6,812 Assistant City Planner/Deputy City Recorder EOTEC Operations Manager Municipal Buildings Supervisor Municipal Service Lead Worker Park/Facility Lead Worker Recycled Water Utility Worker IV Senior Technology Support Specialist Water Utility Worker IV
(44)	6,024 – 6,266 – 6,516 – 6,778 – 7,047 – 7,329 Assistant Library Director Safety/Risk Management Coordinator Senior Financial Analyst
(46)	6,466 – 6,723 – 6,992 – 7,270 – 7,562 – 7,864 Assistant Building Official - Administration Assistant City Attorney/City Prosecutor Building/Electrical Inspector Communications Manager Executive Assistant/City Recorder Human Resources Specialist IT Systems/Network Engineer Park Manager Recreation Manager Recycled Water Chief Operator Water Chief Operator
(49)	7,159 – 7,445 – 7,743 – 8,053 – 8,375 – 8,709 Assistant Building Official Capital Projects Manager EOTEC General Manager
	Library Director
(50)	
(50) (52)	Library Director 7,404 – 7,702 – 8,008 – 8,329 – 8,664 – 9,009
	Library Director 7,404 – 7,702 – 8,008 – 8,329 – 8,664 – 9,009 Court Administrator 7,927 – 8,243 – 8,576 – 8,917 – 9,274 – 9,646 Building Official IT Senior Engineer Parks and Recreation Director
(52)	Library Director 7,404 – 7,702 – 8,008 – 8,329 – 8,664 – 9,009 Court Administrator 7,927 – 8,243 – 8,576 – 8,917 – 9,274 – 9,646 Building Official IT Senior Engineer Parks and Recreation Director Street Superintendent 8,202 – 8,530 – 8,871 – 9,225 – 9,594 – 9,978 Police Sergeant Recycled Water Superintendent

(59)
$$\frac{10,060 - 10,463 - 10,881 - 11,315 - 11,769 - 12,239}{\text{City Attorney}}$$
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 parttime 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 07/01/2025

	Parks (03.6710, 03.6715)								
Pay Code	Position	Minimum Wage	Step A	Step B	Step C	Step D	Step E	Step F	Step G
	Park Team Member	\$ 14.05	\$ 15.55	\$ 16.55	\$ 17.55	\$ 18.55	\$ 19.55	\$ 20.55	\$ 21.55

		Aquatics (03.6720)											
Pay Code	Position	Minim	Minimum Wage St		Step B	Step C	Step D	Step E	Step F	Step G			
11-14	Aq. Asst Mgr	\$	14.05	\$ 19.80	\$ 20.55	\$ 21.30	\$ 22.05	\$ 22.80	\$ 23.55	\$ 24.30			
11-03	Aq. Supervisor	\$	14.05	\$ 16.80	\$ 17.55	\$ 18.30	\$ 19.05	\$ 19.80	\$ 20.55	\$ 21.30			
11-09	Aq. Lead	\$	14.05	\$ 14.55	\$ 15.05	\$ 15.55	\$ 16.05	\$ 16.55	\$ 17.05	\$ 17.55			
11-04	Aq. WSI	\$	14.05	\$ 14.55	\$ 15.05	\$ 15.55	\$ 16.05	\$ 16.55	\$ 17.05	\$ 17.55			
11-01	Aq. Lifeguard	\$	14.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55	\$ 15.80			
11-06	Aq. Team Member	\$	14.05	\$ 14.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55			
11-15	Aq. Instructor	\$	14.05	\$ 15.55	\$ 16.55	\$ 17.55	\$ 18.55	\$ 19.55	\$ 20.55	\$ 21.55			
11-23	Aq. Red Cross Instructor	\$	14.05	\$ 21.55	\$ 23.55	\$ 25.55	\$ 27.55	\$ 29.55	\$ 31.55	\$ 33.55			

	Recreation (03.6750)									
Pay Code	Position	Mini	mum Wage	Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-18	Rec. Specialist	\$	14.05	\$ 16.80	\$ 17.30	\$ 17.80	\$ 18.30	\$ 18.80	\$ 19.30	\$ 19.80
11-19	Rec. Instructor/Assistant	\$	14.05	\$ 18.55	\$ 19.55	\$ 20.55	\$ 21.55	\$ 22.55	\$ 23.55	\$ 24.55
11-17	Rec. Lead	\$	14.05	\$ 14.55	\$ 15.05	\$ 15.55	\$ 16.05	\$ 16.55	\$ 17.05	\$ 17.55
11-20	Rec. Adult Official	\$	14.05	\$ 17.55	\$ 19.05	\$ 20.55	\$ 22.05	\$ 23.55	\$ 25.05	\$ 26.55
11-28	Rec. Team Member	\$	14.05	\$ 14.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55
11-21	Rec. Youth Official	\$	14.05	\$ 14.55	\$ 15.55	\$ 16.55	\$ 17.55	\$ 18.55	\$ 19.55	\$ 20.55

	Community Center (03.6760)									
Pay Code	Position	Minimur	n Wage	Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-29	CC Facility Attendant	\$	14.05	\$ 14.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55
11-30	CC Facility Support	\$	14.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55	\$ 15.80
11-31	CC Event Staff	\$	14.05	\$ 18.55	\$ 18.80	\$ 19.05	\$ 19.30	\$ 19.55	\$ 19.80	\$ 20.05

	Harkenrider (03.6770)									
Pay Code	Position	Minimum Wage		Step A	Step B	Step C	Step D	Step E	Step F	Step G
11-32	HC Facility Attendant	\$ 1	L4.05	\$ 14.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55
11-34	HC Facilty Support	\$ 1	L4.05	\$ 14.30	\$ 14.55	\$ 14.80	\$ 15.05	\$ 15.30	\$ 15.55	\$ 15.80

	EOTEC (25.6450)								
Pay Code	Position	Minimum Wage	Step A	Step B	Step C	Step D	Step E	Step F	Step G
	EOTEC Team Member	\$ 14.05	\$ 14.05	\$ 14.85	\$ 15.85	\$ 16.85	\$ 17.85	\$ 18.85	\$ 19.85



Mayor and Members of the City Council **STAFF REPORT**

For the Meeting of June 9, 2025

Title/Subject

Resolution No. 2375 - Section 3 HUD Requirements Resolution

Summary and Background

The Section 3 Plan is a Housing and Urban Development (HUD) requirement to encourage the employment of low to moderate income workers on federally funded construction projects like this Community Development Block Grant (CDBG) project for Agape House. A plan here in Eastern Oregon looks a bit different because of our limited pool of contractors. Our plan includes making sure to discuss the Section 3 recommendations at the Pre-Construction meeting and the contractor is then required to submit quarterly reports on how many hours are being put into Section 3 employees.

This Section 3 plan is a requirement of the CDBG process.

Tie-In to Council Goals

N/A

Fiscal Information

N/A

Alternatives and Recommendation

Alternatives

- 1. Adopt Resolution No. 2375 with the attached Section 3 plan as presented.
- 2. Direct Staff to modify the plan then adopt as amended.

Recommended Action/Motion

Motion to approve Resolution No. 2375 as presented.

Submitted By:

Byron D. Smith

RESOLUTION NO. 2375

A RESOLUTION TO ADOPT THE SECTION 3 PLAN TO COMPLY WITH 24 CFR, PART135 OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SECTION 3

WHEREAS, the United States Congress passed Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) to further the goal of ensuring that federal funds benefit the residents of projects funded wholly or in part by those funds; and

WHEREAS, Part 135 of Section 3 is to establish the standards and procedures to be followed to ensure that the objectives of Section 3 are met; and

WHEREAS, the City of Hermiston staff has developed a Section 3 Plan, which is attached and hereby incorporated by this reference, in adherence to 24 CFR, Part 135 that more comprehensively addresses the standards and procedures prescribed in the Act; and

WHEREAS, the Section 3 Plan has been reviewed by the City of Hermiston staff members and their comments incorporated into the Plan.

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

- 1. That the City Council authorizes the City of Hermiston to adopt and implement the Section 3 Plan to ensure compliance with Federal Law and to designate Byron Smith as the Section 3 Coordinator for the City.
- 2. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 9th day of June 2025.

SIGNED by the Mayor this 9th day of June 2025.

Doug Primmer, MAYOR
ATTEST:
Lilly Alarcon-Strong, CMC, CITY RECORDER

RESOLUTION NO. 2375 Page 1 of 1

Section 3 Plan City of Hermiston, Oregon

Version Number		Summary of Changes
1.0	6/4/2025	

5

Table of Contents

Table of Contents i	i
1. Overview of Section 3 Requirements A. WHAT IS SECTION 3? B. PURPOSE OF THIS DOCUMENT C. APPLICABILITY	3
2. Section 3 Coordinator	4
3. Employment, Training, and Contracting Goals	4 4
4. Section 3 Eligibility and Certifications A. SECTION 3 WORKER AND TARGETED SECTION 3 WORKER CERTIFICATION B. SECTION 3 BUSINESS CONCERN CERTIFICATION	7
5. Assisting Contractors with Achieving Section 3 Goals)
6. Section 3 Outreach	9
7. Section 3 Contracting Policy and Procedure)
8. Section 3 Provisions/Contract Language)
9. Reporting Requirements	1
10. Internal Section 3 Complaint Procedure	1
11. Appendices	3 6

1. Overview of Section 3 Requirements A. WHAT IS SECTION 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) that is regulated by the provisions of 24 CFR 75. Section 3 regulations ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to lowand very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

B. PURPOSE OF THIS DOCUMENT

This plan outlines how the City of Hermiston and its subrecipients, contractors and subcontractors will comply with HUD's Section 3 requirements in implementing City of Hermiston's State Administered Community Development Block Grant program. City of Hermiston will, to the greatest extent feasible, ensure that employment and other economic opportunities are directed to low- and very low-income persons (Section 3 workers and Targeted Section 3 workers) and to eligible businesses (Section 3 Businesses) and requires the same of its contractors.

City of Hermiston may amend its Section 3 Policies and Procedures document as necessary to ensure continued compliance with HUD's requirements and/or to reflect updated Section 3 guidance and outreach strategies.

C. APPLICABILITY

For public housing financial assistance, all funding is covered, regardless of the amount of expenditure or size of a contract. This plan applies to development assistance, operating funds, capital funds, and all mixed-finance development.

For housing and community development financial assistance, this plan applies to housing rehabilitation, housing construction, and other public construction projects that exceed \$200,000 or more of housing and community development financial assistance from one or more HUD programs. Applicability is determined at the project level.

For projects funded with Lead and Hazard Control and Healthy Homes Programs, this plan applies to projects that exceed \$100,000.

This plan also applies to projects that include multiple funding sources. Multiple funding source projects include projects that include public housing financial assistance, housing and community development financial assistance for single or multiple recipients, and the Lead Hazard Control and Healthy Homes Program.

Section 3 requirements **do not** apply to: 1) Material Supply Contracts - § 75.3(b), 2) Indian and Tribal Preferences - § 75.3(c), and 3) Other HUD assistance and other Federal assistance not subject to Section 3 §75.3 (d). However, for financial assistance that is not subject to Section 3, recipients are encouraged to consider ways to support the purpose of Section 3.

2. Section 3 Coordinator

City of Hermiston's Section 3 Coordinator serves as the central point of contact for Section 3 compliance for City of Hermiston and its subrecipients, contractors and subcontractors supporting the program. Subrecipients, contractors, subcontractors and others are encouraged to reach out to City of Hermiston's Section 3 Coordinator with questions regarding Section 3 compliance:

Byron Smith

City of Hermiston

3. Employment, Training, and Contracting Goals

A. SAFE HARBOR COMPLIANCE

City of Hermiston will be considered to have complied with the Section 3 requirements and met safe harbor, if they certify that they followed the required prioritization of effort and met or exceeded the Section 3 benchmarks, absent evidence of the contrary.

Prior to the beginning of work, contractors and subcontractors will be required to certify that they will follow the required prioritization of effort for Section 3 workers, Targeted Section 3 workers, and Section 3 business concerns as outlined below in section C. After completion of the project, on the Section 3 Cumulative Report, contractors and subcontractors will be required to certify that they followed the prioritization of effort requirements.

If the contractor and subcontractor does not meet the safe harbor requirements, they must provide evidence that they have made qualitative efforts to assist low and very low-income persons with employment and training opportunities.

B. SAFE HARBOR BENCHMARKS

City of Hermiston has established employment and training goals that subrecipients, contractors, and subcontractors should meet in order to comply with Section 3 requirements outlined in [24 CFR Part 75.9 - for public housing financial assistance] or [24 CFR Part 75.19 - for housing and community development financial assistance]. The safe harbor benchmark goals are as follows:

(for public housing financial assistance)

1) Twenty-five (25) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's fiscal year are Section 3 workers;

Section 3 Labor Hours/Total Labor Hours = 25%



And

2) Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's fiscal year are Targeted Section 3 workers, as defined at 24 CFR Part 75.11.

Targeted Section 3 Labor Hours/Total Labor Hours = 5%

(for housing and community development financial assistance)

1) Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers;

Section 3 Labor Hours/Total Labor Hours = 25%

And

2) Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers, as defined at 24 CFR Part 75.21.

Targeted Section 3 Labor Hours/Total Labor Hours = 5%

HUD establishes and updates Section 3 benchmarks for Section 3 workers and/or Targeted Section 3 workers through a document published in the Federal Register, not less frequently than once every 3 years. Given that the Section 3 benchmarks are subject to change every three years or sooner, City of Hermiston will review and update the Section 3 Plan before every subsequent HUD-funded project.

It is the responsibility of contractors to implement efforts to achieve Section 3 compliance. Any contractor that does not meet the Section 3 benchmarks must demonstrate why meeting the benchmarks were not feasible. All contractors submitting bids or proposals to the City of Hermiston are required to certify that they will comply with the requirements of Section 3.

C. CERTIFICATION OF PRIORITIZATION OF EFFORT FOR EMPLOYMENT, TRAINING, AND CONTRACTING

EMPLOYMENT AND TRAINING

Under the City of Hermiston's Section 3 Program, contractors and subcontractors should make best efforts to provide employment and training opportunities to Section 3 workers in the priority order listed below:

(for public housing financial assistance)

1) To residents of the public housing projects for which the public housing financial assistance is expended;

- 2) To residents of other public housing projects managed by the PHA that is providing the assistance or for residents of Section 8-assisted housing managed by the PHA;
- 3) To participants in YouthBuild programs; and
- 4) To low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

(for housing and community development financial assistance)

Provide employment and training opportunities to Section 3 workers within the metropolitan area (or nonmetropolitan county) in which the project is located in the priority order listed below:

- 1) Section 3 workers residing within the service area or the neighborhood of the project, and
- 2) Participants in YouthBuild programs.

Contractors and subcontractors will be required to certify that they will and have made best efforts to follow the prioritization of effort requirements prior to the beginning work and after work is completed.

CONTRACTING

Under the City of Hermiston's Section 3 Program, contractors and subcontractors must make their best efforts to award contracts and subcontracts to business concerns that provide economic opportunities to Section 3 workers in the following order or priority:

(for public housing financial assistance)

- 1) Section 3 business concerns that provide economic opportunities for residents of public housing projects for which the assistance is provided;
- 2) Section 3 business concerns that provide economic opportunities for residents of other public housing projects or Section-8 assisted housing managed by the PHA that is providing assistance;
- 3) YouthBuild programs; and
- 4) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

(for housing and community development financial assistance)

- Business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which assistance is located in the following order of priority (<u>where feasible</u>):
 - a) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project; and
 - b) YouthBuild programs.



Contractors and subcontractors will be required to certify that they will and have made best efforts to follow the prioritization of effort requirements prior to the beginning work and after work is completed.

4. Section 3 Eligibility and Certifications

Individuals and businesses that meet Section 3 criteria may seek Section 3 preference from City of Hermiston or its contractors/subcontractors for training, employment, or contracting opportunities generated by public housing financial assistance or housing and community development financial assistance. To qualify as a Section 3 worker, Targeted Section 3 worker or a Section 3 business concern, each must self-certify that they meet the applicable criteria.

Businesses who misrepresent themselves as Section 3 business concerns and report false information to City of Hermiston may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities.

A. SECTION 3 WORKER AND TARGETED SECTION 3 WORKER CERTIFICATION

A Section 3 worker seeking certification shall submit self-certification documentation to the recipient contractor or subcontractor, that the person is a Section 3 worker or Targeted Section 3 worker as defined in 24 CFR Part 75. For the purposes of Section 3 worker eligibility, City of Hermiston will use individual income rather than family/household income to determine eligibility. The income limits will be determined annually using the guidelines published at https://www.huduser.org/portal/datasets/il.html.

Persons seeking the Section 3 worker preference shall demonstrate that it meets one or more of the following criteria currently or when hired within the past five years, as documented:

- 1) A low or very low-income resident (the worker's income for the previous or annualized calendar year is below the income limit established by HUD); or
- 2) Employed by a Section 3 business concern; or
- 3) A YouthBuild participant.

Persons seeking the Targeted Section 3 worker preference shall demonstrate that it meets one or more of the following criteria:

(for public housing financial assistance)

- 1) Employed by a Section 3 business concern or
- 2) Currently meets or when hired met at least one of the following categories as documented within the past five years:
 - a) A resident of public housing; or
 - b) A resident of other public housing projects or Section 8-assisted housing; or
 - c) A YouthBuild participant.

(for housing and community development assistance)

- 1) Employed by a Section 3 business concern or
- 2) Currently meets or when hired met at least one of the following categories as documented within the past five years:
 - a) Living within the service area or the neighborhood of the project, as defined in 24 CFR Part 75.5; or
 - b) A YouthBuild participant.

Section 3 workers and Targeted Section 3 workers who are seeking preference in training and employment must submit the Section 3 Worker and Targeted Section 3 Worker Certification Form to the City's Section 3 Coordinator and/or the Contractor that they are applying for employment with, and the Contractor will submit it to the City.

PROJECTS INVOLVING MULTIPLE SOURCES OF FUNDING

In cases where Section 3 covered projects include multiple sources of funds, including public housing financial assistance and housing and community development assistance, the [PHA] must follow the definition of Targeted Section 3 worker and priorities as outlined in subpart B of Part 75. For housing and community development financial assistance, City of Hermiston may follow either subpart B or subpart C of Part 75.

In cases where Section 3 covered projects include multiple housing and development funding sources (financial assistance) from single or multiple recipients, City of Hermiston will follow subpart C of Part 75. Refer to chart in Appendix B.

B. SECTION 3 BUSINESS CONCERN CERTIFICATION

The City of Hermiston, should encourage contractors and subcontractors to make best efforts to award contracts and subcontracts to Section 3 business concerns.

Businesses that believe they meet the Section 3 Business requirements can may self-register in the HUD Business registry, here: http://www.hud.gov/Sec3Biz. Businesses may seek Section 3 Business Concern preference by demonstrating that it meets one or more of the following criteria:

- At least 51 percent of the business is owned and controlled by low- or very low-income persons;
 or
- 2) At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- 3) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers.

Businesses that seek Section 3 preference shall certify, or demonstrate to City of Hermiston, contractors or subcontractors, that they meet the definitions provided in the above. Businesses may demonstrate eligibility by submitting the Section 3 Business Concern Certification Form, located at the City of Hermiston City Hall – 180 NE 2nd St., Hermiston, OR 97838.

Section 3 Business Concern Certification Forms must be submitted at the time of bid/proposal. If the City of Hermiston previously approved the business concern to be Section 3 certified, then the certification can be submitted along with the bid, as long as the form is submitted within the prescribed expiration date.

The Section 3 Business Concern Certification Form will expire after 24 months. Establishing a 24-month certification of eligibility period allows the City of Hermiston the ability to assess contractor performance to ensure the business is striving to meet the required goals.

5. Assisting Contractors with Achieving Section 3 Goals

In an effort to assist contractors with meeting or exceeding the Section 3 goals, City of Hermiston will do the following:

- Share Section 3 Plan with contractors and subcontractors as a part of the bid package.
- 2) Require contractor to sign the Section 3 Plan at pre-construction conference
- 3) Include Appendix C language in the contract documents.
- 4) Review Section 3 benchmarks and prioritization of effort with contractors and subcontractors at the Pre-Construction conference to ensure that the goals are understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to meet Section 3 benchmark goals by utilizing existing qualified workforce and by considering qualified eligible Section 3 workers and Targeted Section 3 workers (per the prioritization of effort outlined in Section #3) before any other person, when hiring additional employees is needed to complete proposed work to be performed with State-Administered Community Development Block Grant program.
- 5) Inform contractors about the HUD Section 3 Opportunity Portal https://hudapps.hud.gov/OpportunityPortal/

6. Section 3 Outreach

A. OUTREACH EFFORTS FOR EMPLOYMENT AND TRAINING

In order to educate and inform workers and contractors, City of Hermiston's Section 3 Coordinator will be prepared to provide training and technical assistance on a regular basis per program guidelines. When training opportunities are available, contractors and subcontractors should, to the greatest extent feasible:

- 1) Notify the Section 3 Coordinator if training opportunities are available
- 2) Provide information/handouts about Section 3 training opportunities to potential Section 3 workers and Targeted Section 3 workers

Contractors and subcontractors should employ several active strategies to notify Section 3 workers and Targeted Section 3 workers of Section 3 job opportunities, including:

- Clearly indicating Section 3 eligibility on all job postings with the following statement: "This job is a Section 3 eligible job opportunity. We encourage applications from individuals that are low income and/or live in Public Housing and/or receive a Section 8 voucher";
- Including the Section 3 Worker and Targeted Section 3 Worker Self-Certification Form in all job postings
- 3) Utilize the Section 3 Opportunity Portal to find qualified candidates



- 4) Establishing a current list of Section 3 eligible applicants on any job postings
- 5) Contacting local community organizations (ex: Worksource Oregon) and provide them with job postings for Section 3 eligible applicants; and

B. OUTREACH EFFORTS FOR CONTRACTING

When contracting opportunities arise in connection with the State-Administered Community Development Block Grant program, City of Hermiston will employ the following strategies to notify Section 3 Business Concerns of Section 3 contracting opportunities, including but not limited to:

- 1) Adding Section 3 language to all RFPs, procurement documents, bid offerings and contracts.
- 2) Advertising contracting opportunities in local community papers, a minority-owned newspaper, and notices that provide general information about the work to be contracted and where to obtain additional information.

7. Section 3 Contracting Policy and Procedure

City of Hermiston will incorporate Section 3 in its existing Procurement Policy and adopt a Section 3 Contracting Policy and Procedure to be included in all procurements generated for use with HUD funding. This policy and procedure contain requirements for making efforts to award contracts to Section 3 Business Concerns.

All contractors/businesses seeking Section 3 preference must, before submitting bids/proposals to the City of Hermiston be required to complete certifications, as appropriate. Such certifications shall be adequately supported with appropriate documentation as referenced in the Section 3 Business Concern Certification Form.

8. Section 3 Provisions/Contract Language

City of Hermiston will include standard Section 3 language in all of its contracts to ensure compliance with regulations in 24 CFR Part 75. City of Hermiston will take appropriate actions upon finding that a contractor is in violation of 24 CFR Part 75 and does not knowingly contract with any contractor that has been found in violation of the Section 3 regulations. At the end of the project, the City will work with the Prime Contractor to identify all Section 3 Employees that were hired or participated in the project.

In addition, contractors and subrecipients are required to include language in all Section 3 covered contracts or agreements for subcontractors to meet the requirements of 24 CFR Part 75.9 (for public housing financial assistance) or 24 CFR Part 75.19 (for housing and community development financial assistance).

For businesses, noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

9. Reporting Requirements

For Section 3 covered contracts, contractors must submit the Section 3 Performance and Summary

Report to City of Hermiston's Section 3 Coordinator on an annual basis and once again at project completion.

A. ANNUAL REPORTING

- 1) Once a project is completed, contractors must submit a final Section 3 cumulative report for the program year.
- 2) Upon the completion of a HUD-funded project, City of Hermiston's Section 3 Coordinator will conduct a final review of the project's overall performance and compliance.
- 3) City of Hermiston will submit an Annual Section 3 Report.
- 4) City of Hermiston's Section 3 Coordinator will submit the Section 3 data to Business Oregon by January 15th of each applicable year (where the City is using HUD funding for a project).

B. REPORTING ON PROJECTS WITH MULTIPLE FUNDING SOURCES

- 1) For Section 3 projects that include public housing financial assistance and housing and community development financial assistance, City of Hermiston and City of Hermiston will report on the project as a whole and will identify the multiple associated recipients.
- 2) For projects assisted with funding from multiple sources of housing and community development assistance that exceed the thresholds of \$200,000 and \$100,000 for Lead Hazard Control and Healthy Homes Programs (LHCHH), the City of Hermiston will follow subpart C of Part 75 and will report to the applicable HUD program office, as prescribed by HUD. Note: LHCHH assistance is not included in calculating whether the assistance exceeds the \$200,000 threshold. HUD public housing financial assistance and HUD housing and community development financial assistance is not included in calculating whether the assistance exceeds the LHCHH \$100,000 threshold. Refer to chart in Appendix B.

10. Internal Section 3 Complaint Procedure

In an effort to resolve complaints generated due to non-compliance through an internal process, City of Hermiston encourages submittal of such complaints to its Section 3 Coordinator as follows:

- 1) Complaints of non-compliance should be filed in writing and must contain the name of the complainant and brief description of the alleged violation of 24 CFR Part 75.
- 2) Complaints must be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.
- 3) An investigation will be conducted if complaint is found to be valid. City of Hermiston will conduct an informal, but thorough investigation affording all interested parties, if any, an opportunity to submit testimony and/or evidence pertinent to the complaint.
- 4) The City of Hermiston will provide written documentation detailing the findings of the investigation. The City of Hermiston will review the findings for accuracy and completeness before it is released to complainants. The findings will be made available no later than forty-five (45) days after the filing of complaint. If complainants wish to have their concerns considered outside of the City of Hermiston a complaint may be filed with:

The HUD program office responsible for the public housing financial assistance or the Section 3 project, or to the local HUD field office. These offices can be found through the HUD website, www.hud.gov/.

Complainants may be eligible to bring complaints under other federal laws. The U.S. Equal Employment Opportunity Commission (EEOC) is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability or genetic information (medical history or predisposition to disease). For more information about complainant rights, please contact EEOC at: www.EEOC.gov.

The Department of Labor Office of Federal Contract Compliance Programs (OFCCP) enforces, for the benefit of job seekers and wage earners, the contractual promise of affirmative action and equal employment opportunity required of those who do business with the Federal government. More information about the services they provide can be obtained at: http://www.dol.gov/ofccp/.

11. Appendices

APPENDIX A: DEFINITIONS

The terms HUD, Public housing, and Public Housing Agency (PHA) are defined in 24 CFR part 5.

The following definitions also apply to 24 CFR Part 75 HUD's Economic Opportunities for Low-and Very Low-Income Persons:

1937 Act means the United States Housing Act of 1937, 42 U.S.C. 1437 et seq. activities related to Public Housing

Contractor means any entity entering into a contract with:

- (1) A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or
- (2) A subrecipient for work in connection with a Section 3 project.

Labor hours means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

Low-income person means a person as defined in Section 3(b)(2) of the 1937 Act, at or below 80% AMI. Note that Section 3 worker eligibility uses individual income rather than family/household income.

Material supply contracts means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

Professional services means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

Public housing financial assistance means assistance as defined in 24 CFR Part 75.3(a)(1).

Public housing project is defined in 24 CFR 905.108.

Recipient means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 business concern means:

- (1) A business concern meeting at least one of the following criteria, documented within the last six-month period:
- (i) It is at least 51 percent owned and controlled by low- or very low-income persons;
- (ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or

- (iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
- (2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.
- (3) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

Section 3 Coordinator is person tasked with overseeing all Section 3 responsibilities for the PHA/CD office.

Section 3 project means a project defined in 24 CFR Part 75.3(a)(2).

Section 3 worker means:

- (1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:
 - (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
 - (ii) The worker is employed by a Section 3 business concern.
 - (iii) The worker is a YouthBuild participant.
- (2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.
- (3) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

Section 8-assisted housing refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

Service area or the neighborhood of the project means an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

Small PHA means a public housing authority that manages or operates fewer than 250 public housing units.

Subcontractor means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

Subrecipient has the meaning provided in the applicable program regulations or in 2 CFR 200.93.

Targeted Section 3 worker has the meanings provided in 24 CFR Part 75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

Very low-income person means the definition for this term set forth in section 3(b)(2) of the 1937 Act (at or below 50% AMI).

YouthBuild programs refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3226).

FY 2024 Income Limits, per HUD for Umatilla County, Oregon:

FY 2024 Income Limit	Median Family Income	FY 2024 Income Limit Category	Persons in Family							
Area	Click for More Detail		1	2	3	4	5	6	7	8
Umatilla County, OR	\$97,100	Very Low (50%) Income Limits (\$) Click for More Detail	29,900	34,150	38,400	42,650	46,100	49,500	52,900	56,300
		Extremely Low Income Limits (\$)* Click for More Detail	17,950	20,500	25,820	31,200	36,580	41,960	47,340	52,720
		Low (80%) Income Limits (\$) Click for More Detail	47,800	54,600	61,450	68,250	73,750	79,200	84,650	90,100

APPENDIX B: MULTIPLE FUNDING SOURCES - CHART

TYPE OF FINANCIAL ASSISTANCE	DEFINITIONS *TARGETED SECTION 3 WORKER	THRESHOLDS	PRIORITIZA TION	REPORTING
Public Housing and Housing and Community Development	PHA – must follow subpart B of Part 75 HCD – may follow subpart B or C of Part 75	None *Any amount of PH assistance triggers Section 3	PHA – must follow subpart B of Part 75 HCD – may follow subpart B or C of Part 75	PHA – must follow subpart B of Part 75 HCD – may follow subpart B or C of Part 75 Both - Must report on project as a whole and identify the multiple associated recipients
Multiple Sources of Housing and Community Development (single or multiple recipients)	Must follow subpart C of Part 75	Exceeds \$200,000 for Section 3 projects *LHCHHP exceeds \$100,000	Must follow subpart C of Part 75	Must follow subpart C of Part 75 Must report on project as a whole and identify the multiple associated recipients Must report to the applicable HUD program office, as prescribed by HUD

APPENDIX C: RECOMMENDED SOLICITATION LANGUAGE/ CONTRACT LANGUAGE

Section 3 Benchmark Goals on HUD-Funded Projects

City of Hermiston has established employment and training goals that subrecipients, contractors, and subcontractors should meet in order to comply with Section 3 requirements outlined in 24 CFR Part 75.19 - for housing and community development financial assistance]. *It is not intended for contractors and subcontractors to terminate existing employees,* but to make every effort feasible to meet Section 3 benchmark goals by utilizing existing qualified workforce and by considering qualified eligible Section 3 workers and Targeted Section 3 workers (per the prioritization of effort outlined in Section #3) before any other person, when hiring additional employees is needed to complete proposed work to be performed with State-Administered Community Development Block Grant program.

The safe harbor benchmark goals are as follows:

1) Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers;

Section 3 Labor Hours/Total Labor Hours = 25%

And

2) Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers, as defined at 24 CFR Part 75.21.

Targeted Section 3 Labor Hours/Total Labor Hours = 5%

Section 3 Certification

Contractors and subcontractors are to make *best efforts* to award contracts and subcontracts to Section 3 business concerns.

Businesses that believe they meet the Section 3 Business requirements can may self-register in the HUD Business registry, here: http://www.hud.gov/Sec3Biz. Businesses may seek Section 3 Business Concern preference by demonstrating that it meets one or more of the following criteria:

- At least 51 percent of the business is owned and controlled by low- or very low-income persons;
- At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- 3) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers.

Businesses that seek Section 3 preference shall certify, or demonstrate to City of Hermiston, contractors or subcontractors, that they meet the definitions provided in the above. Businesses may demonstrate eligibility by submitting the Section 3 Business Concern Certification Form, located at Hermiston City Hall – 180 NE 2nd St., Hermiston, OR 97838. .

Section 3 Business Concern Certification Forms must be submitted at the time of bid/proposal. If the City of Hermiston previously approved the business concern to be Section 3 certified, then the certification can be submitted along with the bid, as long as the form is submitted within the prescribed expiration date. The Section 3 Business Concern Certification Form will expire after 24 months. Establishing a 24 month

certification of eligibility period allows the City of Hermiston the ability to assess contractor performance to ensure the business is striving to meet the required goals.

Section 3 Outreach

Miscellaneous requirements:

- HUD Section 3 Opportunity Portal can be found at the following link: https://hudapps.hud.gov/OpportunityPortal/
- Prime Contractor notify Section 3 Coordinator of their interests regarding employment of Section 3 workers prior to hiring.

City Responsibility to Assist Contractors with Achieving Section 3 Goals

In an effort to assist contractors with meeting or exceeding the Section 3 goals, City of Hermiston will do the following:

- 1) Share Section 3 Plan with contractors and subcontractors as a part of the bid package.
- 2) Require contractor to sign the Section 3 Plan at pre-construction conference
- 3) Include Appendix C language in the contract documents.
- 4) Review Section 3 benchmarks and prioritization of effort with contractors and subcontractors at the Pre-Construction conference to ensure that the goals are understood. It is not intended for contractors and subcontractors to terminate existing employees, but to make every effort feasible to meet Section 3 benchmark goals by utilizing existing qualified workforce and by considering qualified eligible Section 3 workers and Targeted Section 3 workers (per the prioritization of effort outlined in Section #3) before any other person, when hiring additional employees is needed to complete proposed work to be performed with State-Administered Community Development Block Grant program.
- 5) Inform contractors about the HUD Section 3 Opportunity Portal https://hudapps.hud.gov/OpportunityPortal/

In order to educate and inform workers and contractors, City of Hermiston's Section 3 Coordinator will be prepared to provide training and technical assistance on a regular basis per program guidelines. When training opportunities are available, contractors and subcontractors should, to the greatest extent feasible:

- 1) Notify the Section 3 Coordinator if training opportunities are available
- 2) Provide information/handouts about Section 3 training opportunities to potential Section 3 workers and Targeted Section 3 workers

Outreach Efforts for Contracting

When contracting opportunities arise in connection with the State-Administered Community Development Block Grant program, City of Hermiston will employ the following strategies to notify Section 3 Business Concerns of Section 3 contracting opportunities, including but not limited to:

- 1) Adding Section 3 language to all RFPs, procurement documents, bid offerings and contracts.
- Advertising contracting opportunities in local community papers, a minority-owned newspaper, and notices that provide general information about the work to be contracted and where to obtain additional information.

All contractors/businesses seeking Section 3 preference must, before submitting bids/proposals to the City of Hermiston be required to complete certifications, as appropriate. Such certifications shall be adequately supported with appropriate documentation as referenced in the Section 3 Business Concern Certification Form.

Contractors Responsibility to Assist with Achieving Section 3 Goals

Contractors and subcontractors should employ several active strategies to notify Section 3 workers and Targeted Section 3 workers of Section 3 job opportunities, including:

- Clearly indicating Section 3 eligibility on all job postings with the following statement: "This job is a Section 3 eligible job opportunity. We encourage applications from individuals that are low income and/or live in Public Housing and/or receive a Section 8 voucher";
- Including the Section 3 Worker and Targeted Section 3 Worker Self-Certification Form in all job postings
- 3) Utilize the Section 3 Opportunity Portal to find qualified candidates
- 4) Establishing a current list of Section 3 eligible applicants on any job postings
- 5) Contacting local community organizations (ex: Worksource Oregon) and provide them with job postings for Section 3 eligible applicants; and

Reporting Requirements

- 1) For Section 3 covered contracts, contractors must submit the Section 3 Performance and Summary Report to City of Hermiston's Section 3 Coordinator on an annual basis and once again at project completion.
- 2) Once a project is completed, contractors must submit a final Section 3 cumulative report for the program year.
- Upon the completion of a project, City of Hermiston's HUD-funded project Section 3 Coordinator will conduct a final review of the project's overall performance and compliance.
- 4) City of Hermiston will submit an Annual Section 3 Report.
- 5) City of Hermiston's Section 3 Coordinator will submit the Section 3 data to Business Oregon by January 15th of each applicable year (where the City is using HUD funding for a project).



Mayor and Members of the City Council **STAFF REPORT**

For the Meeting of June 9, 2025

Title/Subject

Adoption of FY2025-26 Umatilla County Dispatch Agreement

Summary and Background

On May 12, 2025, the Council adopted the FY2024-25 Dispatch Intergovernmental Agreement (IGA). At that time there was discussion of the drastic increases in cost and the difficulties and timing of information being shared related to costs and increases.

There have been no further discussions with Umatilla County officials related to this IGA. This IGA will allow us another year of services and another year of time to work on the concerns we have.

Tie-In to Council Goals

N/A

Fiscal Information

FY2024-25	\$476,842		
FY2025-26	\$505,453	\$28,611	6%

As you can see the proposed FY2025-26 cost is \$28,611 over the previous year. That is a 6% increase and under the current circumstances is acceptable. It is also within the amount in the approved budget before the Council tonight.

Alternatives and Recommendation

<u>Alternatives</u>

- 1. Adopt IGA as presented.
- 2. Direct Staff to return to the County and continue to negotiate.

Recommended Action/Motion

Motion to authorize the City Manager to sign the FY2025-26 IGA for Dispatch Services as presented.

Submitted By:

Byron D. Smith

INTERGOVERNMENTAL AGREEMENT FOR DISPATCH OF EMERGENCY AND NON-EMERGENCY COMMUNICATION SERVICES

1.0 DATE

The date of this agreement is July 1, 2025.

2.0 PARTIES

An agreement between Umatilla County ("County") and the City of Hermiston ("City") for dispatch services and emergency communications services.

3.0 RECITALS

Whereas Umatilla County Sheriff's Office currently operates a 24-hour Dispatch Center ("Dispatch Center") located within the Umatilla County Justice Center, 4700 Pioneer Place, Pendleton, Oregon, and

Whereas ORS 190.010 authorizes the County and the City to enter into an agreement for cooperative performance of any function or activity that a party to the cooperative agreement has authority to perform.

4.0 PURPOSE

The parties agree to have the County provide the emergency and non-emergency communication dispatch services for the City under the terms and conditions of the agreement.

5.0 TERM

The initial term of this contract will be from July 1, 2025 to June 30, 2026 and may be terminated by either party upon a 365 day written notice to the other party, the Hermiston Police Chief or the Umatilla County Sheriff, as the case may be. This contract will automatically renew for additional one year periods unless terminated as described above.

6.0 COUNTY RESPONSIBILITIES The County will:

- A. Answer emergency 9-1-1 calls for the citizens of the city of Hermiston. Emergency calls will be given priority over non-emergency calls.
- B. As part of the Dispatch Center, provide dispatch services on a 24-hour basis for police service and after hours, weekend, and holiday emergency dispatch for City Public Works and Parks Departments.

- C. Dispatch in accordance with all applicable laws and regulations and practices of the City as they may be implemented or changed after consultation and consent.
- D. Provide written and recorded logging, law enforcement data service and other reasonable services and assistance in connection with the communication services. Enter "Calls for Service" into the CAD/RMS computer system (currently Sun Ridge Systems, Inc.) for Hermiston Police Department.
- E. Morrow County will be a hot backup center to provide seamless dispatch services in the event of an emergency.
- F. Consult with the Hermiston Police on equipment, computer software, budget, procedures, and operation of the center and ensure no significant changes are implemented without express approval of the majority of entities the County dispatches for.
- G. Set up a special fund for dispatch operations, entitled Dispatch Reserve Fund, for equipment purchases and maintenance costs and provide a copy of the annual audit of this fund to the City. Any balance in this fund at the end of the fiscal year will be carried over as a beginning balance for the next fiscal year.
- H. County shall retain control of its Communication Center personnel and their performance of services under this agreement. All such personnel performing services for the county pursuant to this agreement shall be County employees. County personnel are certified as Telecommunicators and Emergency Medical Dispatchers.
- I. County will provide regular updates to the City in regards to any complaints of public or private concerns. County will respond to and address complaints in accordance with best practices, collective bargaining agreements, and update City as to the outcomes.
- J. County will host quarterly meetings with the oversight committee appointed by the Umatilla County Commissioners to discuss all facets of the Communications Center operations that affect the City of Hermiston.

7.0 CITY RESPONSIBILITIES

The City will:

A. Beginning July 1, 2025, City will pay \$505,453 to County, on a periodic basis, upon receiving bill from County, no less frequently than monthly. This amount is based on a pro rata net cost associated with the operation of the dispatch center based on net assessed value. This amount may be adjusted annually if the base amount of cost and/or resources changes. Some anticipated changes could include final personal services expenses arising from contract negotiations with Umatilla County Law Enforcement Association, legislative and other changes to the Public Employee Retirement System and other actions affecting the amount of resources. Due to the state budgeting, funding for the program may change during the year, and as a result

the costs for the fiscal year and contributing agency fees are subject to change and the amount of payments may be opened for further negotiation between the parties.

- B. 911 funds collected by the State of Oregon for the City will be deposited to the County by Oregon Emergency Management. These funds are for answering 911 calls for the City.
- C. Consult with the County on equipment, computer software, budget, procedures and operation of the center.
- D. City will provide opportunity for patrol staff to view dispatch operations at the center for up to four hours per year.
- E. City will respond to and address complaints in accordance with best practices, collective bargaining agreements and update the County as to the outcomes.

8.0 HOLD HARMLESS

To the extent permitted by law, the parties will hold each other harmless and will indemnify the other from any and all causes of action, judgments, claims, damages, or otherwise arising out of its sole and solitary acts under this agreement.

9.0 SUCCESSOR AGREEMENTS

- 9.1 The parties intend to negotiate a successor agreement that will provide for a continuation of cooperative dispatch services, including equipment and software maintenance and replacement, with the costs of those services to be allocated on a mutually agreed formula.
- 9.2 In the event another entity desires to become a party to this agreement, within 30 days of the execution of an agreement including the other entity, the amount paid to County by City will be reallocated on a mutually agreed formula.

10.0 DISPOSITION ON TERMINATION

In the event this agreement is terminated or not renewed, the equipment located at the location of a party will be

CITY OF HERMISTON

UMATILLA COUNTY

Celinda A. Timmons Chair, Board of Commissioners



Mayor and Members of the City Council STAFF REPORT

For the Meeting of June 9, 2025

Title/Subject

Resolution No. 24 to adopt the FY 2025-26 Budget for the Hermiston Urban Renewal Agency (HURA)

Summary and Background

Resolution No. 24 is being presented to the HURA Board of Directors for approval. The 2025-26 budget includes projects in the Downtown, Southwest, and North urban renewal areas. The major project for the agency in 25-26 will be the NE Aspen Drive extension to facilitate commercial development in the north Hermiston commercial area.

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 FY2025-2026 for HURA is \$11,668,000.

Alternatives and Recommendation

Alternatives

- 1. Adopt Resolution 24 as presented/recommended.
- 2. Do not adopt Resolution 24 as presented/recommended.
- 3. Adopt Resolution 24 with amended totals/different parameters.

Recommended Action/Motion

Staff recommends Resolution 24 be adopted as presented/recommended.

Submitted By:

Clinton Spencer,

Urban Renewal Director

RESOLUTION NO. 24

Adopting the Budget

BE IT RESOLVED that the Board of Directors of the Hermiston Urban Renewal Agency, hereby adopts the Budget for fiscal year 2025-26 in the total of \$11,668,000 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, 2025, and for the purposes shown below are hereby appropriated:

General Fund	
Materials & Servicies	\$ 46,000
Transfer to Downtown Urban Renewal Agency	266,000
Transfter to North Urban Renewal Agency	5,545,000
Total	\$ 5,857,000
Downtown Urban Renewal Agency Fund	
Materials & Services	\$ 66,000
Debt Service	102,000
Contningency	98,000
Total	\$ 266,000
North Urban Renewal Agency Fund	
Capital Outlay	\$ 5,200,000
Debt Service	345,000
Total	\$ 5,545,000

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, Hermiston Urban Renewal Southwest Plan Area, and Hermiston Urban Renewal North 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 9th day of June, 2025.
SIGNED by the Director this 9th day of June, 2025.
Douglas Primmer, DIRECTOR
ATTEST:
Lilly Alarcon-Strong, CMC, CITY RECORDER