



# CITY COUNCIL

City Council Council Chambers- 180 NE 2nd Street

*Where Life is Sweet*

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**November 14, 2022 at 7:00 PM**

## **AGENDA**

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

*Zoom with Meeting ID: 841 0675 8958 Passcode: 075556 Telephone number to join is: 1 253  
215 8782; or submitting comments to [meetings@hermiston.or.us](mailto:meetings@hermiston.or.us)*

- 1. CALL REGULAR MEETING TO ORDER – 7:00 PM**
- 2. DECLARATION OF QUORUM**
- 3. FLAG SALUTE**
- 4. PROCLAMATIONS, PRESENTATIONS AND RECOGNITIONS**
  - A. Presentation- Hermiston School District Updates
  - B.** Proclamation- Small Business Saturday
- 5. CITIZEN INPUT ON NON-AGENDA ITEMS**

*Anyone wishing to bring anything before the council that is not on the agenda is asked to please do the following: 1. Please limit comments to not more than FIVE minutes; 2. State your name and address; 3. Direct your comments to the Chair.*
- 6. CONSENT AGENDA**
  - A.** Minutes of the September 26 Public Infrastructure Meeting
  - B.** Confirmation of Appointment to Keith Ellis to Position #3 of the Airport Advisory Committee term ending 10/31/2024
  - C.** Committee Vacancy Announcements
  - D.** Cancel the December 26, 2022 City Council Meeting
  - E.** Minutes of the October 24, 2022 City Council Meeting
- 7. ITEMS REMOVED FROM CONSENT AGENDA**

## **8. PUBLIC HEARINGS**

- A.** Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 - NW Sjoren Lane (Ordinance No. 2342)

## **9. ORDINANCES AND RESOLUTIONS**

- A.** Ordinance No. 2342- Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 NW Sjoren Lane (see "Public Hearing" section)
- B.** Resolution #2242- Authorizing the City of Hermiston to apply for a Clean Water State Revolving Loan Fund (CWSRF) loan from the Oregon Department of Environmental Quality for the South Hermiston Urban Renewal Area's Sewer Main Project in the amount of \$2,947,000.
- C.** Resolution #2243- Franchise Agreement Renewal for Fatbeam, LLC.
- D.** Resolution 2244 – Adopting an IGA with the City of Pendleton for IT Services
- E.** Resolution #2245- Franchise Agreement Renewal for CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink.

## **10. OTHER**

- A.** Discussion and possible support of the Oregon Mayors Association (OMA) homelessness funding recommendations.

## **11. COMMITTEE REPORTS**

- A.** City Committee and Liaison:

Airport Advisory, Budget, Hispanic Advisory, Library Board, Parks and Recreation, Planning Commission, Recreation Projects Fund, Faith-Based Advisory, Community Enhancement, Community Accountability, Public Safety, Public Infrastructure, Transit Planning, EOTEC

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

## **12. RECESS FOR EXECUTIVE SESSION- AT OR ABOUT 8:00PM**

- A.** The Executive Session is held pursuant to ORS 192.660 (2) (e) which allows the Council to meet in Executive Session to conduct deliberations with persons designated by the Council to negotiate real property transactions.

## **13. RECONVENE AND ADJOURN**

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

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



## Small Business Saturday Proclamation

**Whereas**, the government of Hermiston, Oregon celebrates our local small businesses and the contributions they make to our local economy and community as they create jobs, boost our local economy, and preserve our communities; and

**Whereas**, small businesses employ 46.8% of employees in the private sector in the United States, and some economists state that with every \$100 spent at a small local retailer, roughly \$68 will stay in our local economy through taxes, payroll, and donations to local schools and charities; and

**Whereas**, Small Business Saturday® shoppers understand the importance and recognize the impact they can make by shopping small either in person or online, and encouraged friends and family to do so, too; and

**Whereas**, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

**Now, Therefore**, I, Dr. Dave Drotzmann, Mayor of Hermiston, Oregon do hereby proclaim, November 26, 2022, as:

### ***SMALL BUSINESS SATURDAY***

**And** urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year.

SIGNED this 14<sup>th</sup> day of November, 2022

\_\_\_\_\_  
Dr. David Drotzmann, Mayor

Mayor Drotzmann called the meeting to order at 6:00pm. Councilor Peterson was present. Councilor Spicerkuhn was excused. City staff in attendance included: Assistant City Manager Mark Morgan, City Manager Byron Smith, Finance Director Mark Krawczyk, City Attorney Rich Tovey, Street Superintendent Ron Sivey, Wastewater Superintendent Bill Schmittle, and Planning Assistant Heather La Beau. Anderson Perry engineers Joshua Lott and Jay Marlow were in attendance.

## **Umatilla River Bridge PER**

City Engineer, Joshua Lott presented information about the report for a new bridge. The Transportation System Plan has included a bridge over the Umatilla River since 1997. A precise location was not specified. A report was commissioned by the City of Umatilla, City of Hermiston, and Umatilla County to study the options for bridge placement. The optimal bridge location was determined to be the Punkin Center location. A traffic impact analysis was completed. Direct connections to the interstate, City of Umatilla residents, as well as undeveloped land west of the Umatilla River would be provided with this location. Land use and acquisition was discussed in the report. The Punkin Center location allows the project to be phase able for additional future connections. The bridge is not anticipated to be designated as a truck route. The Transportation System Plan will be updated within the next year or two. The Memorandum of Understanding (MOU) for the report is being presented to the City Council for adoption at tonight's meeting.

## **N 1<sup>st</sup> Reconstruction Project**

Assistant City Manager Morgan stated the project will go out to bid in November and anticipate construction to begin early 2023. As demonstrated with PowerPoint slides, driveways were designed to eliminate vehicles backing onto the heavily trafficked arterial roadway. Some properties will lose the ability to park in the front of their businesses. On-Street parking will not be available. Needs of the businesses were considered as was overall safety and ADA compliance. The project is being funded by ODOT and will meet the State's ADA requirements. An informational handout is being delivered this week to businesses on N 1<sup>st</sup> St as well as business on W Hermiston Ave from 1<sup>st</sup> to 3<sup>rd</sup>. A gravel portion of the NW 3<sup>rd</sup> St detour was paved recently as part of the project.

## **Lift 3 and Lift 6 Project**

Jay Marlow updated the committee on the lift projects. The contractor began work on lift station #6 at the intersection of Ridgeway and N 1<sup>st</sup> Place. The contractor for lift #3 began excavating for the pit underneath railroad right-of-way. Additional investigative work was requested by Union Pacific prior to boring. Ground penetrating radar survey work was done and the results have been submitted to the railroads for review. He is hopeful work can continue soon. The project may still be completed on time or it may be delayed until spring due to the time needed to complete the road replacement. Delays do increase the cost, however there is substantial savings over the long-term with the new system.

## **Regional Water System (RWS) Extension/Expansion**

Amazon Data Services has requested cooling water be delivered to the proposed data centers located at the Feedville/Kelli location (PDX 138) by September of 2023. Design of the water delivery expansion began earlier this year. In order to meet the expected date, the existing potable line from 1<sup>st</sup> to Feedville will be extended to Kelli Blvd. The property owner will incur the costs associated with the extension. It is anticipated this line will serve the facility for the first 1 to 2 years. To meet capacity, the OSU extension will no longer use water from the line.

An additional system will simultaneously be constructed with a redundant 24" line that will take non-potable water from the river to service the entire facility. Once the line is operational, the city will then retain the potable line for future industrial users. The project is anticipated to go out to bid in November and begin construction at the beginning of the year.

## **Capital Improvement Projects (CIP) update**

The CIP is updated every two years. Department heads have begun review of the plan to address any new projects and Anderson Perry will update cost estimates for existing projects. The updated plan should be ready for council adoption in January.

## **Adjourn**

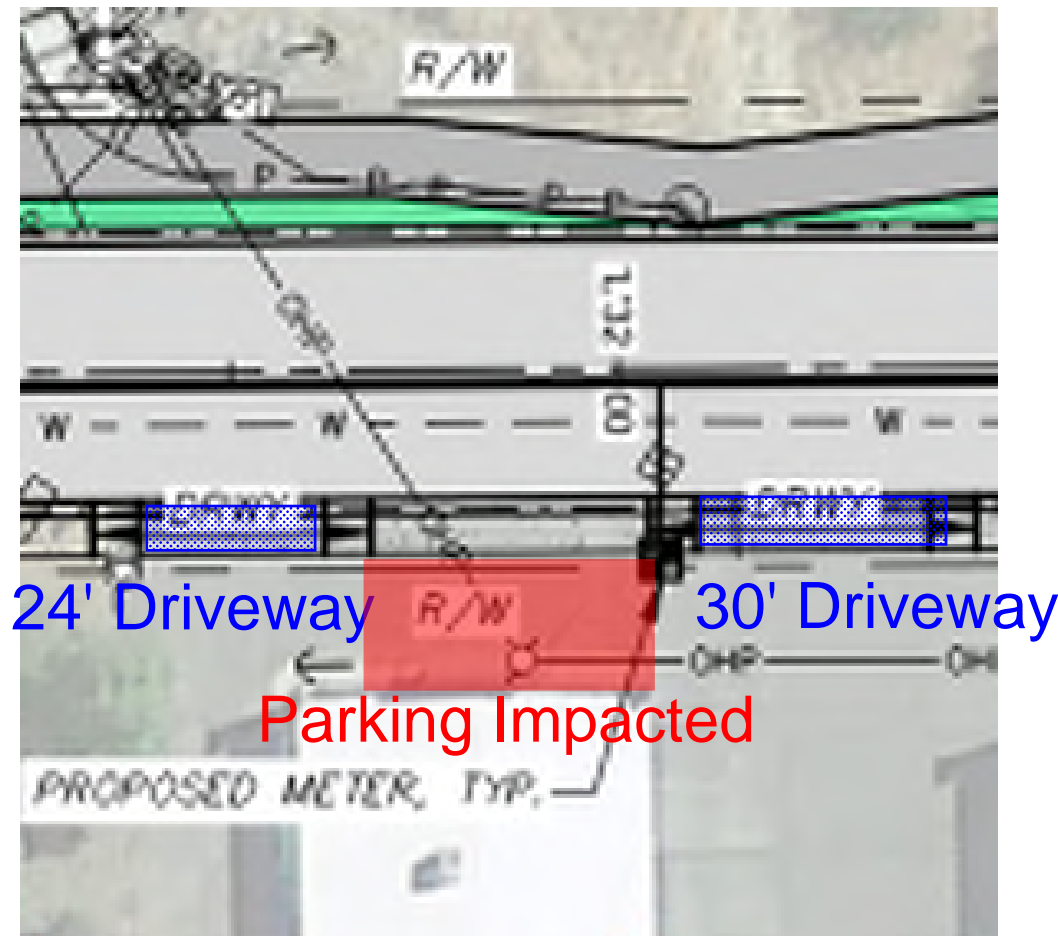
Mayor Drotzmann adjourned the meeting at 6:52pm.

DRAFT

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Access Inhibited during construction: No



No Access during Construction



Access during Construction

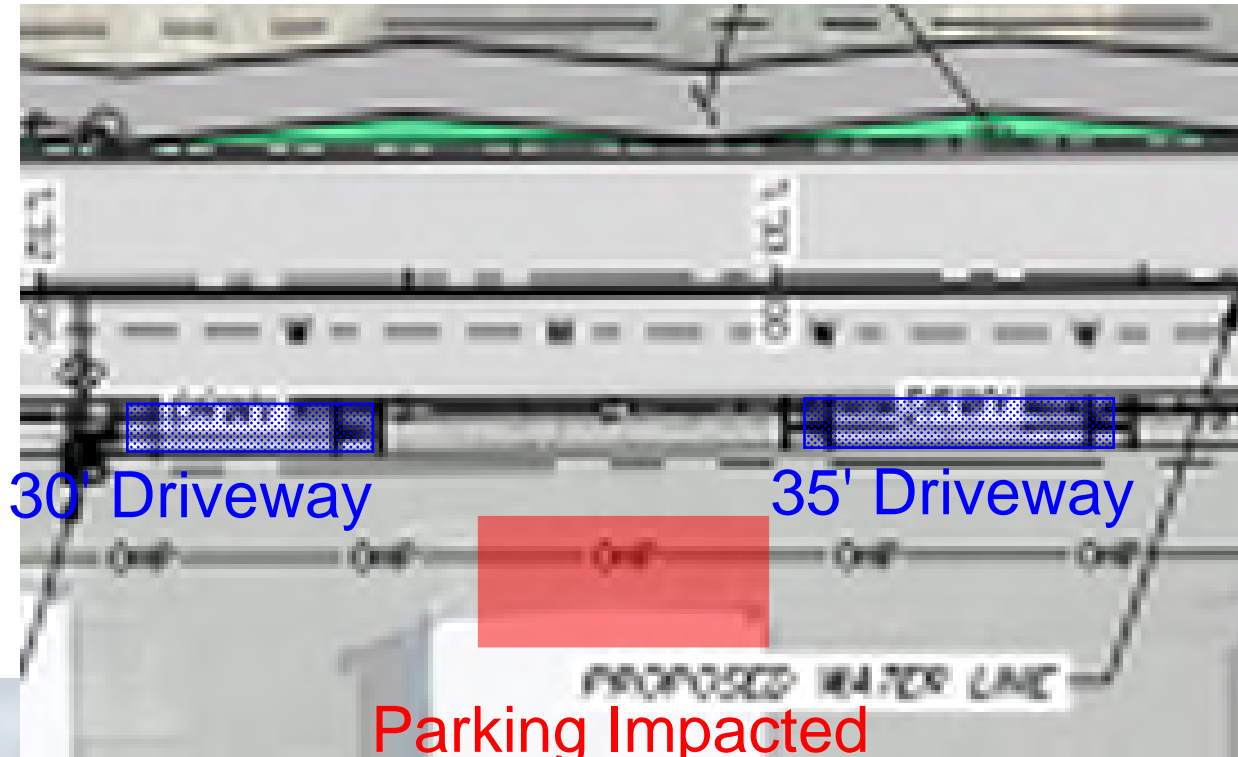


Back of Sidewalk

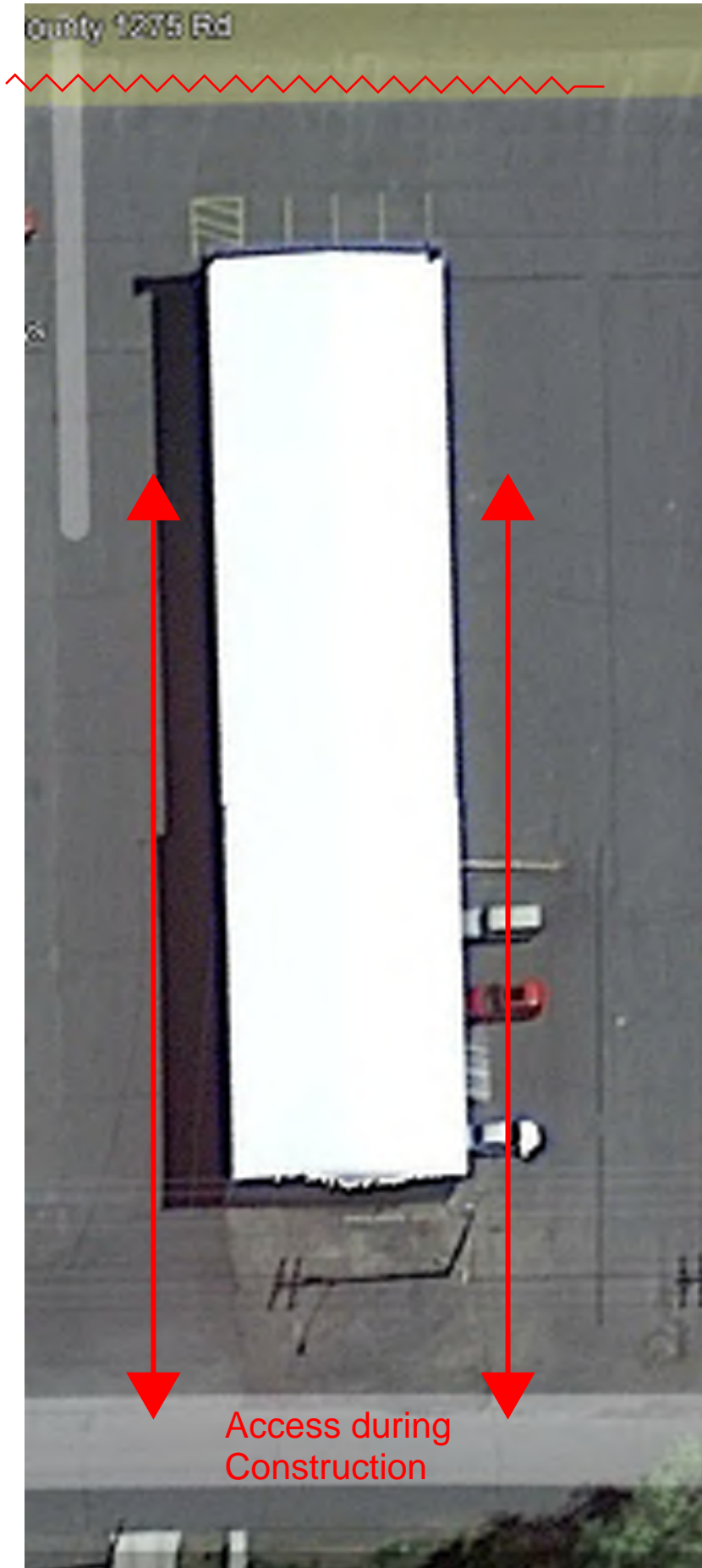
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Access Inhibited during construction: No

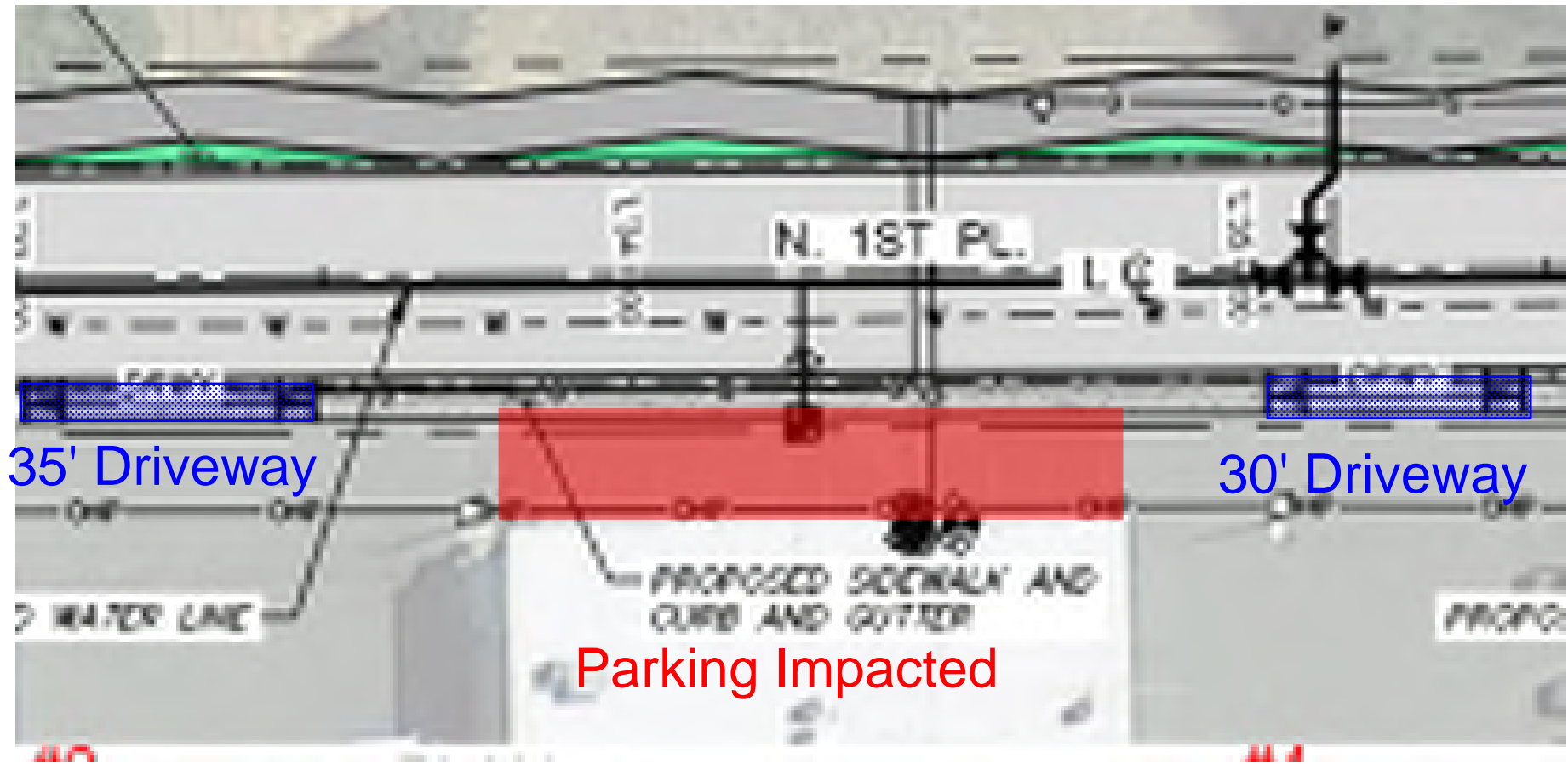


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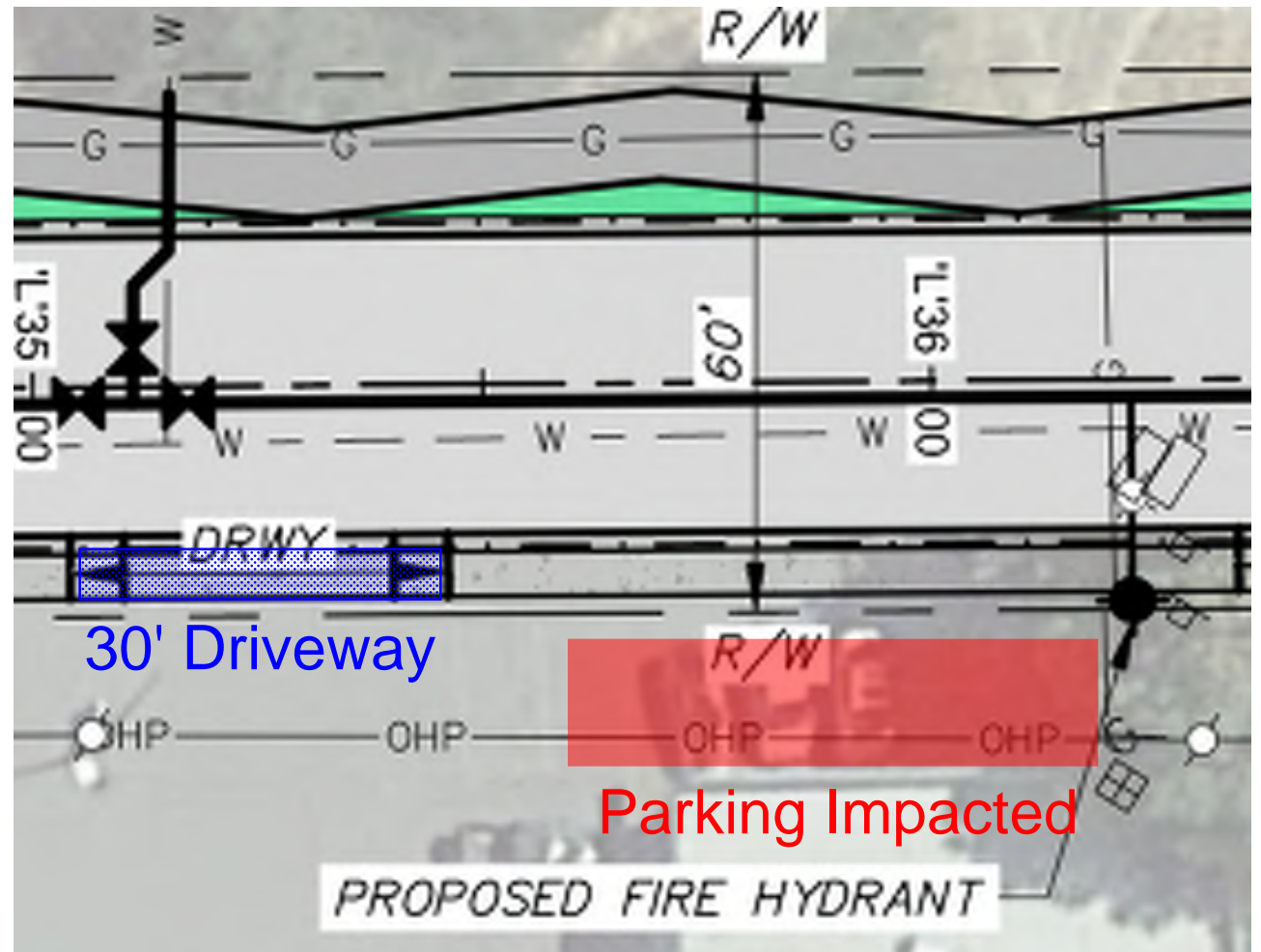
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Access Inhibited during construction: No



No Access during Construction



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Parking Spots impacted: 9  
Access Inhibited during construction: No



No Access during Construction

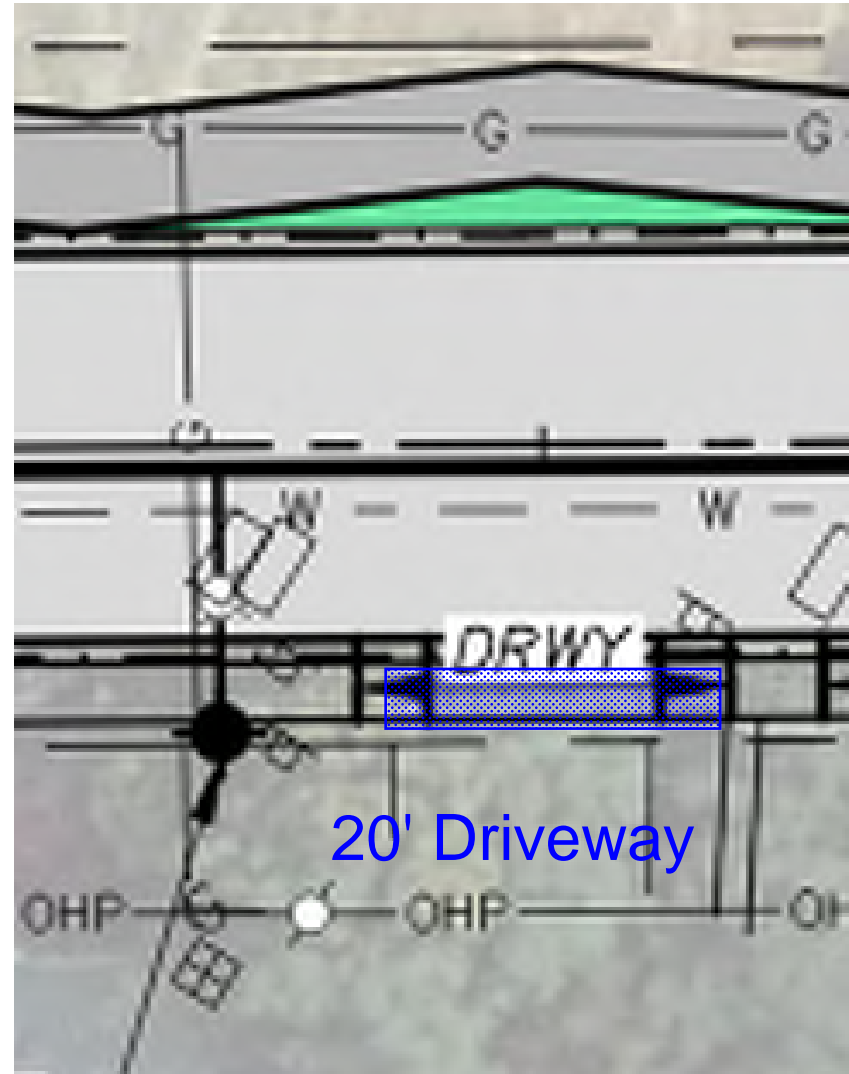


Access during Construction



Back of Sidewalk

Identifier: 5  
Parking Spots Impacted: None  
Access Inhibited during construction: No



No Access during Construction



Access during Construction



Identifier: 6  
Parking Spots Impacted: None  
Access Inhibited during construction: Yes



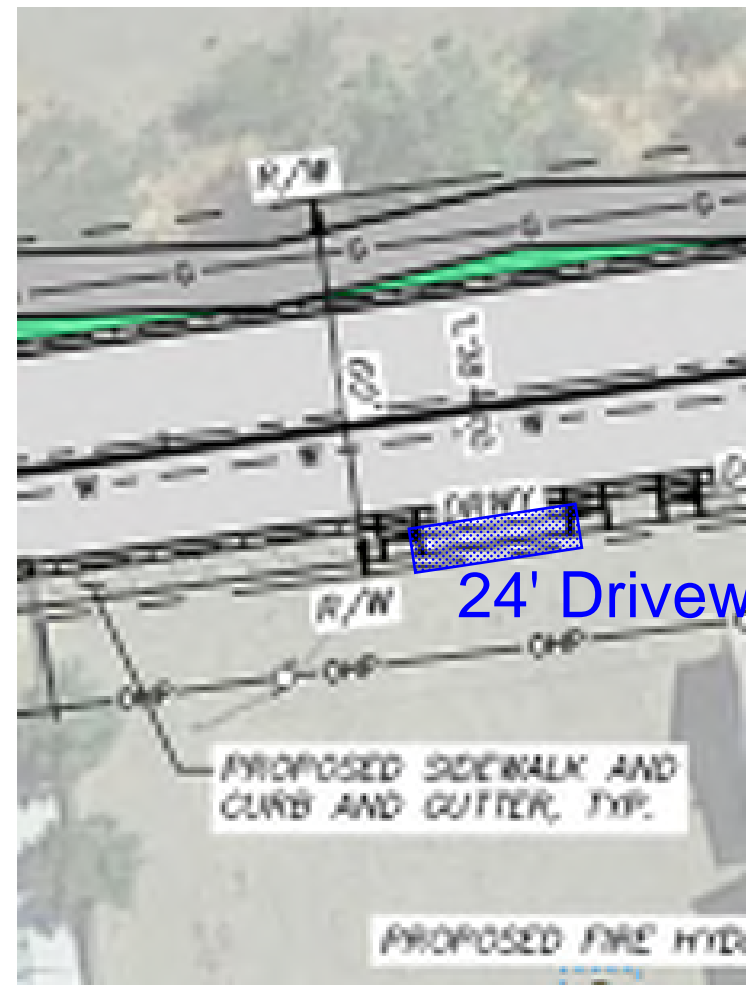
Local Access  
Required during  
Construction



Remove and replace  
fence

Back of Sidewalk

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Parking Spots Impacted: None  
Access Inhibited during construction: Yes



24' Driveway

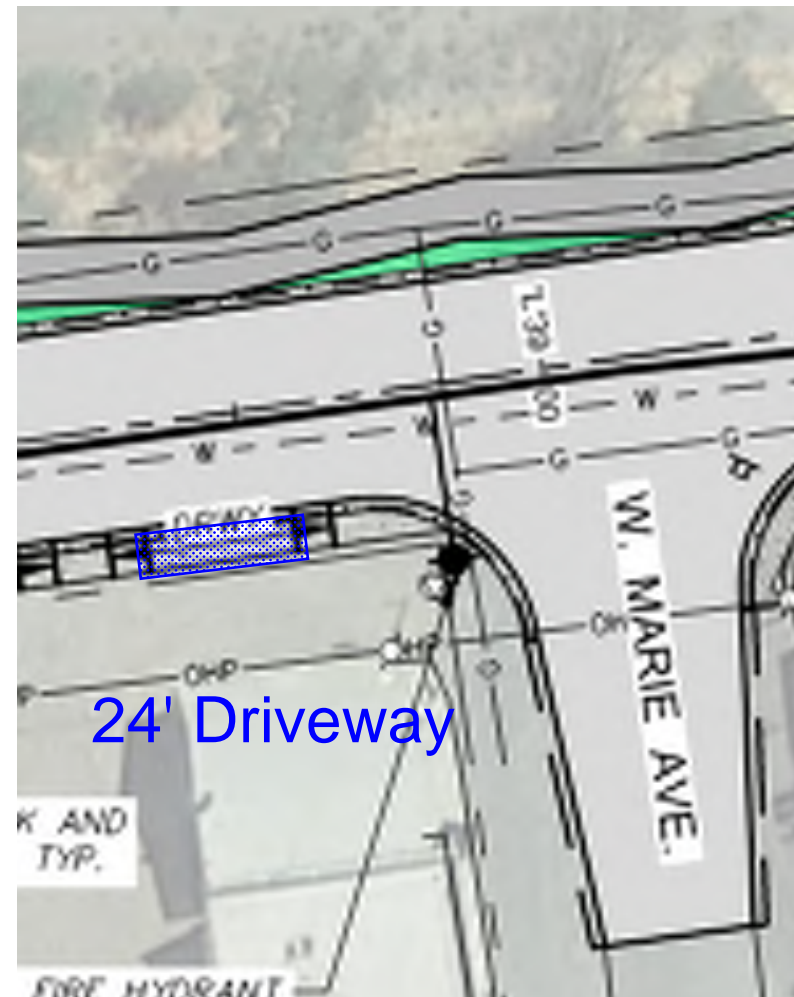


No Access during Construction



Back of Sidewalk

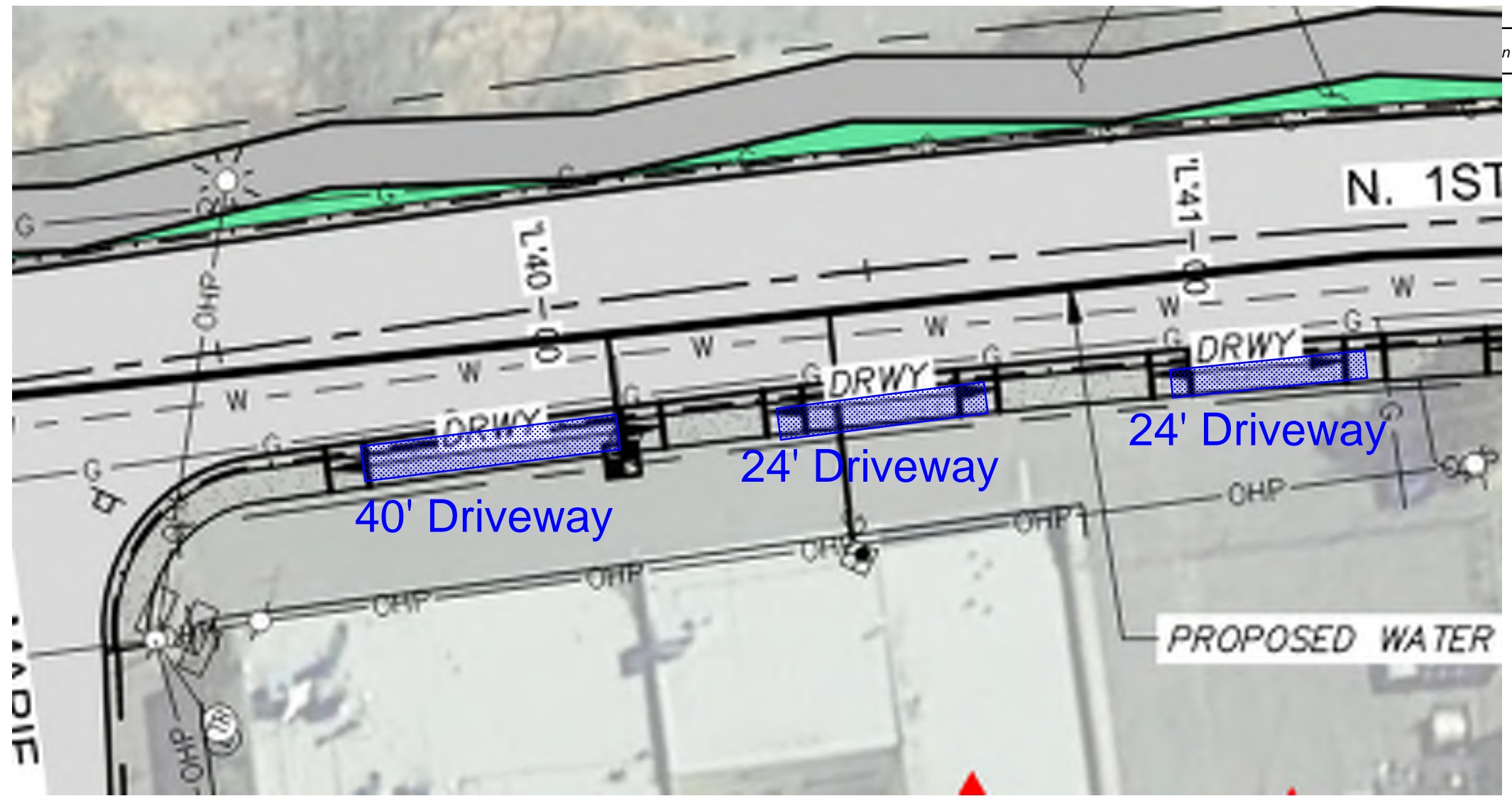
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Access Inhibited during construction: No



Back of Sidewalk



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Access Inhibited during construction: Yes

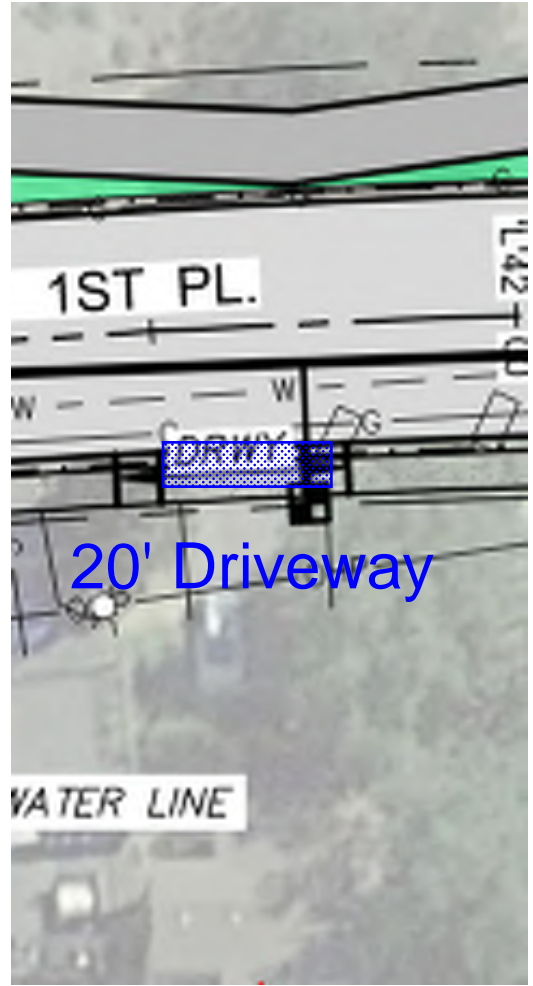


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Access Inhibited during construction: Yes

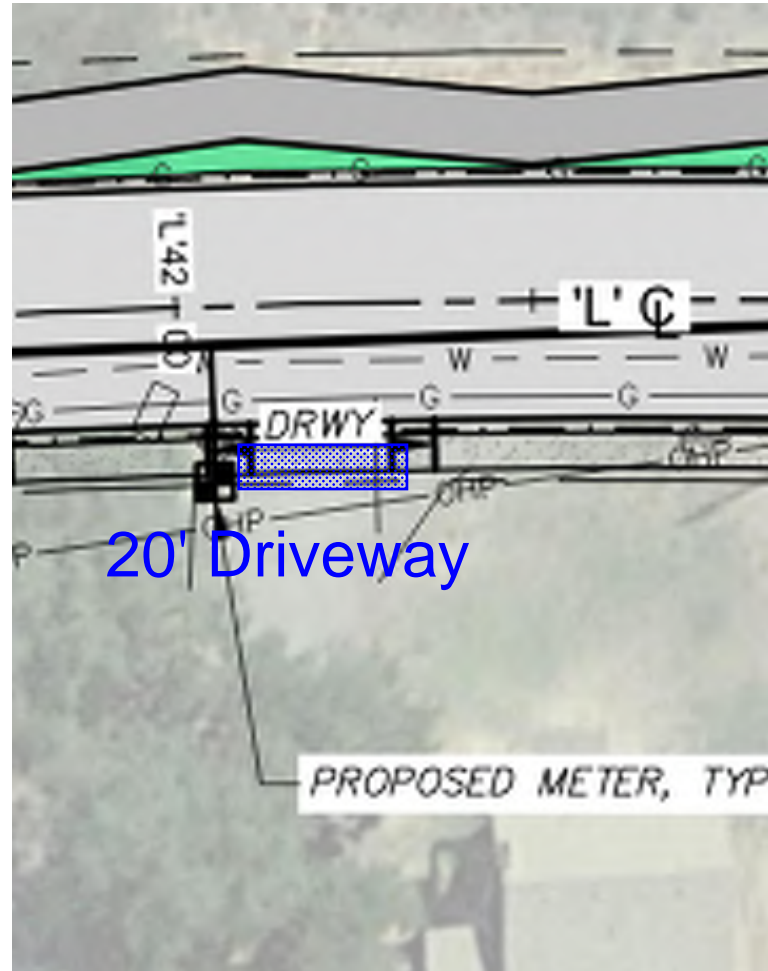




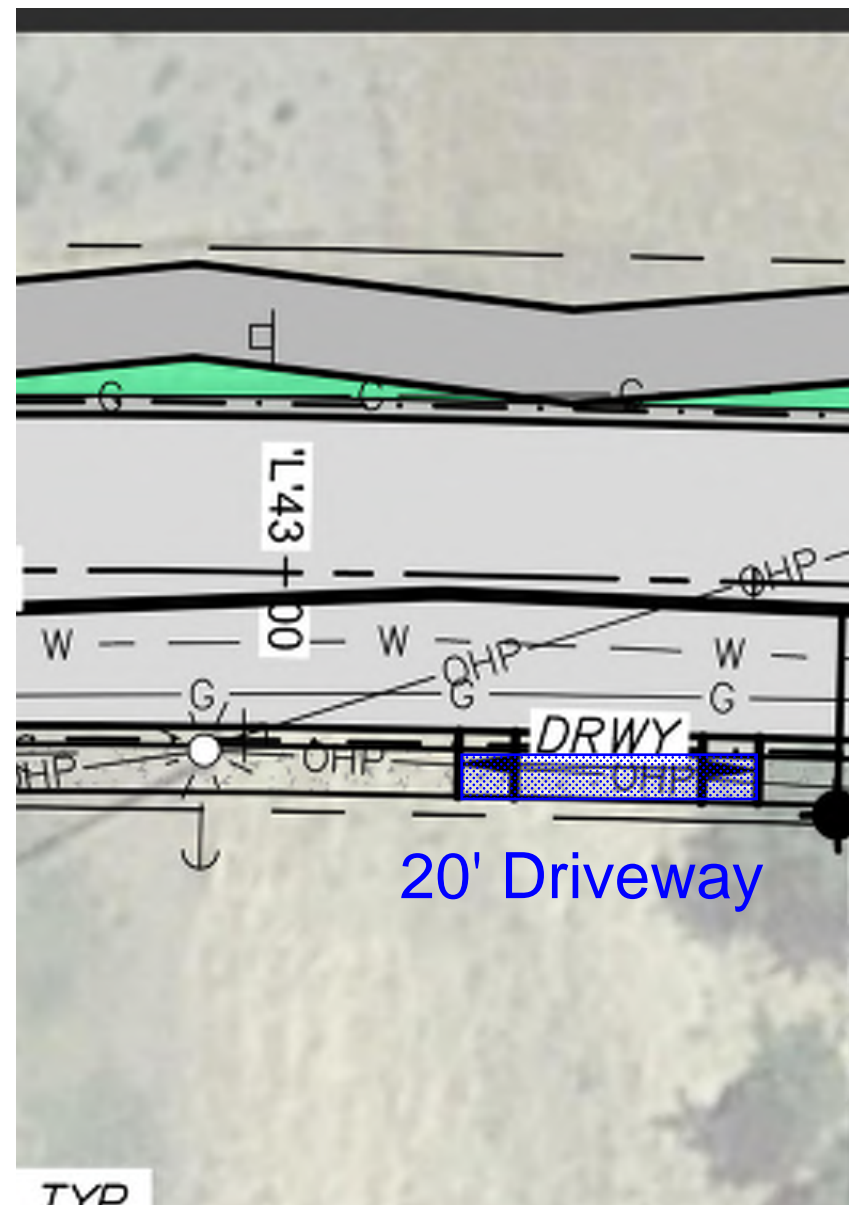
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Access Inhibited during construction: Yes



Identifier: 13  
Parking Spots Impacted: None  
Access Inhibited during construction: Yes



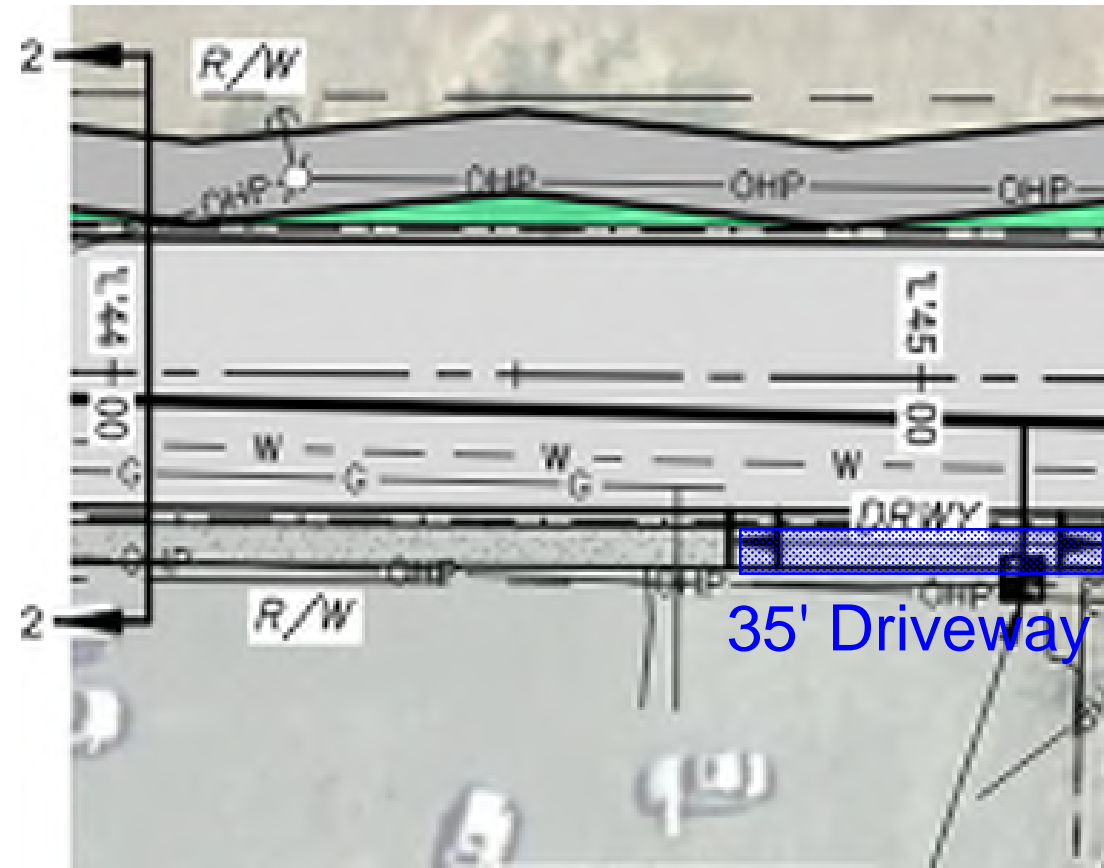
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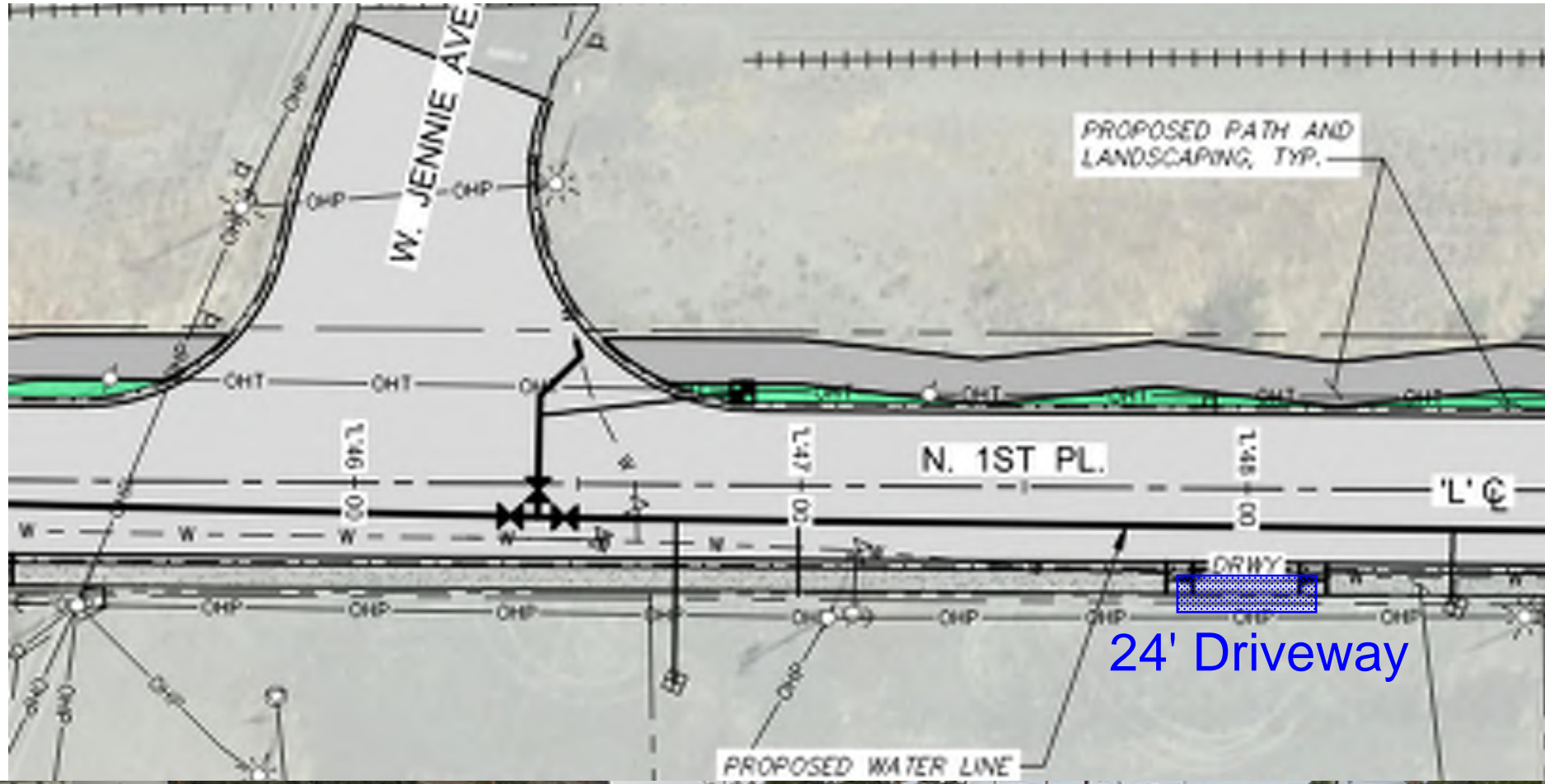
Local Access  
Required during  
Construction



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Access Inhibited during construction: Yes



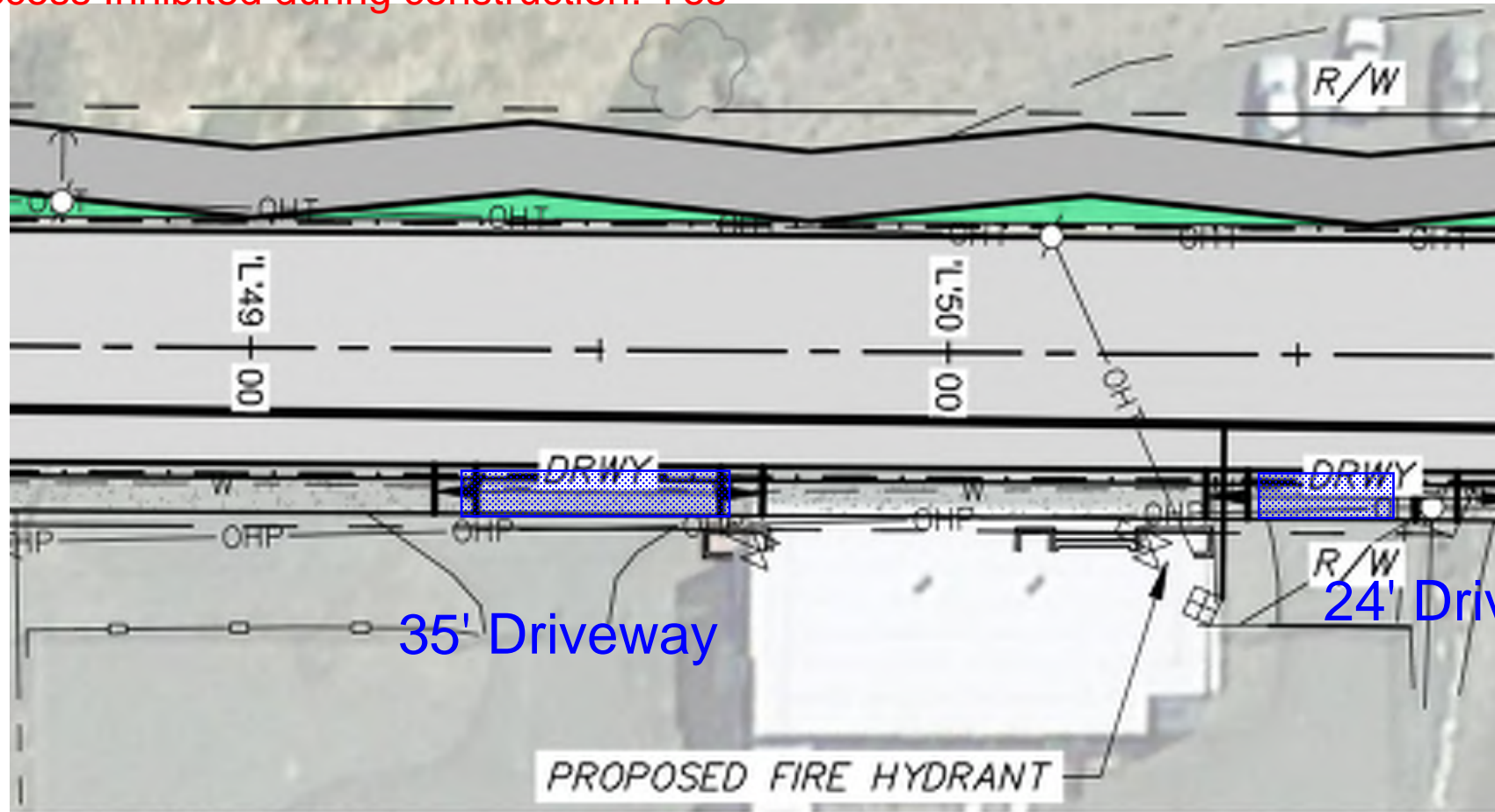
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Access Inhibited during construction: Yes



Identifier: 17,18

Parking Spots Impacted: None

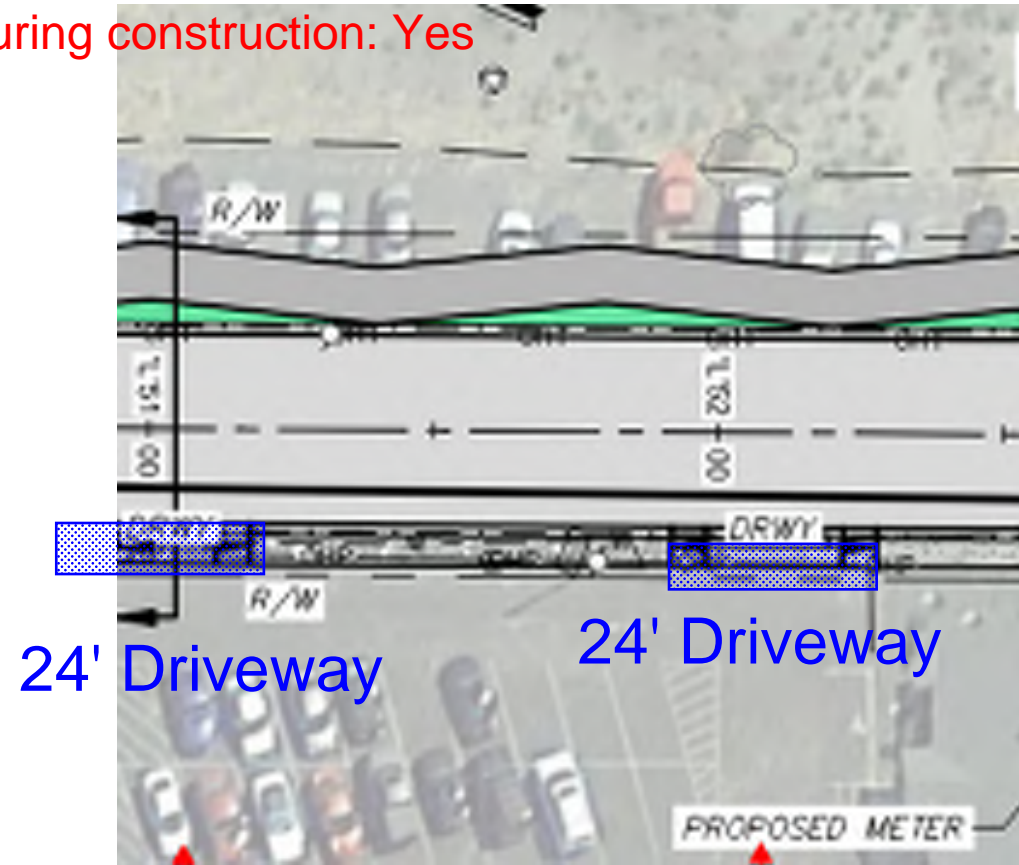
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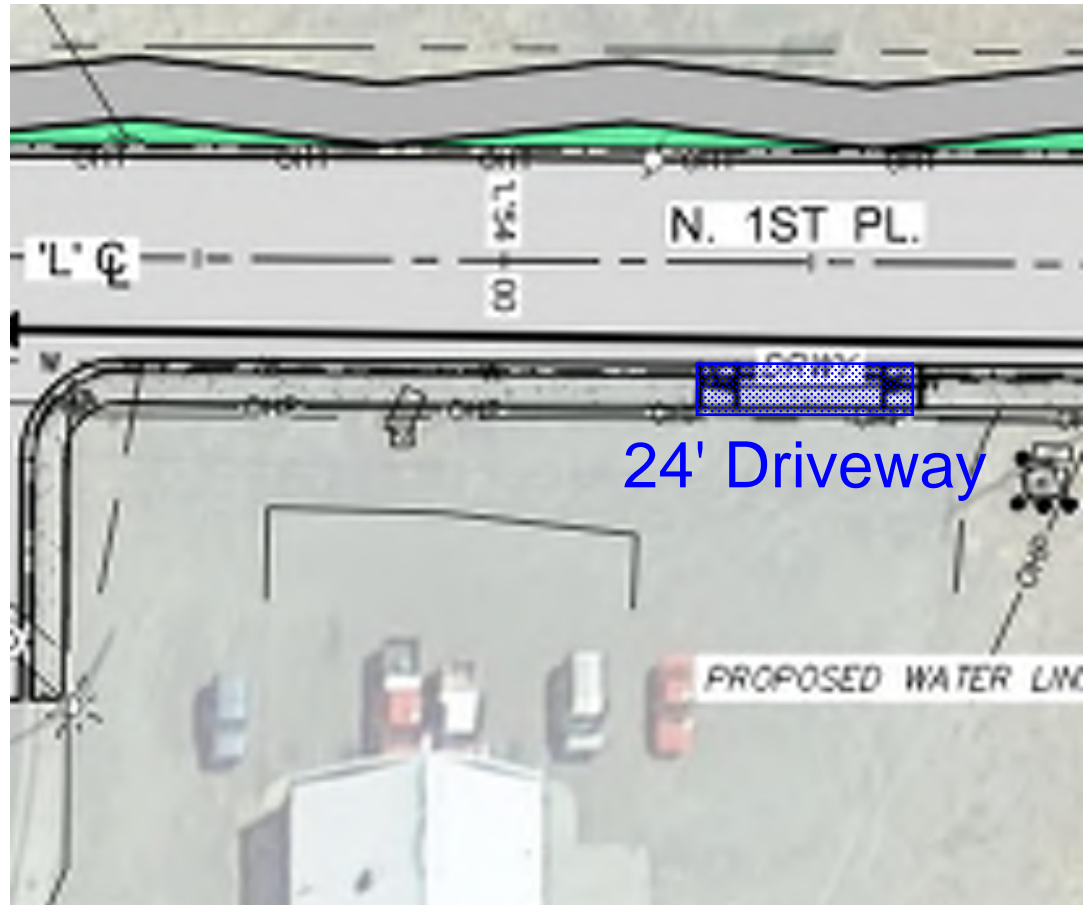
Identifier: 19,20

Parking Spots Impacted: None

Access Inhibited during construction: Yes



Identifier:21  
Parking Spots Impacted: None  
Access Inhibited during construction: Yes

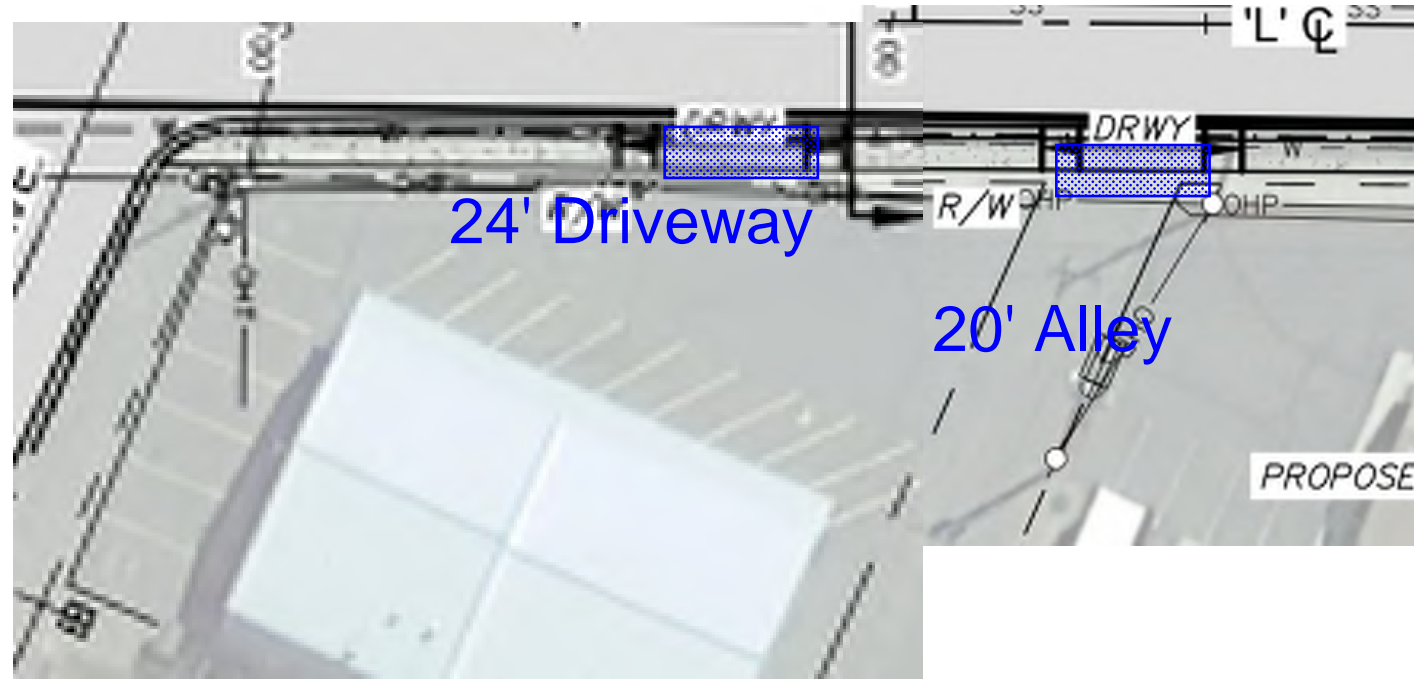




Identifier:23,24

Parking Spots Impacted: None

Access Inhibited during construction: No

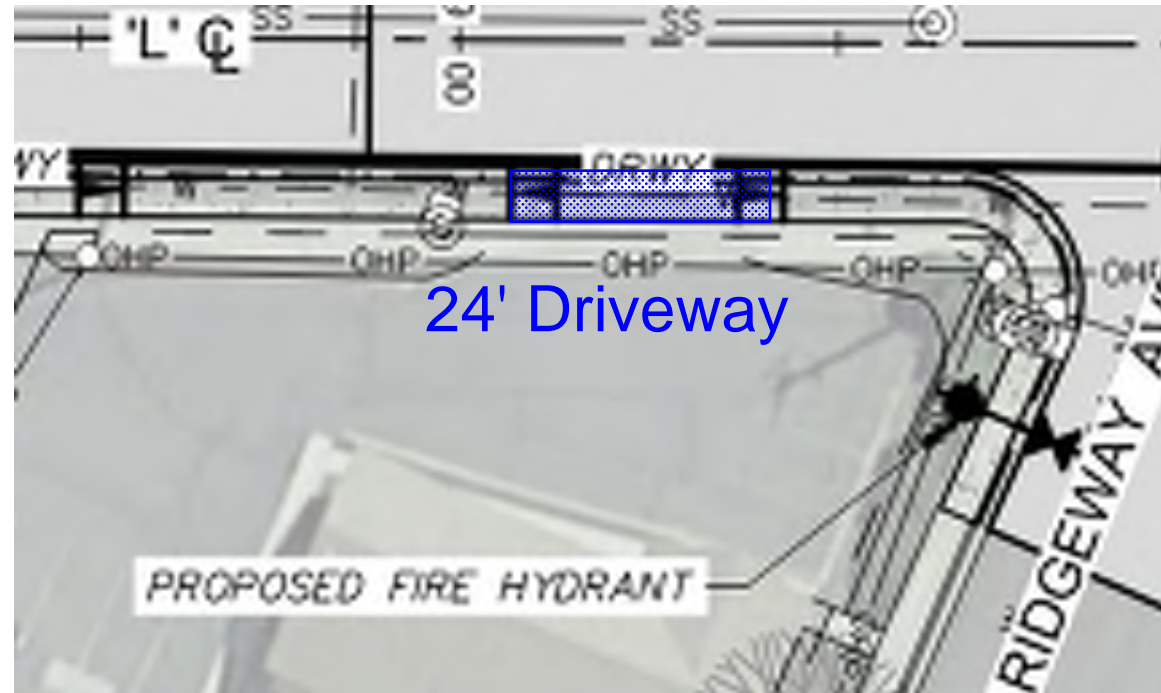


Access during construction



Back of Sidewalk

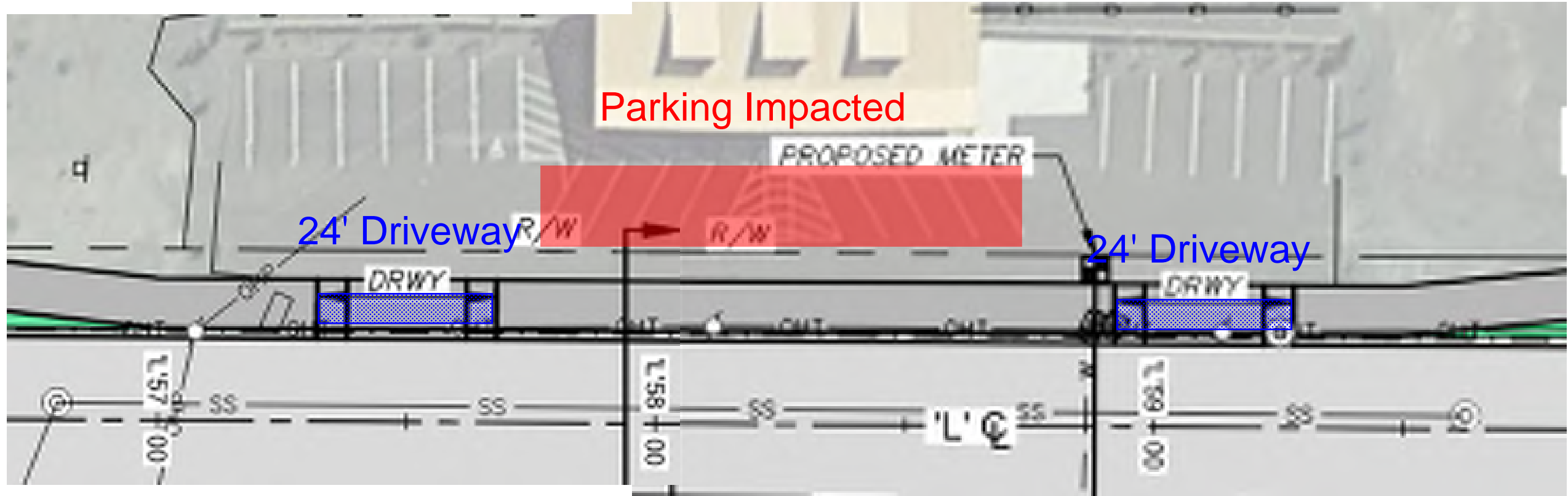
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Parking Spots Impacted: None  
Access Inhibited during construction: No



Identifier: 22,25

Parking Spots Impacted: 8

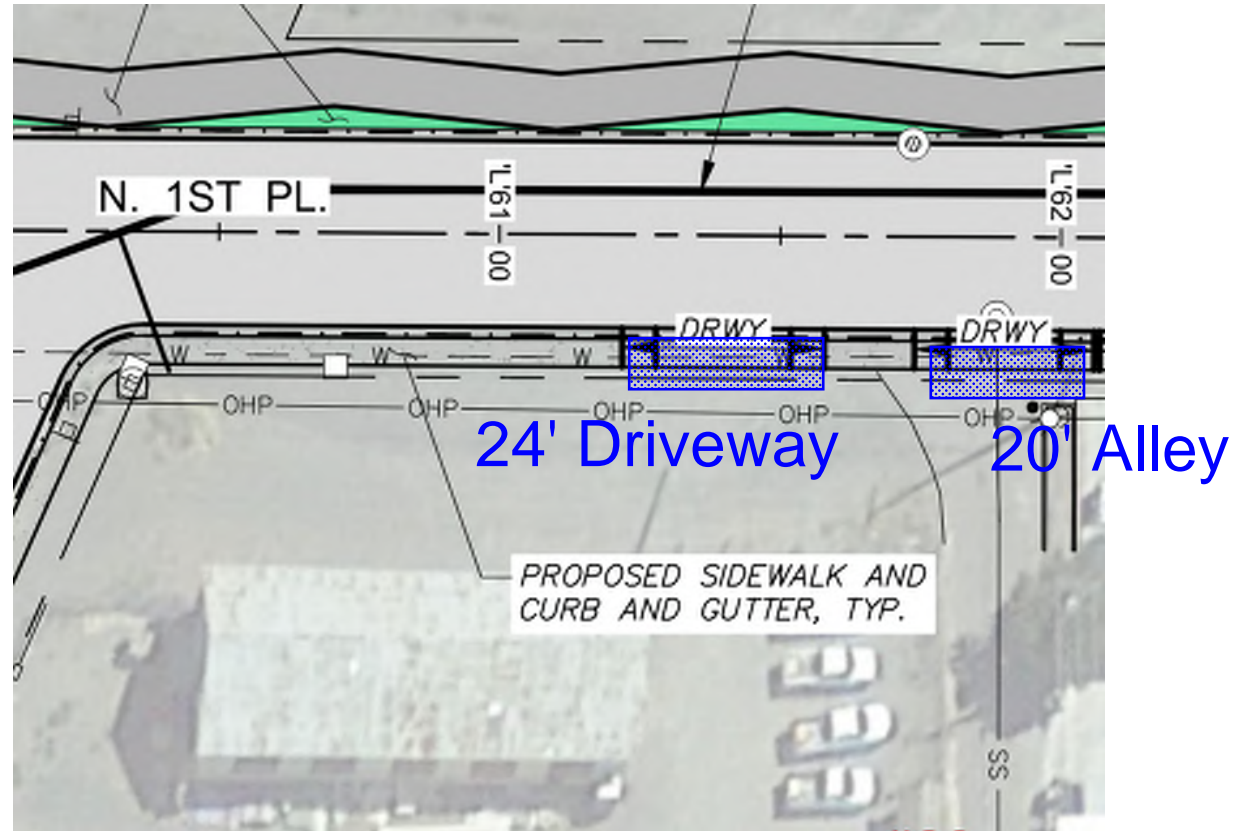
Access Inhibited during construction: Yes



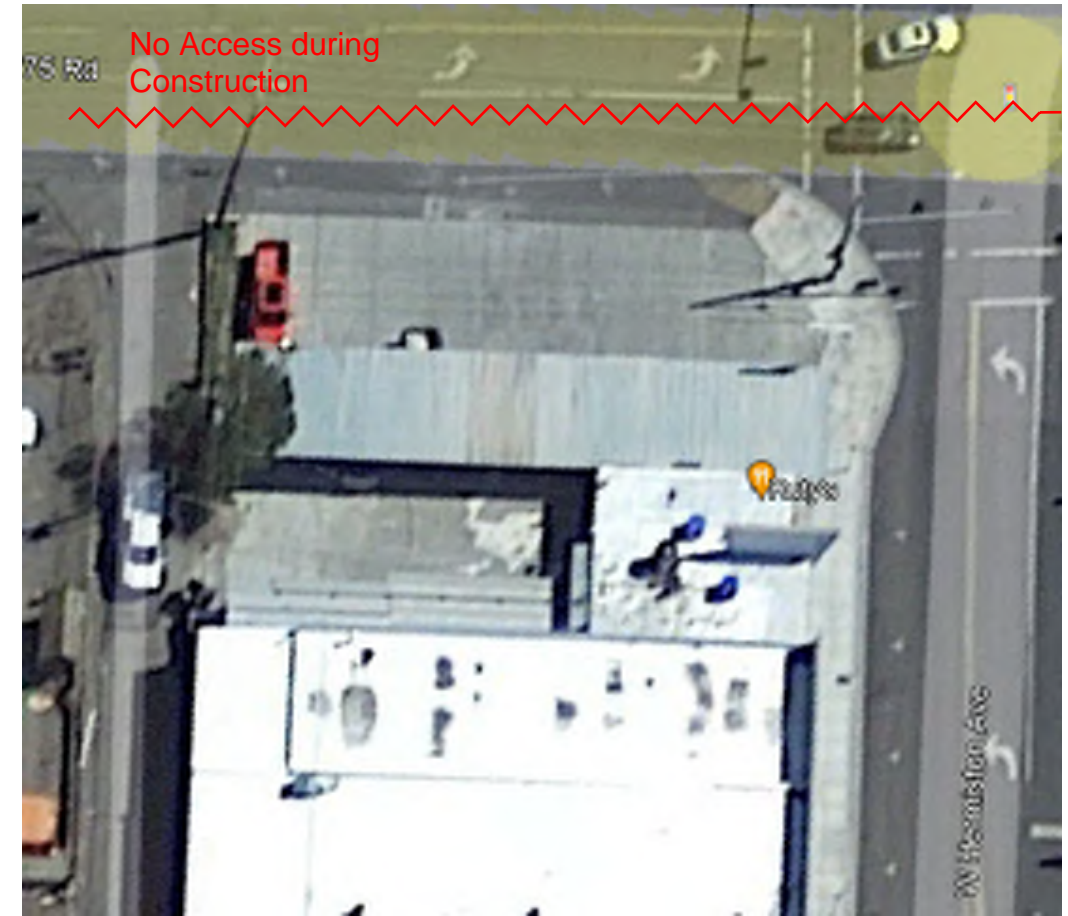
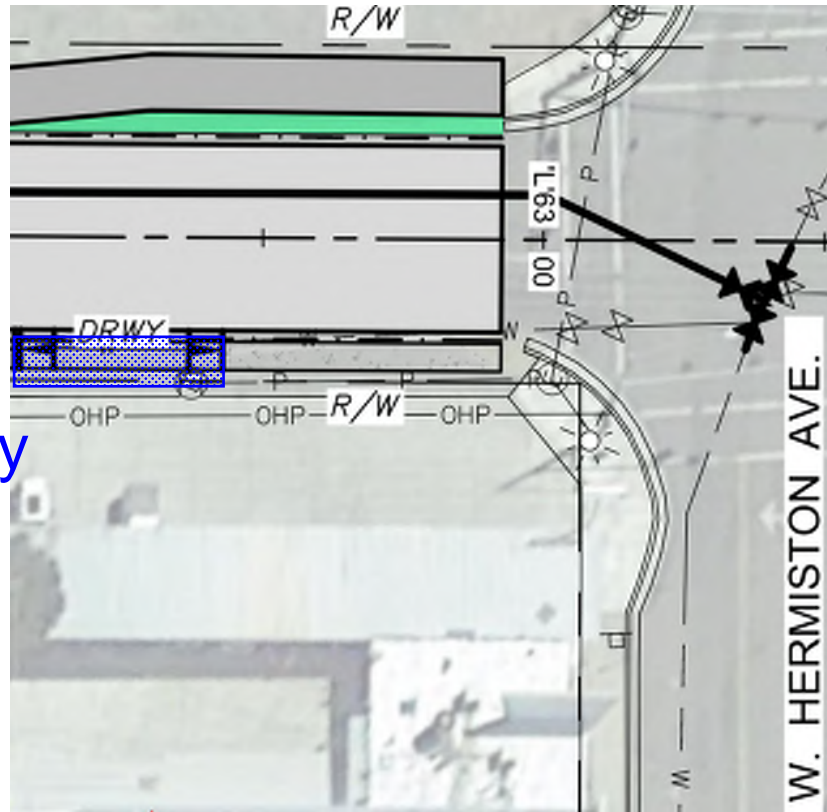
Identifier:27,28

Parking Spots Impacted: None

Access Inhibited during construction: No



Identifier:29  
Parking Spots Impacted: None  
Access Inhibited during construction: Yes



24' Driveway

Customers park on Hermiston AVE. during construction operations



Back of Sidewalk

**City of Hermiston, Oregon**  
**Regional Water System Improvements (2023 to 2026) - Option 1**

**Phase 1 - Improvements for PDX138 (September 2023)**

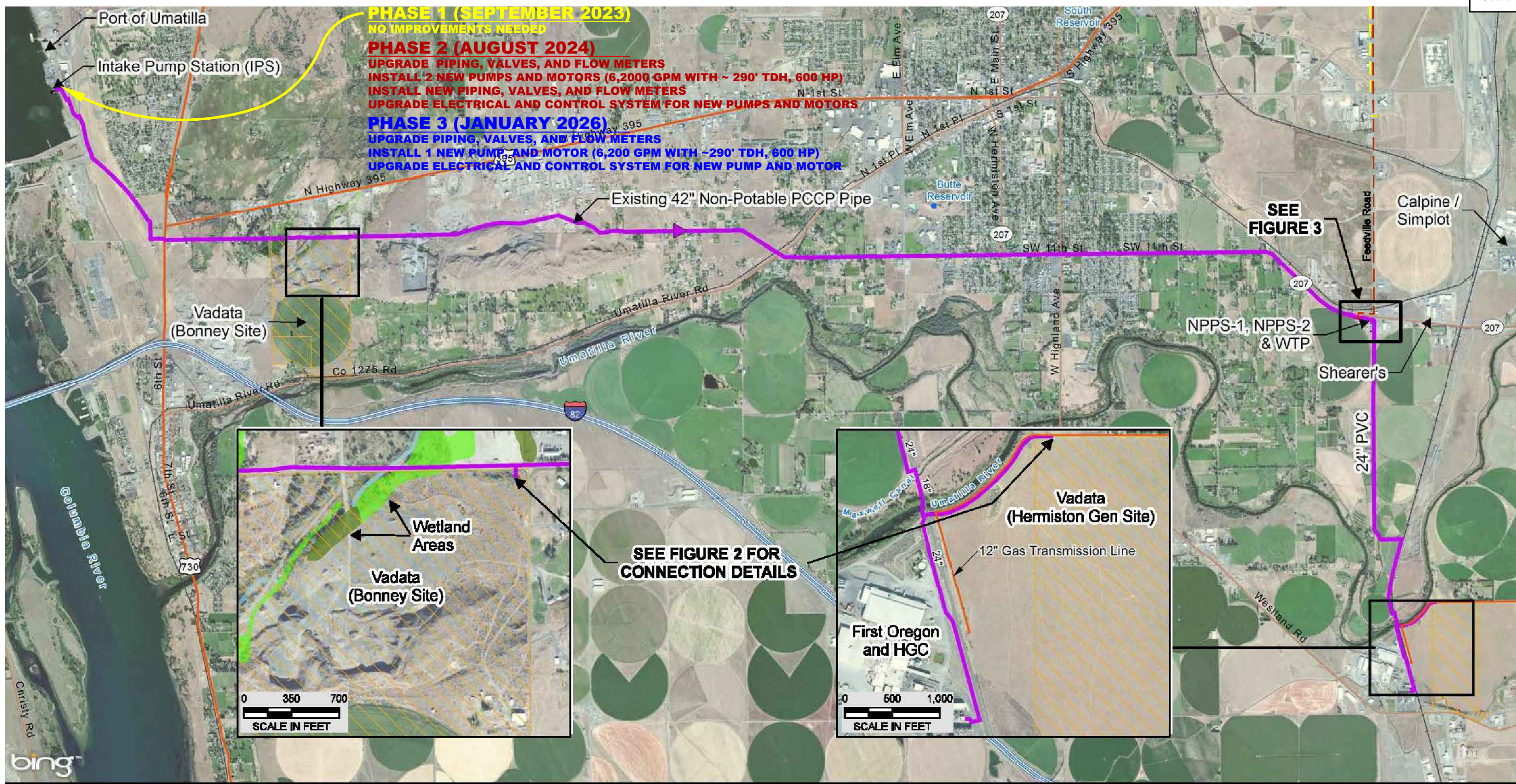
1. City of Hermiston would temporarily lease 1,200 gpm of their developed water right in RWS to Vadata. (Vadata needs 1,300 gpm and would use 100 gpm of their developed unused water right for the new PDX138 campus in addition to leasing 1,200 gpm from the City of Hermiston.)
2. Extend the City of Hermiston 16-inch PVC non-potable water line from S. 1st Street to Kelli Blvd.
3. Install a 12-inch DI water line on Kelli Blvd. from Penney Avenue to Feedville Road.
4. Install a valve/meter vault for the new campus.
5. Upgrade the existing City of Hermiston pump and motor in NPPS No. 2 from 780 gpm at 137 feet TDH to 2,080 gpm at approximately 215 feet TDH with a 150 HP motor and VFD.
6. Install a new 1000 KVA transformer at NPPS No. 2 and associated electrical and controls.

**Phase 2 - Improvements for PDX146 (August 2024)**

1. Vadata would upgrade the river IPS and NPPS No. 2 to supply an additional 2,500 gpm of newly developed non-potable water and install a 24-inch PVC non-potable water line along Feedville Road from NPPS No. 2 to Kelli Blvd. to supply 1,300 gpm to each new campus (PDX138 and PDX146).
2. The lease from the City of Hermiston would end once Phase 2 improvements are in place.
3. Install two new pumps at the river IPS with a capacity of 6,200 gpm at approximately 290 feet TDH with 600 HP motors and VFDs.
4. Upgrade the river IPS piping, valves, flowmeter, electrical, and controls.
5. Expand the footprint of NPPS No. 2 to accommodate two new pumps. The estimated footprint would encompass 400 square feet.
6. Install two new pumps at NPPS No. 2, each with a capacity of 2,600 gpm at approximately 215 feet TDH with 200 HP motors and VFDs.
7. Install all associated piping, valves, electrical, and controls pertaining to the new NPPS No. 2 expansion.
8. Install a new 24-inch PVC non-potable water line along Feedville Road from NPPS No. 2 to Kelli Blvd.
9. Install a valve/meter vault for the new campus.
10. Install a water supply well and domestic septic sewer service for the new campus.

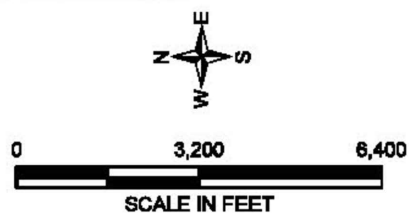
**Phase 3 - Improvements for PDX?? (January 2026)**

1. Vadata would upgrade the river IPS and NPPS No. 2 to supply an additional 1,300 gpm of developed non-potable water (above and beyond Phase 2 improvements) for the new campus located somewhere north and adjacent to Feedville Road.
2. Install one new pump at the river IPS with a capacity of 6,200 gpm at approximately 290 feet TDH with a 600 HP motor and VFD.
3. Upgrade the river IPS piping, valves, electrical, and controls.
4. Install two new pumps at NPPS No. 2, each with a capacity of 3,900 gpm at approximately 215 feet TDH with 300 HP motors and VFDs.
5. Install all associated piping, valves, electrical, and controls pertaining to the new pumps at NPPS No. 2.
6. Install a valve/meter vault for the new campus.
7. Install a water supply well and domestic septic sewer service for the new campus.



**LEGEND**

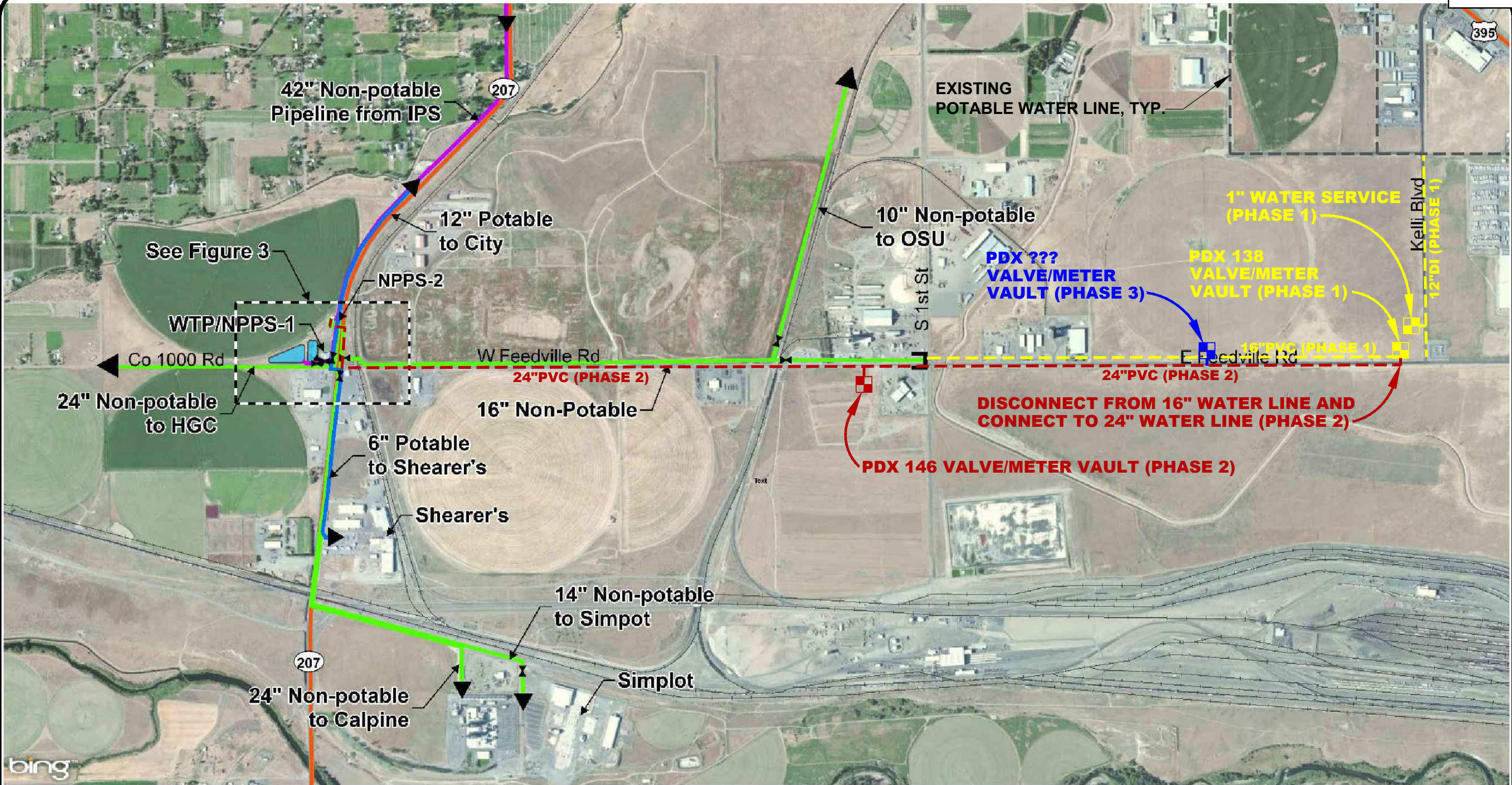
- 12" High Pressure Gas Transmission Line
- Non-potable Line
- Interstate
- Highway
- Major Road
- Railroad
- Parcels
- Bonney Site - Wetlands
- Freshwater Emergent Wetland
- Freshwater Forest / Shrub Wetland
- Water



CITY OF  
HERMISTON, OREGON  
VADATA UPGRADES 2022-2026

**OPTION 1 (PDX138, PDX146, PDX???)  
VADATA CONNECTION**

**FIGURE  
1**



**LEGEND**

	Valve		Highway
	Pipeline Cap		Railroad
	Non-potable Water Piping		Ponds / Lagoons
	Non-potable Water Piping from IPS		Existing Non-Potable Water Piping
	Potable Water Water Piping		

New Non-Potable Water Piping (Phase 1)  
 New Non-Potable Water Piping (Phase 2)  
 New Non-Potable Water Piping (Phase 3)

SCALE IN FEET  
 0 1,200 2,400

**anderson perry & associates, inc.**

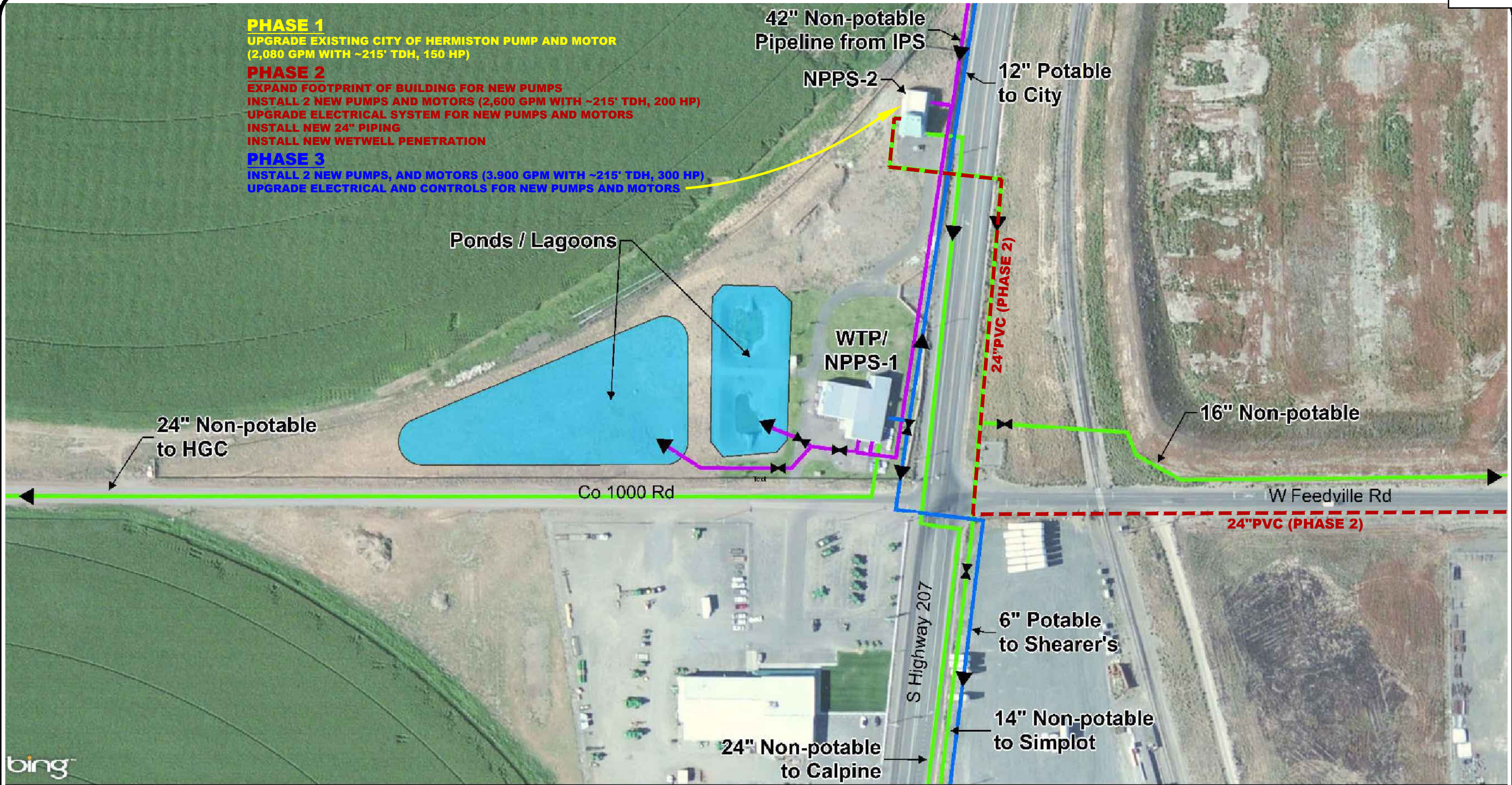
CITY OF  
HERMISTON, OREGON  
VADATA UPGRADES 2022-2026  
**OPTION 1 (PDX 138, PDX146, PDX???)  
REGIONAL WATER  
TRANSMISSION CONNECTIONS**

**FIGURE  
2**

Q:\HERMISTON\736-127-RWS GenEng\Drafting\PDX-OPT1-736-127-FIG 2.dwg, Layout1, 4/1/2022 8:46 AM, lwillhite

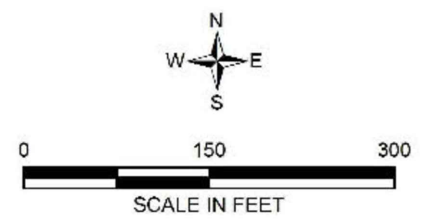


- PHASE 1**  
UPGRADE EXISTING CITY OF HERMISTON PUMP AND MOTOR  
(2,080 GPM WITH ~215' TDH, 150 HP)
- PHASE 2**  
EXPAND FOOTPRINT OF BUILDING FOR NEW PUMPS  
INSTALL 2 NEW PUMPS AND MOTORS (2,600 GPM WITH ~215' TDH, 200 HP)  
UPGRADE ELECTRICAL SYSTEM FOR NEW PUMPS AND MOTORS  
INSTALL NEW 24" PIPING  
INSTALL NEW WETWELL PENETRATION
- PHASE 3**  
INSTALL 2 NEW PUMPS, AND MOTORS (3,900 GPM WITH ~215' TDH, 300 HP)  
UPGRADE ELECTRICAL AND CONTROLS FOR NEW PUMPS AND MOTORS



**LEGEND**

- Valve
- Ponds / Lagoons
- Non-potable Water Piping
- Non-Potable from IPS
- Potable Water Water Piping
- New Non-Potable Water Piping



- New Non-Potable Water Piping (Phase 1)
- New Non-Potable Water Piping (Phase 2)
- New Non-Potable Water Piping (Phase 3)



CITY OF  
**HERMISTON, OREGON**  
VADATA UPGRADES 2022-2026

**OPTION 1 (PDX138, PDX146, PDX???)  
AREA PIPING LAYOUT**

**FIGURE**  
**3**

Q:\HERMISTON\736-127 RWS GenEng\Drafting\PDX-OPT1-736-127-FIG 3.dwg, Layout1, 3/31/2022 4:17 PM, lwillhite

**CITY OF HERMISTON, OREGON  
PRELIMINARY COST ESTIMATE  
REGIONAL WATER SYSTEM IMPROVEMENTS - OPTION 1  
PHASE 1 - PDX138 CAMPUS (September 2023)  
March 31, 2022**

NO.	DESCRIPTION	UNIT	UNIT PRICE	ESTIMATED QUANTITY	TOTAL PRICE
1	Mobilization/Demobilization	LS	\$ 85,500	All Req'd	\$ 85,500
<i>Non-potable Pump Station No. 2</i>					
2	NPPS No. 2 Demolition (motor, pump, controls, instrumentation, etc.)	LS	5,000	All Req'd	5,000
3	NPPS No. 2 Pump and Motor Upsize (furnish and install) (150 HP)	EA	60,000	1	60,000
4	NPPS No. 2 Pump VFD Upgrade	EA	40,000	1	40,000
5	NPPS No. 2 New Power Supply (1000KVA Transformer)	EA	60,000	1	60,000
6	NPPS No. 2 Electrical	LS	40,000	All Req'd	40,000
7	NPPS No. 2 Controls and Instrumentation	LS	20,000	All Req'd	20,000
<i>Feedville Transmission Line</i>					
8	16-inch PVC Water Line	LF	150	6,350	952,500
9	12-inch DI Water Line (on Kelli Blvd)	LF	130	2,700	351,000
10	Tie into Existing Water Line	LS	5,000	All Req'd	5,000
11	Valve and Meter Vault to New Campus	LS	150,000	All Req'd	150,000
12	Surface Restoration	LS	30,000	All Req'd	30,000
<b>Total Estimated Construction Cost</b>					<b>\$ 1,799,000</b>
Construction Contingencies (35%)					630,000
Design and Construction Engineering (20%)					360,000
Permitting, Environmental, Cultural Resources					20,000
<b>TOTAL ESTIMATED PROJECT COST (2022)</b>					<b>\$ 2,809,000</b>
Inflation to the time of construction (assumed construction 2023)					141,000
<b>TOTAL ESTIMATED PROJECT COST (2023)</b>					<b>\$ 2,950,000</b>

**Assumptions:**

IPS Improvements

No improvements would be needed at the river IPS.

NPPS No. 2 Improvements

Pump and motor upsize needed including removal and replacement of 1 pump. Capacity would be 2,080 gpm at approx. 215' TDH.

VFD installation would be necessary for the motor.

Discharge piping would not need modified.

Electrical system would not handle the new motor size and would need upsized.

Feedville Transmission Line

16-inch diameter piping would be needed on Feedville Rd.

12-inch diameter piping would be needed on Kelli Blvd.

**CITY OF HERMISTON, OREGON  
PRELIMINARY COST ESTIMATE  
REGIONAL WATER SYSTEM IMPROVEMENTS - OPTION 1  
PHASE 2 - PDX146 CAMPUS (August 2024)  
March 31, 2022**

NO.	DESCRIPTION	UNIT	UNIT PRICE	ESTIMATED QUANTITY	TOTAL PRICE
1	Mobilization/Demobilization	LS	\$ 280,000	All Req'd	\$ 280,000
<i>River Intake Pump Station</i>					
2	River IPS Demolition (motor, pump, controls, instrumentation, etc.)	LS	10,000	All Req'd	10,000
3	River IPS Pump and Motor Upsize (furnish and install) (600 HP)	EA	250,000	2	500,000
4	River IPS Pump Pad and Pedestal Modifications	EA	7,000	2	14,000
5	River IPS Pump VFD	EA	200,000	2	400,000
6	River IPS Piping/Fittings	EA	25,000	2	50,000
7	River IPS Valves	EA	25,000	2	50,000
8	River IPS Electrical	LS	40,000	All Req'd	40,000
9	River IPS Controls and Instrumentation	LS	40,000	All Req'd	40,000
<i>Non-potable Pump Station No. 2</i>					
10	NPPS No. 2 New Pump Enclosure	SF	350	400	140,000
11	NPPS No. 2 Pump and Motor Upsize (furnish and install) (200 HP)	EA	80,000	2	160,000
12	NPPS No. 2 Pump Pad and Pedestal	EA	5,000	2	10,000
13	NPPS No. 2 New Wetwell Penetration	EA	50,000	1	50,000
14	NPPS No. 2 Portable Pump Crane	EA	15,000	1	15,000
15	NPPS No. 2 Pump VFD	EA	60,000	2	120,000
16	NPPS No. 2 Piping/Fittings	LS	150,000	All Req'd	150,000
17	NPPS No. 2 Electrical	LS	50,000	All Req'd	50,000
18	NPPS No. 2 Controls and Instrumentation	LS	30,000	All Req'd	30,000
<i>Feedville Transmission Line</i>					
19	24-inch PVC Water Line	LF	220	13,400	2,948,000
20	Railroad Jack and Bore	EA	180,000	2	360,000
21	Valve and Meter Vault to New Campus	EA	150,000	3	450,000
22	Surface Restoration	LS	50,000	All Req'd	50,000
<b>Total Estimated Construction Cost</b>					<b>\$ 5,917,000</b>
Construction Contingencies (35%)					2,071,000
Design and Construction Engineering (20%)					1,184,000
Permitting, Environmental, Cultural Resources					50,000
<b>TOTAL ESTIMATED PROJECT COST (2022)</b>					<b>\$ 9,222,000</b>
Inflation to the time of construction (assumed construction 2024)					946,000
<b>TOTAL ESTIMATED PROJECT COST (2024)</b>					<b>\$ 10,168,000</b>

**Assumptions:**

**IPS Improvements**

- Pump and motor upsizes including removal and replacement of 2 pumps. New capacity would be 6,200 gpm each at approx. 290' TDH.
- VFD installation would be necessary for each motor.
- Discharge piping would be modified.
- Electrical system could handle the new motor sizes without upgrading transformers.
- Improvements to the existing fish screens would not be needed.
- Pump shaft column piping size is adequate for upgrade.

**NPPS No. 2 Improvements**

- Pump and motor upsizes including removal and replacement of 2 pumps. Capacity would be 2,600 gpm each at approx. 215' TDH.
- VFD installation would be necessary for each motor.
- New discharge piping would be needed.
- Electrical system installed in Phase 1 would handle the new motor sizes and would no need upsized.

**Feedville Transmission Line**

- 24-inch diameter piping would be needed.
- 40-inch steel casings would be installed at each railroad crossing.

**CITY OF HERMISTON, OREGON  
PRELIMINARY COST ESTIMATE  
REGIONAL WATER SYSTEM IMPROVEMENTS - OPTION 1  
PHASE 3 - PDX?? CAMPUS (January 2026)  
March 31, 2022**

NO.	DESCRIPTION	UNIT	UNIT PRICE	ESTIMATED QUANTITY	TOTAL PRICE
1	Mobilization/Demobilization	LS	\$ 55,000	All Req'd	\$ 55,000
<i>River Intake Pump Station</i>					
2	River IPS Demolition (motor, pump, controls, instrumentation, etc.)	LS	5,000	All Req'd	5,000
3	River IPS Pump and Motor Upsize (furnish and install) (600 HP)	EA	250,000	1	250,000
4	River IPS Pump Pad and Pedestal Modifications	EA	7,000	1	7,000
5	River IPS Pump VFD	EA	200,000	1	200,000
6	River IPS Piping/Fittings	EA	25,000	1	25,000
7	River IPS Valves	EA	25,000	1	25,000
8	River IPS Electrical	LS	25,000	All Req'd	25,000
9	River IPS Controls and Instrumentation	LS	25,000	All Req'd	25,000
<i>Non-potable Pump Station No. 2</i>					
10	NPPS No. 2 Pump and Motor Upsize (furnish and install) (300 HP)	EA	100,000	2	200,000
11	NPPS No. 2 Pump Pad and Pedestal	EA	5,000	2	10,000
12	NPPS No. 2 Pump VFD	EA	80,000	2	160,000
13	NPPS No. 2 Electrical	LS	20,000	All Req'd	20,000
14	NPPS No. 2 Controls and Instrumentation	LS	20,000	All Req'd	20,000
<i>Feedville Transmission Line</i>					
15	Valve and Meter Vault to New Campus	EA	150,000	1	150,000
<b>Total Estimated Construction Cost</b>					<b>\$ 1,177,000</b>
Construction Contingencies (35%)					412,000
Design and Construction Engineering (20%)					236,000
Permitting, Environmental, Cultural Resources					10,000
<b>TOTAL ESTIMATED PROJECT COST (2022)</b>					<b>\$ 1,835,000</b>
Inflation to the time of construction (assumed construction 2025)					290,000
<b>TOTAL ESTIMATED PROJECT COST (2025)</b>					<b>\$ 2,125,000</b>

**Assumptions:**

**IPS Improvements**

- Pump and motor upsizes including removal and replacement of 1 pump. New capacity would be 6,200 gpm each at approx. 290' TDH.
- VFD installation would be necessary for the motor.
- Discharge piping would be modified.
- Electrical system could handle the new motor size without upgrading transformers.
- Improvements to the existing fish screens would not be needed.
- Pump shaft column piping size is adequate for upgrade.

**NPPS No. 2 Improvements**

- Pump and motor upsizes including removal and replacement of 2 pumps. Capacity would be 3,900 gpm each at approx. 215' TDH.
- VFD installation would be necessary for each motor.
- New discharge piping would not be needed.
- Electrical system installed in Phase 1 would handle the new motor sizes and would no need upsized.

**Feedville Transmission Line**

- No improvements needed other than tying into 24-inch water line.



# PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

**1) Budget Committee**

- Positions 1, 2, & 3: 3-year term ending December 31, 2025 (Advertised as of 11/02/2022)
- Position 5: remaining 3-year term ending December 31, 2023 (Vacant as of 10/25/2021)

**2) Faith-Based Advisory Committee**

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

**3) Recreation Projects Fund Advisory Committee (Citizen at Large)**

- Position 1: 3-year term ending December 31, 2025 (Advertised as of 11/02/2022)

**4) Hispanic Advisory Committee**

- Position 3: remaining 3-year term ending June 30, 2024 (Vacant as of 01/19/2022)
- Position 5: 3-year term ending June 30, 2025 (Advertised as of 04/19/2022)

**5) Library Board**

- Position 1: remaining 4-year term ending June 30, 2024 (Advertised as of 11/02/2022)
- Position 3: remaining 4-year term ending June 30, 2025 (Vacant as of 04/05/2021)

**Deadline to apply for Committee(s) in Section(s) 1-3: November 29, 2022**

**Deadline to apply for Committee(s) in Section(s) 4-5: Open Until Filled**

Interested persons are asked to submit an application to City Hall, 235 E Gladys Ave, Hermiston, or at [lalarcon-strong@hermiston.or.us](mailto:lalarcon-strong@hermiston.or.us) . Application forms are available at City Hall or on the City’s website at <https://hermiston.or.us/volunteer> . If you have questions, please call Lilly Alarcon-Strong at 541-567-5521.

Proposed appointment and confirmation of these positions are made by the City Council. All appointments to city boards and commissions shall be made in accordance with the ordinances and city charter. Appointees shall not be full-time employees of the city, shall not be elected officials of the city, shall not be appointed to more than two boards or commissions at a time, and shall not sell to the city or its boards and commissions over which the council has appointive powers and budget control either directly as a prime contractor or supplier, or indirectly as a first-tier subcontractor or supplier. Sales shall be construed to mean sales, services or fees aggregating \$7,500 or more in any one calendar year. Preference for appointees shall be given to city residents.



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Cancel the December 26, 2022 City Council Meeting

**Summary and Background**

December 26<sup>th</sup> is a holiday when City offices will be closed. This date is also the fourth Monday, the day when the City Council would normally hold its second meeting of December. Due to this holiday, the second monthly meeting in December is frequently cancelled as many staff and council members are unavailable to meet and a quorum is difficult to achieve.

Staff is requesting the Council consider cancelling the December 26, 2022 City Council meeting. The City Council meeting would then convene on its next regularly scheduled meeting day; Monday, January 9<sup>th</sup>, 2023.

**Tie-In to Council Goals**

NA

**Fiscal Information**

NA

**Alternatives and Recommendation**

Alternatives

1. Hold the City Council meeting on the scheduled day: Monday, December 26, 2022
2. Reschedule the December 26, 2022 City Council meeting to another day of the month
3. Cancel the December 26, 2022 City Council meeting

**Recommended Action/Motion**

Cancel the December 26<sup>th</sup> City Council meeting

**Submitted By:**

City Manager Byron D. Smith



# CITY COUNCIL

## Regular Meeting Minutes October 24, 2022

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

### **Proclamation- Honoring Vietnam Veterans Across America**

Mayor Drotzmann read aloud the Proclamation Honoring Vietnam Veterans Across America and thanked all veterans, specifically Vietnam Veteran, for their service.

### **Citizen Input on Non-Agenda Items**

None given.

### **Consent Agenda Items**

Councilor Spicerkuhn asked to remove Item A. Liquor License Application- Hermiston Tavern due to a conflict of interest. Councilor Davis moved and Councilor Primmer seconded to approve Consent Agenda items B - E to include:

- B. Committee Vacancy Announcements
- C. Replat- Hermiston Mini Storage LLC 4N2802D Tax Lot 1200 & 4N2802CD Tax Lot 501
- D. Recommendation of Appointment to Keith Ellis to Position #3 of the Airport Advisory Committee term ending 10/31/2024
- E. Minutes of the October 10, 2022 City Council regular meeting

Motion carried unanimously.

### **Items Removed from Consent Agenda**

- A. Liquor License Application- Hermiston Tavern

Councilor Spicerkuhn stated he has a conflict of interest as Hermiston Tavern is a client of his and exited the dais.

Councilor Primmer moved and Councilor Hardin seconded to approve Consent Agenda item A. Motion carried unanimously.

**Public Hearing- Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 - NW Sjoren Lane (Ordinance No. 2342)**- Councilors Myers and Spicerkuhn declared conflicts of interest. City Attorney Tovey stated with the two conflicts of interest and another two absent Councilors, the Council does not have a quorum to proceed with the public hearing and recommends a motion to table the hearing to another date.

Councilor Primmer moved and Councilor Davis seconded to table the public hearing for the meeting of November 14, 2022. Motion carried unanimously, 4 votes for; none against.



# CITY COUNCIL

## Regular Meeting Minutes October 24, 2022

### **Ordinance No. 2341- Implement Southwest Hermiston Urban Renewal Area- Second Reading**

Assistant City Manager Morgan stated this information was presented at the October 10<sup>th</sup> where the first reading of the Ordinance was read and Council approved that the second reading be at this meeting. Mayor Drotzmann requested that the second reading be by title only. Hearing no oppositions, City Attorney Tovey read the ordinance by title only. Councilor Spicerkuhn moved and Councilor Primmer seconded that the ordinance be put on for final adoption and become effective 90-days after adoption by the City Council. Motion carried unanimously. 6 votes for; none against.

### **Ordinance No. 2342- Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 - NW Sjoren Lane**

**(Public Hearing)**- Councilor Davis moved and Councilor Primmer seconded to table this Ordinance for the meeting of November 14, 2022 as previously directed with the Public Hearing as Councilors Spicerkuhn and Myers have declared conflicts of interest and two other councilors are absent. Motion carried unanimously. 4 votes for; none against.

### **Resolution No. 2241 – Approval of IGA related to Practical Assistance through Transitional Housing (PATH)**

**Project**- City Manager Smith stated this resolution would authorize the City to enter into an IGA with Umatilla County and the cities of Umatilla, Stanfield, and Echo to provide services to the homeless population through the PATH Project which will be supervised by the City of Umatilla.

Councilor Spicerkuhn announced a potential conflict of interest as he is a new member of the Stepping Stones Board that has been awarded the PATH Project. City Attorney Tovey stated it is not an actual conflict of interest. After some discussion, Councilor Barron moved and Councilor Hardin seconded to adopt Resolution No. 2238 and lay upon the record. Motion carried 5-0 with one abstention; Councilors Davis, Primmer, Peterson, Hardin, Myers voted in favor, Councilor Spicerkuhn abstained.

City Manager Smith stated the groundwork and huts are not as far along as Stepping Stones would have liked to be open prior to this winter, therefore, the old Sears building on N HWY 395 will be used again this winter as the sleep center.

### **Approval of the Lease to Made to Thrive for the Construction of Sports Fields on the Front ~20 acres of the**

**EOTEC Property**- City Manager Smith presented the proposed Sports Field Lease between the City and Made to Thrive with the proposed parking verbiage changes from the last City Council meeting.

After some discussion, Councilor Primmer moved and Councilor Hardin seconded to sign the Lease with Made to Thrive as proposed. Motion carried unanimously.

### **September 2022 Financial Report**

Councilor Davis moved and Councilor Hardin seconded to accept the September Financial Report as presented by Finance Director Mark Krawczyk. Motion carried unanimously.

### **Goal Setting Update**

City Manager Smith presented information regarding the 2022 established City Council Goals as described in the agenda packet.





Where Life is Sweet

# CITY COUNCIL

Regular Meeting Minutes  
October 24, 2022

### Committee Reports

Parks and Recreation- Councilors Myers and Davis gave updates regarding the Teen Adventure Park and Riverfront Park.

Public Safety Committee- Councilor Primmer stated the Committee met prior to the City Council meeting and heard updates from both the Police and Municipal Court Departments.

EOTEC Committee- Mayor Drotzmann stated the Committee is reviewing information regarding extending the Barns as users have already outgrown that space.

### Mayor’s Report

Mayor Drotzmann spoke regarding:

- Wayfinding signage throughout the City
- OMA Homelessness Task Force addressing this issue at a state level

### Council Reports

Councilor Spicerkuhn asked that the City consider opening restrooms at Butte Park as there were only porta potties available and hundreds of people at this location for sporting events throughout the weekend. There will also be a Veterans Day Breakfast hosted by the Parks and Recreation at the Community Center on November 11<sup>th</sup> at 8:00am.

### Youth Advisory Report

Youth Advisors were not present.

### City Manager’s Report

City Manager Smith spoke regarding the City’s meeting with Mr. Owens from the Skating Rink as they work to address and clarify his concerns.

### Adjournment

Mayor Drotzmann adjourned the City Council meeting at 8:05pm as there was no other City business.

SIGNED:

\_\_\_\_\_  
Dr. David Drotzmann, Mayor

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, City Recorder



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 - NW Sjoren Lane

**Summary and Background**

This item was tabled by the city council at the October 24 city council meeting.

Kelly Nobles has applied for annexation for 3.64 acres of land located on the north side of NW Sjoren Lane. The property lies within the urban portion of the urban growth boundary and has a comprehensive plan map designation of Medium Density/Mobile Home Residential (MH) which corresponds to a Multi-Structure Residential (R-4) zoning designation. The applicant requests annexation with an R-4 zoning. Upon annexation, the applicant intends to develop accessory dwellings and/or new residential units. The annexation is necessary to enable connections to the municipal water and sewer lines in NW 11<sup>th</sup> Street.

The property is described as 4N 28 04D Tax Lots 1100, 1101, 1102, and 1103. Tax Lots 1100 and 1103 were part of a major partition by the applicant in 2021. This partition created the two lots and dedicated NW Sjoren Lane as a 50-foot public street. Sjoren Lane remains an access easement where it crosses Tax Lots 1101 and 1102. As a condition of annexation, staff recommends the applicant be required to dedicate 50 feet of right of way across the southern boundary of Tax Lots 1101 and 1102. In approving the partition plat, the city imposed an additional approval condition to prepare a feasibility analysis for connecting the property to city services in NW 11<sup>th</sup> Street prior to further development. The applicant has retained Ron McKinnis as a civil engineer to complete this analysis. Working in conjunction with the city's engineers with Anderson Perry, it has been determined that sewer connection to NW 11<sup>th</sup> Street is feasible. However, it will not be possible to extend sewer entirely to the west boundary of Tax Lot 1100 and it will be necessary for development on Tax Lots 1101 and 1102 to install private pumps to reach the terminus of any sewer extension. Water service is also feasible.

There are four parcels within the proposed annexation area. Tax Lots 1101 and 1102 are each 0.98 acres and each contain an existing single-family dwelling. Tax Lot 1100 is 1.26 acres and is residentially developed. Tax Lot 1103 is 0.42 acres and is vacant.

The land proposed for annexation is within a low-density residential area. The majority of the surrounding parcels are in excess of 0.75 acres and contains single-family development.

However, to the east on the east side of NW 11<sup>th</sup> Street lies multi-family apartment assisted living facility.

150.05 of the Hermiston Code of Ordinances provides the requirements for annexations. The requirements for annexation are as follows:

1. The proposal is in conformance with all applicable state annexation requirements.
2. The property is contained within the urban portion of the urban growth boundary as identified on the comprehensive plan.
3. The proposed zoning is consistent with the underlying comprehensive plan designation.
4. Findings of fact are developed in support or denial of the annexation.
5. All city services can be readily extended and the property owner is willing to bear costs associated with sewer, water, and roads.

The planning commission held a public hearing on the proposed annexation on October 12, 2022. There was written and oral testimony submitted in opposition to the annexation, and numerous questions were posed to the applicant. Testimony centered on the growth of the city into rural portions of the urban growth boundary, property maintenance issues, and traffic. A copy of the written testimony is attached to this report for the council’s reference.

Following closure of the public hearing, the planning commission made a recommendation to the city council to annex the property with the proposed (R-4) zoning designation.

The applicant requests that the council leave the record open for submission of additional written rebuttal pursuant to ORS 197.763(6)(C). The council may choose to close the hearing, but leave the record open for the applicant to submit additional rebuttal into the record. The council may still make a decision at this meeting if it is determined there is adequate evidence to make a decision. The applicant was unable to attend the October 24<sup>th</sup> meeting, but plans to attend the November 14<sup>th</sup> meeting.

**Tie-In to Council Goals**

Annexation is a matter of administration of city ordinances. This set of parcels is adjacent to city limits on NW 11<sup>th</sup> St.

**Fiscal Information**

The property has an assessed value of \$181,430. Upon annexation, approximately \$6,200 will be paid annually in city taxes. Additional development will generate higher assessments.

**Alternatives and Recommendation**

Alternatives

The city council may choose to

- Approve the annexation
- Deny the annexation

Recommended Action/Motion

Staff recommends that the city council approve the annexation of the property.

- Motion to approve the findings of fact
- Motion to impose conditions of approval
- Motion to adopt Ordinance No. 2342

**Submitted By:**

Clinton Spencer, Planning Director

**Draft Findings and Conditions for Nobles Annexation**

**November 14, 2022**

**1180, 1214, and 1242 NW Sjoren Lane**

1. The City has received consent to annexation from the property owner for approximately 3.64 acres of land.
2. Notice of public hearing was published in the local newspaper for two consecutive weeks prior to the planning commission hearing on September 21 and 28, 2022. Notices were also posted in four public places in the city for a like period. Comments or remonstrances received have been incorporated into the record.
3. Notice of public hearing was physically posted on the property on September 21, 2022.
4. Affected agencies were notified.
5. A public hearing of the planning commission was held on October 12, 2022. Comments received at the hearing are incorporated into the planning commission record.
6. Notice of public hearing of the city council was published in the local newspaper for two consecutive weeks prior to the city council hearing on October 5 and 12, 2022. Notices were also posted in four public places in the city for a like period. Comments or remonstrances received have been incorporated into the record. The city council continued the hearing from October 24 to November 14, 2022 and announced during the October 24, 2022 meeting the rescheduled time for the hearing.
7. A public hearing of the city council was held on November 14, 2022. Comments received at the hearing are incorporated into the record.
8. The proposal is consistent with all applicable state annexation requirements in ORS 222.
  - a. The city has received consent from the property owners within the affected area
  - b. An election has been deemed not necessary since consent from more than half the owners has been received
  - c. The property is contiguous with the existing city limits
  - d. All statutorily required notices have been published and posted
9. Since the property is contiguous to the existing city limits, the annexation is in accord with Comprehensive Plan Policy 4 which promotes compact urban development within and adjacent to existing urban areas to ensure efficient utilization of land resources and facilitates economic provision of urban facilities and services.
10. The annexation is consistent with the requirements of Comprehensive Plan Policy 5 relating to annexation.
11. The property is located within the urban portion of the urban growth boundary (UGB) as identified on the comprehensive plan map.
12. Sewer is available to service this property in NW 11<sup>th</sup> Street. At the time of connection, the applicant is responsible for construction of a new municipal sewer line in NW Sjoren Lane. All civil plans shall be approved by the City Engineer.
13. Water is available to service this property in NW 11<sup>th</sup> Street. At the time of connection, the applicant is responsible for construction of a new municipal water line in NW Sjoren Lane. All civil plans shall be approved by the City Engineer.

- 14. Street infrastructure is sufficient upon development based on existing Street Improvement Agreements for tax lots 1100 and 1103 and new Street Improvement Agreements for tax lots 1101 and 1102, conditioned upon this annexation.

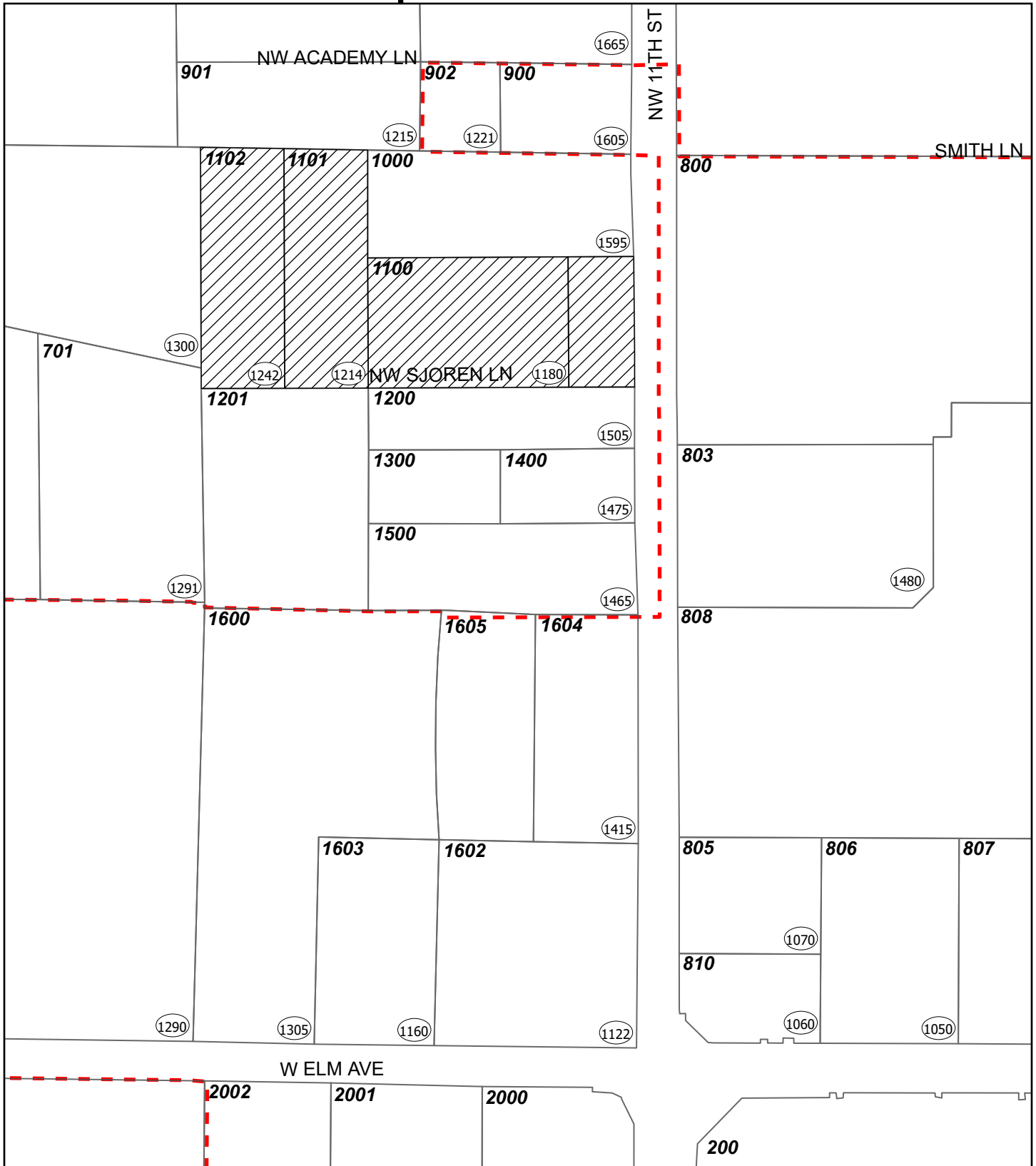
**Draft Findings on Zoning Designation**

- 1. The property lies within the urban portion of the urban growth boundary and has a comprehensive plan map designation of Medium Density/Mobile Home Residential (MH).
- 2. The proposed Multi-Structure Residential (R-4) zoning designation corresponds with the underlying comprehensive plan map designation.





**Draft Condition of Approval**

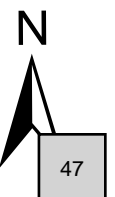
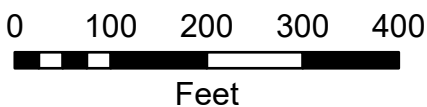
- 1. The applicant shall dedicate 50 feet of land for use as a public street (the future extension of NW Sjoren Lane) across the southern boundary of Tax Lots 1101 and 1102.
- 2. The applicant shall sign a street improvement agreement for NW Sjoren Lane agreeing to future installation of a half street improvement including curb, gutter, sidewalk, and paving for Tax Lots 1101 and 1102.

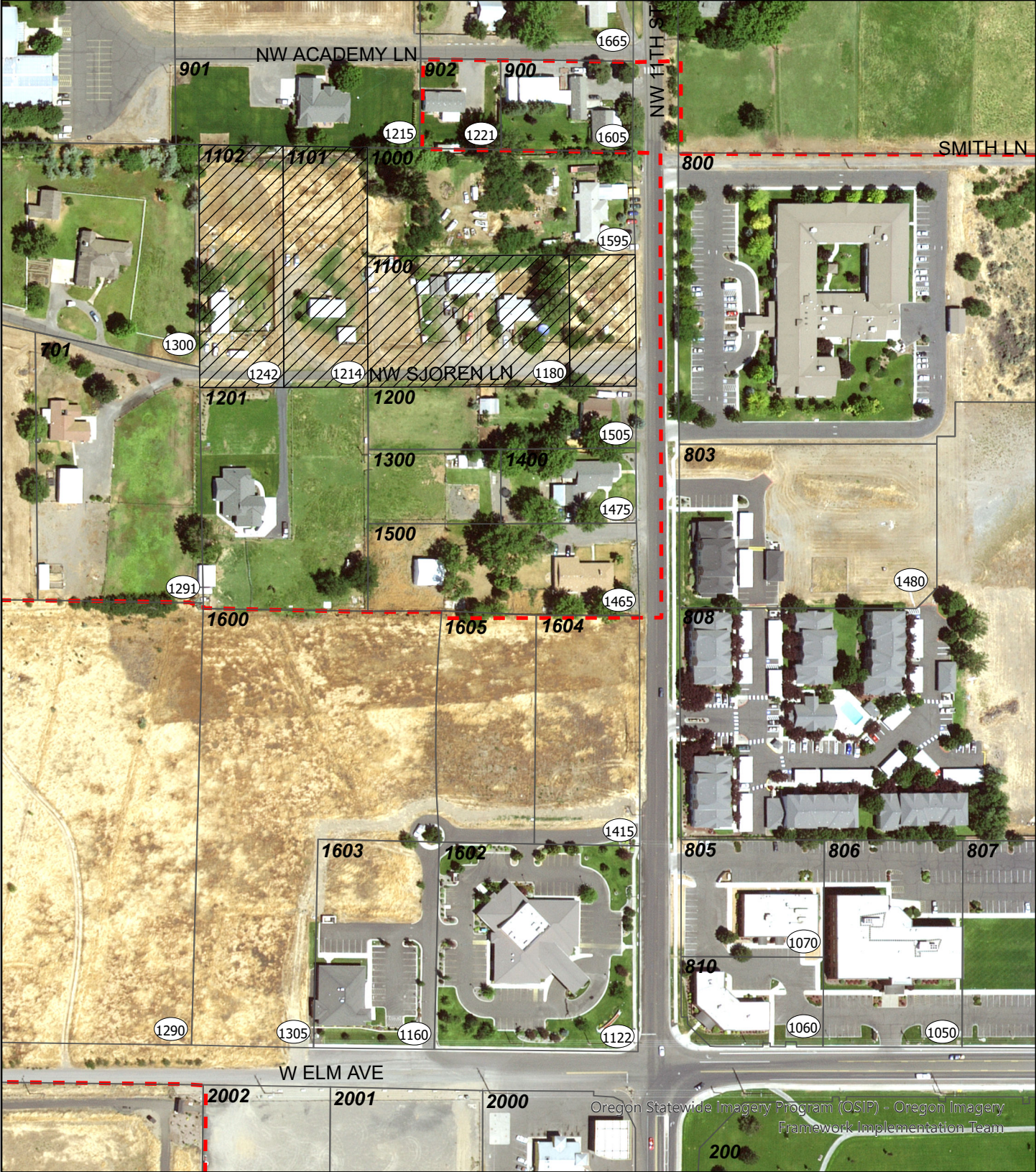
# Notice of Proposed Land Use Action



## Legend





-  Area of Proposed Annexation
-  Property Line
-  City Limits
-  Urban Growth Boundary

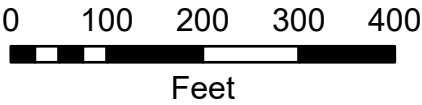




Oregon Statewide Imagery Program (OSIP) - Oregon Imagery Framework Implementation Team

### Legend

-  Area of Proposed Annexation
-  Property Line
-  City Limits
-  Urban Growth Boundary





**Heather LaBeau**

---

**From:** Swena Family <swenafamily@gmail.com>  
**Sent:** Tuesday, October 11, 2022 4:57 PM  
**To:** Planning  
**Subject:** Sjoren Lane Annexation

**STOP and VERIFY This message came from outside of the City of Hermiston**

---

10/11/22

To Members of the Planning Commission and City of Hermiston Oregon:

We have been living on Sjoren Lane since 1994. The lots next to us were empty for many years except for some cows that would escape the broken-down fence now and then. The home at the corner of 11<sup>th</sup> and Elm had renters. When 2 very old dilapidated mobile homes were moved onto the property we did not know what was happening. Septic and wells were put in, and promises were made that the premises would be fixed up and the yards landscaped. That did not happen.

We had a gravel road. The upkeep of it was done by the neighbors. Only once do I recall the owner of the property helping with dust abatement. Later I was told that Mr. Nobel was behind the request. He put in some money to appease the requirements of working with the neighbors so the land division he wanted could be passed. Later, the neighbors worked together and put in a paved lane. Mr. Noble did not assist in the cost of the lane or the upkeep of it.

The fence we put in between lot number 1102 and our field was damaged by a renter’s dog pulling out the vinyl slats and the trees growing into it. Contact was made by phone several times and the renter was talked with. Repairs were promised but did not happen. A tree fell on it from our side and we are trying to get it fixed. The fences on the rental properties and buildings have been in disrepair for years. Promises have been made and not kept. The neighborhood would be much noisier and congested if more homes were put in.

Does the city really want to annex this kind of development? Many of the neighbors do not. Some of the neighbors have been out of town and unaware of what is proposed, including us.

Yes, cities grow and develop but do we want ours to develop like this?

Ladonna Swena  
1300 NW Sjoren Lane  
Hermiston OR, 97838

October 11, 2022

James B and Teri A Allstott  
1215 NW Academy Lane  
Hermiston, OR 97838

Dear Planning Department; Clint Spencer, Planning Director,

This letter is in reference to the purposed annexation of property on NW Sjoren Lane by KC Nobles Enterprises LLC.

We are opposed of this request as it borders the back side of our property and has not been properly maintained throughout the years past. We are against more Medium Density Mobile Homes due to the lack of maintenance or yard up keep/green space. Observations of the last 25 years showed a lack of improvements of the property or grounds, including the homes currently on site.

We will be present at the hearing on Wednesday, October 12, 2022 in hopes that you will be in open to hearing more information on this matter.

Sincerely,



James B and Teri A Allstott

**Heather LaBeau**

---

**From:** chaclupny <chaclupny@gmail.com>  
**Sent:** Wednesday, October 12, 2022 12:22 PM  
**To:** Planning  
**Subject:** Annexation of Nobles properties into the City of Hermiston

**STOP and VERIFY This message came from outside of the City of Hermiston**

---

Dear Planning Committee:

Thank you for the privilege of commenting on the future annexation of the Nobles properties. My name is Charles E. Clupny. My family and I live at 1225 NW Sjoren Lane inside the Urban Growth Boundary but in the County area.

Last night I received a phone call from a neighbor concerned about the proposed action. I am only now commenting because we have been gone from our home for a month. I found out last night late a letter was received from the City of Hermiston. We have not received your letter to review since it was mailed after we left Hermiston. In addition, no Hermiston news was available to us if it was printed in the local paper.

These issues aside I would like to express that I am not opposed to the annexation sought by Mr. Nobles. My concerns arise out of the property owners past and future actions in developing his properties. Since the letter copy I was able to review from the neighbor dated October 12, 2022 indicated curb, street and the addition of multiple family homes I am concerned about the timeline and or requirements the City will agree to with Mr. Nobles. If past actions are followed, I am concerned that the new dwellings (used or new) may be the only items that may be completed in the near future. The quality of those structures may be something less than the surrounding landowners would like to have in their current neighborhood.

I apologize for my format but this issue was a surprise to me when received late at night per a phone call. I look forward to reading your letter upon my arrival in Hermiston on October 16th.

I am not able to be at the planning meeting tonight, October 12, 2022. My plan is to attend the City Council meeting scheduled for October 24, 2022.

Thank you again for the opportunity to comment.

Sincerely,  
Charles E. Clupny

Sent from my U.S.Cellular© Smartphone

**Heather LaBeau**

---

**From:** melissa198301@gmail.com  
**Sent:** Wednesday, October 12, 2022 8:19 AM  
**To:** Planning  
**Subject:** Proposed land action Sjoren LN

**STOP and VERIFY This message came from outside of the City of Hermiston**

---

I live on 1505 NW 11th St.

I would like to vote No for annexing in these properties to the city.  
it is going to cause more difficulty of trying to turn on and off NW 11th st to Sjoren LN  
not to mention the impacted that will happen during all the construction that will have to happen if this get approved. An how it will affected the other properties around it.

I get that people want to make improvements. But living in the country is nice and not having all that extra traffic and issues wouldn't be preferred..  
thank you for your time in this matter

Melissa Hughs  
1505 NW 11 th st  
Hermiston OR 97838

# HERMISTON IRRIGATION DISTRICT

Section 8, Item A.



366 East Hurlburt Avenue  
Hermiston, OR 97838-2445  
Office: 541-567-3024  
Mobile: 541-571-7698  
E-mail: [Manager@hermistonid.org](mailto:Manager@hermistonid.org)

September 28, 2022

City of Hermiston  
Planning Director Clinton Spencer  
180 NE 2<sup>nd</sup> St  
Hermiston, OR 97838

**Re: KC Nobles Enterprises LLC  
Annexation – 4N2804D 1100, 1101, 1102, 1103**

Dear Mr. Spencer,

Thank you for the opportunity to review and comment on this annexation. Our review of the properties has revealed that these properties are located within the boundary of Hermiston Irrigation District. All four properties have water rights with HID and those water rights are allocated as listed below and shown on the attached map:

<u>Tax Lot</u>	<u>Water Right</u>
1100	0.90 acres
1101	0.80 acres
1102	0.80 acres
1103	0.30 acres

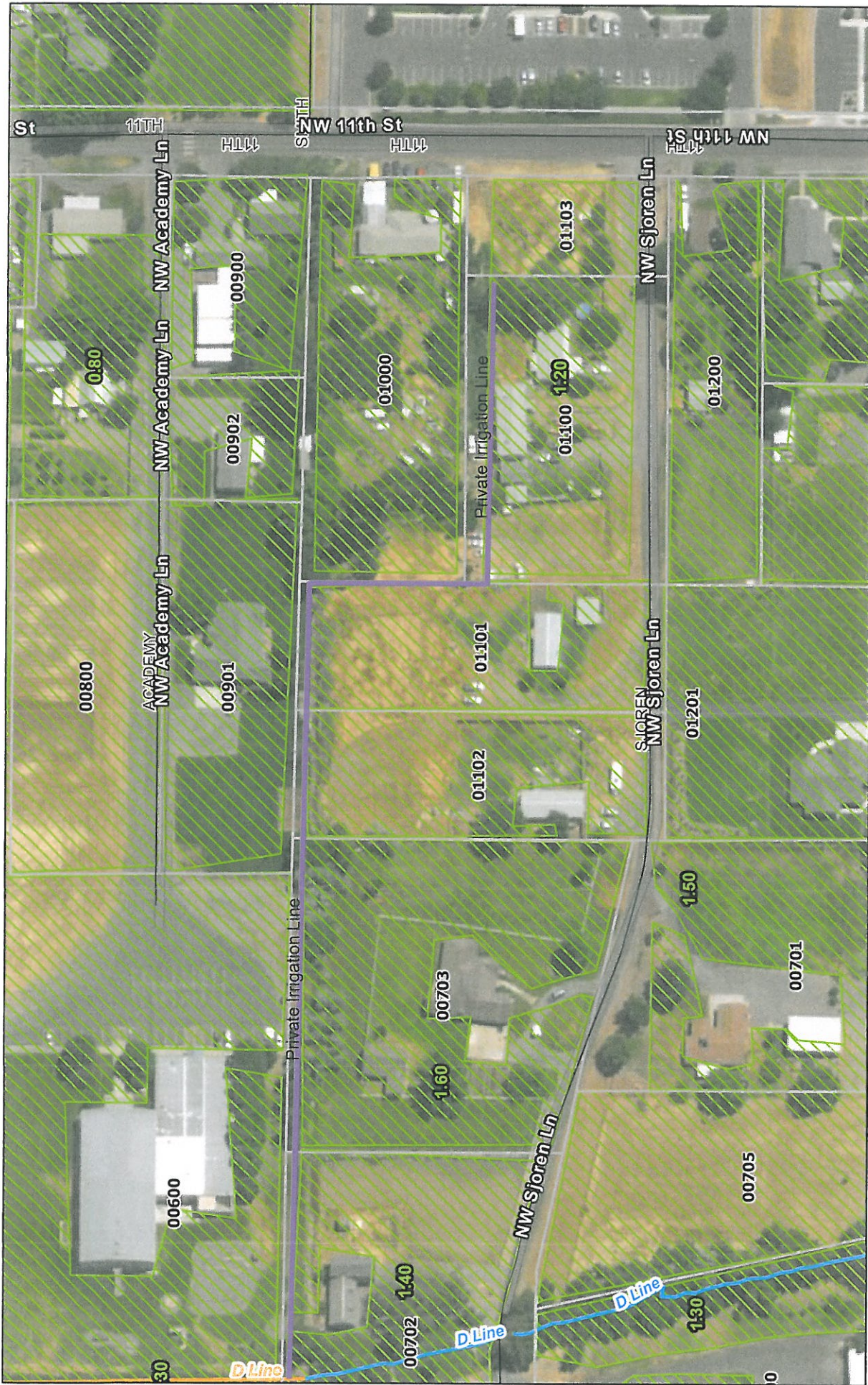
There are no HID or USBR easements on any of the properties listed in this annexation. There are however, private irrigation easements as shown on the attached map and identified on Umatilla County Partition Plat No 2021-37.

HID has no objection to or restrictions on this request for annexation.

Respectfully,

Annette Kirkpatrick  
District Manager

# KC Nobles Enterprises LLC Annexation 4N2804D 1100, 1101, 1102, 1103, 1103



9/28/2022, 9:40:15 AM

Section 8, Item A.

1:2,257  
 0 0.01 0.03 0.05 m  
 0 0.02 0.04 0.08 km

-  Override 1
-  DistrictBoundary
-  Taxlots
-  CountyRoads
-  Pipeline
-  Canals
-  WaterRights



Sent from my iPhone







# CITY OF HERMISTON

## APPLICATION FOR ANNEXATION

Pursuant to the provisions of ORS Chapter 222 and Chapter 150 of the Hermiston Code of Ordinances, application is hereby made to annex the following described property:

Name of Applicant: Kelly Nobles Phone: 541-571-2588  
Mailing Address: 1050 Stephens Ave Umatilla, OR 97882

Contact Person: Same Phone: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_

Name of Owner (If Different): Same Phone: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_

Legal Description: Assessor's Map No: 4N28E 4N2804 D TAX LOTS Tax Lot No: 1100, 1101, 1103, 1103  
Subdivision (If Applicable): Has been divided into 4 parcels

Street Address: 1180, 1182, 1184, 1214, 1242 Sjoren lane Hermiston OR,

Current Comprehensive Plan Designation: MH Proposed Zoning Designation: R4

Land Area (In Acres): 3.52 acres

Existing Use of Property:

Number of Single-Family Units: Five Number of Multi-Family Units: One duplex

Number of Commercial Units: 0 Number of Industrial Units: 0

Public Facilities or Other Uses: \_\_\_\_\_

Population: Owners: One Tenants: 15 Voters: 8

Please Include the Names and Ages of All Residents:  
\_\_\_\_\_

Surrounding Use of Property:

North: Residential  
South: Residential

East: Residential

West: Residential

Current Year Taxes: 1678.11

Previous Year Taxes: 1592.42

Total Assessed Valuation: 110,810.00

Please provide a general description of the property including topography, vegetation, drainage basins, flood plain areas, etc.:

All four lots are level with no drainage basin or flood plain areas. The vegetation is grass with small trees along the property lines.

Please explain why the annexation has been proposed:

We like to use city water and sewer to avoid septic systems and well use.

If the property is undeveloped, please describe plans for future development. This description should describe whether the development will be residential, commercial or industrial and include building types, public facilities, number of units, etc.:

There is currently five single family homes on 3 of the 4 lots. 4th lot was just created to build a new single family home.

Does the proposed development conform to the uses allowed under the proposed zoning designation?

Yes

Please provide the following information regarding services and utilities:

Location and size of the nearest water line:

City water and sewer are available across 11th street on the

Location and size of the nearest sewer line:

East side of 11<sup>th</sup> street across the street from the first parcel.

Proximity of other facilities (storm drains, gas lines, irrigation lines, etc.):

There is an irrigation easement along the property line  
There is gas provided to 1182 and 1184 Sjoren!

The time at which services can be reasonably provided by the city or other district:

Three months after approval

The estimated cost of extending such facilities and/or services and the method of financing:

\$20,000 for James Dixon to provide services to Sjoren lane to be paid for by Kelly Nobles

Availability of the desired service from any other unit of local government (Please indicated which government):

Not available

Please indicate the roads that adjoin the parcel or will provide service to the parcel:

11<sup>th</sup> Street to Sjoren lane

Please indicate the condition of the roads and any improvements that are projected:

Road condition is very good, paved.

Please indicate if any new roads will be created or extended through the property:

No

If the property is presently included within the boundaries of any of the following types of governmental units, please indicate by stating the name or names of the governmental units involved.

Rural Fire District: UCFD1 Irrigation District: Hermiston Irr.  
School District: Hermiston Drainage District: \_\_\_\_\_  
Library District: Hermiston Parks and Recreation District: Hermiston  
Special Road District: \_\_\_\_\_

Please indicate which services are presently being received in the territory (For example, are residents receiving municipal water or sewer services?):

City water and sewer are in use to adjacent property

**ADDITIONAL INFORMATION TO BE FURNISHED AND ATTACHED TO APPLICATION:**

1. Evidence that applicant is owner or purchaser of the property or has written permission of such owner to make an application for the proposed use.
2. Two copies (one digital copy) of a site plan (11" x 17") drawn to scale, showing the location of the property concerned, the location of all proposed building(s), highways, streets and alleys.
3. A metes and bounds legal description of the entire property proposed for annexation. A metes and bounds legal description of each individual parcel is not sufficient.

The above statements are true to the best of my beliefs and knowledge. As applicant, I understand that the city council, planning commission and annexation advisory committee request the attendance of me, or my representative, at the meeting(s) where this request is scheduled for consideration and that the city council, planning commission and annexation advisory committee retain the right to approve or deny this request and impose those conditions as may be necessary to lessen probable adverse impacts based upon the testimony provided at the hearing.

I am the  owner/  owner(s) authorized representative.  
(If authorized representative, attach letter signed by owner or owners.)

*Jillie Noller*  
Signature of Applicant

7/21/22  
Date

**OUT OF POCKET EXPENSES FOR PUBLICATION COSTS WILL BE BILLED LATER**

For further information, please feel free to contact the planning department at the Hermiston City Hall, 180 N.E. 2nd Street, Hermiston, Oregon 97838, or telephone (541) 567-5521. The City's fax number is (541) 567-5530.

**OFFICE USE ONLY**

Date Filed: 7.22.22 Received By: *[Signature]* Meeting Date: \_\_\_\_\_  
Fee: \$700.00 Date Paid: 7.21.22 Receipt No: 1158222

**ORDINANCE NO. 2342**

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY ON NW SJOREN LANE, WEST OF NW 11<sup>TH</sup> ST, DESCRIBING SAID REAL PROPERTY, WITHDRAWING SAID REAL PROPERTY FROM SPECIAL DISTRICTS AND DESIGNATING ZONING.

THE CITY OF HERMISTON ORDAINS AS FOLLOWS:

**SECTION 1.** The following described real property is annexed to the City of Hermiston and is withdrawn from the Umatilla County Library District and the Umatilla County Sheriff’s Office Law Enforcement District due to annexation:

Parcels 1 & 2 of Partition Plat 2021-37 and Parcels 1 & 2 of Partition Plat 2001-39 including the 33-foot wide right-of-way adjacent the east property line of Parcel 2 Partition Plat 2021-37 and the 50-foot wide right of way adjacent to the south property lines of Parcels 1 & 2, Partition Plat 2021.37.

All being East of the Willamette Meridian, in the county of Umatilla and State of Oregon.

**SECTION 2.** The City Zoning Map shall include the real property described in Section 1 above, and shall be designated as Multi-Structure Residential on said map.

**SECTION 3.** The findings of fact as adopted by the Council on November 14, 2022 are incorporated herein by this reference.

**SECTION 4.** The City Recorder shall promptly transmit a record of annexation proceedings to the Secretary of State and notify the County Assessor of the change in boundary.

**SECTION 5.** The effective date of this ordinance shall be the thirtieth day after its adoption.

**SECTION 6.** This annexation shall be complete when all necessary documents have been accepted and filed by the Secretary of State.

ADOPTED by the Council this 14th day of November, 2022.

SIGNED by the Mayor this 14th day of November, 2022.

\_\_\_\_\_  
Dr. David Drotzmann, MAYOR

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, CITY RECORDER

PROCLAMATION

IT IS HEREBY PROCLAIMED that at the regular meeting of November 14, 2022, the City Council of the City of Hermiston, Umatilla County, Oregon, did by unanimous vote annex the following described property, to-wit:

Parcels 1 & 2 of Partition Plat 2021-37 and Parcels 1 & 2 of Partition Plat 2001-39 including the 33-foot wide right-of-way adjacent the east property line of Parcel 2 Partition Plat 2021-37 and the 50-foot wide right of way adjacent to the south property lines of Parcels 1 & 2, Partition Plat 2021.37.

All being East of the Willamette Meridian, in the county of Umatilla and State of Oregon.

IT IS FURTHER PROCLAIMED that copies of this Proclamation be posted in four places in the City of Hermiston for two weeks.

DATED AT HERMISTON, OREGON, this 14th day of November, 2022.

\_\_\_\_\_  
Dr. David Drotzmann, MAYOR

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, CITY RECORDER



State of Oregon Department of Environmental Quality

**Point Source Project Loan Application  
(Design and Construction Projects)**

Contact: [Regional Project Officer](#)

Answer all requests for information in this application. List “N/A” for items that do not apply. Do not leave any section of this application blank.

DEQ will accept completed applications that are printed, signed and mailed to DEQ, postmarked by the application due date.

**Application Information**

**1. Public agency or Legal applicant:**

City of Hermiston

Name

180 NE 2nd Street

Address

Hermiston, OR

97838 USA

OR2

City, State

Zip

County

[Congressional District\(s\)](#)

541-567-5521

mmorgan@hermiston.or.us

Telephone

Email Address

**2. Cite your agency’s authority to take on debt, noting the exact Oregon Revised Statute reference located on the [state website](#).**

ORS 224

**3. Only public agencies are eligible for the Clean Water State Revolving Fund. Does your agency meet the definition of a “public agency” as defined by [ORS 468.423](#)? If you are unsure, contact DEQ at 503-229-LOAN:**

Yes  No

**4. Identify your type of public agency:**

Tribal Gov’t  City  
 County  Sanitary District



- |   |  |
|---|--|
| <input type="checkbox"/> State Agency<br><input type="checkbox"/> School District<br><input type="checkbox"/> Metro<br><input type="checkbox"/> Other:<br><input type="checkbox"/> Intergovernmental: | <input type="checkbox"/> Irrigation District<br><input type="checkbox"/> County Service District |
|---|--|

*\* Note: Eligibility includes certification of no disbarment and no suspension through the System of Award Management. Certification is required at time of loan signing.*

**5. Project Contact:**

Mark Morgan	City of Hermiston	Assistant City Manager
Name	Dept./Organization	Title
541-567-5521	mmorgan@hermiston.or.us	
Telephone	Email Address.	

**6. Interim Financing:**

- Yes    
  No

**7. Water Quality Permit and Certification Information (if applicable):**

Type	Number	Administratively extended	Renewed	Current	New	No Permit / Certs
National Pollutant Discharge Elimination System permit number (EPA reference number beginning with "OR")	101294	7/1/2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water Pollution Control Facility permit number			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
401 Water Quality Certification			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**8. Will this project require:**

- Permit Renewal  
 New Permit  
 N/A

**9. Permit Includes:**

- A compliance schedule associated with loan request
- A Mutual Agreement and Order (MAO) associated with loan request
- Loan request is being made to address potential compliance concerns

**10. CWSRF Loan Request Amount**

**\$2,947,000**

**11. Total Estimated Project Cost:**

**\$2,947,000**

**Project Description: (Attach additional documentation if necessary)**

Use this section to describe the objectives components and expected outcomes of the project. The loan agreement will refer to this section in defining what expenses can be reimbursed.

**12. Project Type (Check on or both as appropriate):**

- Design
- Construction

*\* Note: A DEQ-approved facility plan, no older than five years is required prior to application approval*

**13. Project Description:**

Name of the project: **Southwest Hermiston Sewer Main Extension**

Describe proposed project, specifying the water quality and public health objectives to be addressed:

This project will install approximately 5,300 linear feet of new 8" PVC gravity sewer main from the intersection of OR207 and Gettman Road in Hermiston to the south. This project is anticipated to serve 1,350 new housing units currently planned on a 353 acre site within Hermiston City Limits in the southwest quadrant of the City. Early conversations with the developers centered around the prohibitive costs associated with sewer extension, and the developer's desire to use a septic-based system to serve the homes. Installation of this sewer main will convey sewage from the new housing development to the City of Hermiston's Recycled Water Treatment Plant, which discharges Class-A water.

An ancillary objective of this project is that it will also bring public sewer main past several hundred acres of other properties currently located within the City's UGB which are all on septic systems. Over time, it is anticipated that those existing homes will also connect to the City's sanitary sewer system and get off of septic systems, while additional housing development is likely to occur on undeveloped land.

Describe the major project components (for example, type of structures to be built):

This project will install approximately 5,300LF of 8" PVC sewer main, which will operate as a gravity-flow system. The project also includes boring under a Union Pacific Railroad branch line as well as an irrigation canal. Finally, the project includes installation of 16 manholes along the route.

Describe how the proposed project will achieve the objectives:

The project will prevent development of nearly 500 low-density homes with septic systems by instead encouraging development of 1,300 higher density housing units connected to municipal sewer service.

The project also has the potential to serve existing septic system users along the route in the future as their systems fail.

Give any other pertinent information that explains why this project is proposed:

**14. Project will improve water quality by addressing one or more of the following (Check all that apply)**

- |                                     |  |                          |                        |
|-------------------------------------|--|--------------------------|------------------------|
| <input type="checkbox"/>            | Temperature                              | <input type="checkbox"/> | Nutrients              |
| <input type="checkbox"/>            | Bacteria                                 | <input type="checkbox"/> | Contaminated Sediments |
| <input type="checkbox"/>            | Dissolved Oxygen                         | <input type="checkbox"/> | NPDES/WPCF Permit      |
| <input type="checkbox"/>            | OHA Requirement                          | <input type="checkbox"/> | Toxic Substances       |
| <input checked="" type="checkbox"/> | Other: <u>Discourages Septic Systems</u> |                          |                        |

*\* Provide documentation, as described in Application Instructions, to support water quality improvement.*

**15. Is the facility currently in compliance with its permit(s)?**

- Yes       No

If yes answer questions #16 and if no, skip to question #17.

**16. Is the facility at risk of noncompliance with its permit(s)?**

- Yes       No

If yes, describe how the project will ensure continued compliance of the facility and how long the system is expected to maintain compliance?

**17. Indicate the noncompliance issue, if any the project will address.**

- Water quality standards
- Public health
- Limits for wastewater or stormwater discharge to surface water or groundwater
- Waste discharge limits for reuse of biosolids or wastewater

**18. Does the project address a water quality improvement or restoration need for a small community, defined as 10,000 or fewer people?**

- Yes     No

If yes, enter the population estimate\*: \_\_\_\_\_

\* Use current estimate from Portland State University [Population Research Center](#).

**19. Are you applying for a Sponsorship Option loan for a nonpoint source project in addition to this loan?**

- Yes     No

\*If yes, complete and submit a nonpoint source application with this application. Application located at: <http://www.oregon.gov/deq/wq/cwsrf/Pages/CWSRF-Application.aspx>

**20. Project Categories:**

Estimate the percentage of the CWSRF loan expected to be used for each of the appropriate categories shown below:

Project category	Description (Please enter all numbers as decimals (ex: 22.34% = .2234))	% CWSRF Funding
CWT	Secondary Treatment Plant (includes, but is not limited to new, expansion, improvements; effluent disposal; biosolids treatment, biosolids disposal, water reuse)	
CWT	Advanced Treatment	
CWT	Infiltration/Inflow	
CWT	Sewer System Rehabilitation	
CWT	New Collector Sewers	100
CWT	New Interceptor	
CWT	Combined Sewer Overflow (CSO) Correction	
Stormwater	Gray Infrastructure	
Stormwater	Green Infrastructure	
Energy Conservation	Energy Efficiency	
Energy Conservation	Renewable Energy	
Water Conservation	Water Efficiency	
Water Conservation	Water Reuse	
Other	Estuary (§320) Assistance	
Other	Desalination	
<b>Total</b>		<b>100</b>

**21. Project location (if different from public agency location):**

OR207 from Gettman Road south

Address			
Hermiston, OR	97838	Umatilla	2
City, State	Zip	County	Congressional District(s)

[Latitude WGS84](#)

[Longitude WGS84](#)

\*Additional sites, please use the blank page provided at the back of the application.

**Green Project Components**

Oregon DEQ is required to finance a certain percentage of projects that utilize green infrastructure, address water and energy efficiency, and/or implement other environmentally innovative activities. Refer to [Appendices A-D, Green Project Reserve Project Eligibility Guidance](#), to complete the following questions.

**22. Does the project incorporate or expand green infrastructure as described in [Appendix A](#)?**

Yes     No

If yes give the dollar value \_\_\_\_\_

If yes cite the objective. \_\_\_\_\_

Describe how the project will achieve the objective:

**23. Does the project incorporate or expand water efficiency as described in [Appendix B](#)?**

Yes     No

If yes give the dollar value \_\_\_\_\_

If yes cite the objective. \_\_\_\_\_

Describe how the project will achieve the objective, including the estimated percent improvement in water efficiency:

**24. Does the project incorporate or expand energy efficiency as described in [Appendix C](#)?**

Yes     No

If yes give the dollar value \_\_\_\_\_

If yes cite the objective. \_\_\_\_\_

Describe how the project will achieve it, including the estimated percent improvement in energy efficiency:



**25. Does the project incorporate or expand environmentally innovative projects or practices as described in [Appendix D](#)?**

Yes     No

If yes give the dollar value \_\_\_\_\_

If yes cite the objective. \_\_\_\_\_

Describe the environmentally innovative projects or practices and how they will be incorporated into the project:

**26. Does the project integrate or expand long term environmental or financial reliability and viability, or use an approach, not included in green project categories**

Yes     No

If yes give the dollar value    \$567,000/yr

If yes cite the objective. \_\_\_\_\_

This project will help expand the number of sewer utility accounts within Hermiston by 25% (5,500 to 6,850). This helps ensure long-term financial stability of the sewer system by adding guaranteed monthly income of at least \$35 per customer per month. Increasing the number of base-rate-paying customers not only helps make operation of the treatment works more economical, but also helps pay down the debt associated with a \$23M plant expansion from 2014, which assumed customer growth as part of it's pro-forma.

**Waterbody**

**27. Provide the name, eight-digit Hydrologic Unit Code, and the location of the waterbody receiving discharge:**

Primary affected waterbody	Umatilla River		HUC#	17070103
Other affected waterbody			HUC#	
GPS Location WGS84	Lat	119.18.56	Long	45.51.46

**28. Discharge affected by proposed project (check all that apply):**

- |  |  |
|--|--|
| <input type="checkbox"/> Ocean outfall<br><input type="checkbox"/> Wetland<br><input type="checkbox"/> groundwater<br><input type="checkbox"/> Other/reuse<br><input type="checkbox"/> Seasonal discharge<br><input type="checkbox"/> No Discharge | <input type="checkbox"/> Estuary/Costal<br><input checked="" type="checkbox"/> Surface water (lake, river, stream)<br><input type="checkbox"/> Land application<br><input type="checkbox"/> Eliminates discharge<br><input type="checkbox"/> No change |
|--|--|

**29. Wastewater volume (average dry weather design flow):**

For current system:	1.4	mgd
For proposed project	0.22	mgd
Eliminated or conserved		mgd

**30. Indicate if the project will protect or restore beneficial uses of the waterbody. If the project provides both protection and restoration, indicated which beneficial uses are primary and which are secondary. (Not all beneficial uses may apply).**

	Protection		Restoration	
	Primary	Secondary	Primary	Secondary
Domestic water supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fishing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Industrial water supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Boating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Irrigation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water recreation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Livestock watering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Aesthetic quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fish and aquatic life	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wildlife and hunting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commercial navigation and transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hydropower	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Information on beneficial uses of Oregon’s waters is available  
<https://www.oregon.gov/deq/wq/Pages/WQ-Standards-Uses.aspx>

**31. Identify other beneficial uses the project will protect or restore. If the project results in both protection and restoration, indicate which beneficial uses are primary and secondary. The project description must support expected outcomes. Not all listed outcomes may apply.**

	Protection		Restoration		N/A
	Primary	Secondary	Primary	Secondary	
Infrastructure improvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Regionalization/consolidation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water reuse/recycling/conservation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groundwater protection	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Drinking water supply (e.g., groundwater source)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public health/pathogen reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Wetland restoration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industrial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other (please describe)					

**Water Quality / Public Health Benefits**

**32. If the proposed project is not implemented at this time, are water quality standards likely to be exceeded, or are existing exceedances of the standard likely to worsen?**

Yes     No

If yes, explain which standard(s) will worsen and provide evidence:

This project supports the Lower Umatilla Groundwater Management Area Local Action Plan by reducing nitrate concentration from septic systems.

**33. Will the project improve or sustain the following?**

Aquatic habitat that supports native species:

Yes       No

Which species? \_\_\_\_\_

Describe how project will improve or sustain aquatic habitat that supports native species. Provide evidence, if available:

State threatened or endangered species:

Yes       No

Which species? \_\_\_\_\_

Describe how project will improve or sustain aquatic habitat that support threatened or endangered species. Provide evidence if available:

Federal threatened or endangered species:

Yes     No

Which species?

---

Describe how project will improve or sustain aquatic habitat that supports federal threatened or endangered species and provide evidence, if available:

**34. Project will address water quality or public health issue within (check all that apply)**

[Federally designated Wild and Scenic River](#)       [Federally designated sole source aquifer](#)

[State designated scenic waterway](#)       [Lower Columbia River Estuary](#)

[Tillamook Bay Estuary](#)

Wetland or riparian area listed by the state or a local government

River designated under OAR 340-041-0350 (Three Basin Rule): The Clackamas River Subbasin, the McKenzie River Subbasin above the Hayden Bridge (river mile 15), or the North Santiam Subbasin.

None of the above

\*Attach a map with project location and habitat clearly indicated.

**35. Project supports the implementation of the following (check all that apply):**

- Existing Total Maximum Daily Load (TMDL)
- Projected TMDL
- DEQ Water Quality Status and Action Plan
- None of the above
- Designated Groundwater Management Area declared under ORS 468B.180
- Other Qualifying Plan (please specify): LUBGWMA Local Action Plan

Specify which TMDL, Plan or GWMA the project will support:

Umatilla River Basin TMDL

**36. Does project provide performance-based water quality improvements supported by monitoring and reasonable assurance that the project will continue to function over time:**

- Yes
- No

If yes, describe activities that support these water quality improvements and how these activities will provide reasonable assurance that the project will continue to function over time. Attach documentation, if available.

**Education and Involvement**

**37. Explain long-term planning effort applicant is using to ensure the life and maintenance of the project:**

The City of Hermiston updated it's Sewer Collection System Master Plan in 2020 through Anderson Perry & Associates. This project is identified in that plan.

Long-Term maintenance of the project is cost effective because it was designed as a simple gravity main with no lift



stations requiring ongoing maintenance. The planned addition of 1,350 new rate-payers to the system additional \$567,000 per year to ensure adequate maintenance of the system.

**38. Describe on-going educational or outreach components of the project:**

Project is listed on City Website, has been referenced in a mailer going out to all 5,500 utility customers in the city with their September bills, and has been discussed multiple times in the East Oregonian, Hermiston Herald, Northeast Oregon Now, and KOHU/KQFM.

**39. Does the project incorporate partnerships or support from one or more of the following?**

- In-kind support
- Other funding sources
- Partnerships with organizations (governmental, tribal, non-governmental)
- Other: \_\_\_\_\_
- N/A

If yes, please describe:

This project is a true Public-Private-Partnership with Monte Vista Homes to help them bring 1,350 new homes on to the Hermiston market. The City has formed the Southwest Hermiston Urban Renewal Area, and as a project eligible for funding. Meanwhile, the City and Monte Vista have executed a Development Agreement whereby the partners share equally in the annual debt-service for this project, less any revenue from the SHURA. As more homes are built, more revenue accrues to SHURA, thus minimizing the debt-service obligations of the partners until such time that the SHURA revenues are anticipated to fully cover all debt-service by 2033.

Section 9, Item B.

Evidence of broad-based community support comes through the SHURA adoption process. As part of adopting an urban renewal area, the City followed all required steps for outreach to the community as well as impacted taxing districts; which included formal written notice and 45 day comment period followed by a public hearing. The City received no written comments from any impacted taxing district, and no written or oral testimony during the October 10 public hearing on SHURA adoption. This evidences tangible financial support from all area taxing districts, since they will forego property tax revenue from new development until this infrastructure improvement is paid off.

**Schedule and Budgeting**

**40. Project Schedule:**

Estimated design start date: 01/01/2023

Estimated construction start date: 01/01/2024

Estimated project completion date: 12/31/2024

Estimated initiation of operations date:

Please explain if the estimated dates are before the loan application date or the date a loan will be signed:

Design will begin once a loan is signed and take 12 months

**41. Project cost and funding:**

<b>Table A: Project Budget</b>		
	<b>Total Project Budget</b>	<b>Amount Funded by CWSRF</b>
Administration and legal		
Contingency	369,000	369,000
Preliminary Expense		
Land and Right of Way	93,000	93,000

Basic Engineering	185,000	185,000
Other Engineering		
Project Inspection	184,000	184,000
Construction	1,842,000	1,842,000
Other:	274,000	274,000
<b>Total Cost</b>	NaN	NaN

<b>Table B: Funding Sources</b>		
	<b>Amount</b>	<b>Interim</b>
DEQ Clean Water State Revolving Fund	2947000	
Business Oregon Special Public Works grant and/or loan		
Business Oregon Water/Wastewater grant and/or loan		
Business Oregon Community Development Block Grant		
General obligation bonds		
Revenue bonds		
Local funds (note source of funds):		
In-kind assistance		
Other:		
<b>Total Cost</b>	<b>2947000</b>	

**42. Existing sewer-related debt service (before CWSRF project funding):**

<b>Type</b>	<b>Current Balance</b>	<b>Interest Rate</b>	<b>Year Issued</b>	<b>Annual Payment</b>	<b>Bond Rating</b>
General obligation bonds	6172500	4.0	2020	657700	A+
Sewer revenue bonds	3147500	3.5	2017	270256	AA-
Other debt					

**43. Service Area Data:**

Population served by current system: 19,696

Population served by proposed project: 3,645+

**Required Documentation**

This application provides the necessary information for DEQ to determine eligibility, scoring, ranking and to complete reporting requirements for the proposed project. Once deemed eligible and scored, the project will be included in the Clean Water State Revolving Fund Intended Use Plan and the applicant can then complete the remaining required documents. Consult the Checklist of Loan Requirements for a list of required documents. The documents require time to prepare and complete. DEQ recommends that applicants become familiar with these required documents early in the application process. The checklist is [online](#).

Check here to receive DEQ program updates through GovDelivery. You may unsubscribe at any time.

**Certification**

**The public agency or applicant certifies that:**

- Clean Water State Revolving Fund loan proceeds will be used only for the project described in this application and that project work will be consistent with project objectives.
- The public agency or applicant will comply with all applicable rules and laws.
- The public agency or applicant will obtain all applicable local, state, and federal permits, approvals, and licenses, and comply with their terms and conditions.
- The undersigned is duly authorized to request this loan on behalf of the public agency.
- The public agency or applicant declares under penalty of law that all facts given and information attached are true and correct.
- The public agency or applicant authorizes DEQ to verify all information.

Authorized signature:

Date:

**Assistant City Manager**

Typed name:

Title:

LGIP account number (for processing loan disbursements)

Return the completed application to your DEQ Project Officer. A complete list of Clean Water State Revolving Fund staff is [online](#).

## Accessibility

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email [deqinfo@deq.oregon.gov](mailto:deqinfo@deq.oregon.gov).

<b><u>DEQ USE ONLY</u></b>	
Application Name:	_____
Application #:	_____
GPR Amount:	_____
GPR Category:	_____
Application Deemed Eligible and Complete:	
Initial:	_____
Date:	_____
SERP applicant guide version:	

\*Additional space, please indicate which question you are answering



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Resolution #2242- Authorizing the City of Hermiston to apply for a Clean Water State Revolving Loan Fund (CWSRF) loan from the Oregon Department of Environmental Quality for the South Hermiston Urban Renewal Area’s Sewer Main Project in the amount of \$2,947,000.

**Summary and Background**

This project will install approximately 5,300 linear feet of new 8" PVC gravity sewer main from the intersection of OR207 and Gettman Road in Hermiston to the south. This project is anticipated to serve 1,350 new housing units currently planned on a 353 acre site within Hermiston City Limits in the southwest quadrant of the City. Many conversations with potential developers centered around the prohibitive costs associated with sewer extension.

As a result of many years of discussion and planning with property owners and home builders, City Council adopted the South Hermiston Urban Renewal Area (SHURA) Plan on October 24, 2022. One of the upfront projects outlined in the plan is development of this sewer main, and pledging future newly created property tax revenue toward repayment of debt to construct it.

Since the SHURA has very little borrowing capacity due to it’s currently undeveloped state, the City of Hermiston will borrow the funds on behalf of the SHURA, with an agreement for SHURA to pledge incremental tax revenue to go to the City.

Staff has been in contact with Oregon DEQ about accessing CWSRF loans for this project since the Spring, and has received positive feedback about the likelihood of approval. Additionally, DEQ staff indicated that it is likely that, due to the size and benefit of this project, that it will max-out the “forgivable” portion of a CWSRF loan. This has the potential to eliminate \$500,000 from the principal owed. However, for purposes of planning, City Staff is conservatively proceeding with the assumption of borrowing and repaying the full \$2.947M loan

It is anticipated that, upon award of the loan (and hopefully associated grant), that design work will begin in the Spring of 2023, with construction occurring in late 2023 or early 2024. However, due to the longer lead-time associated with the drinking water portions of the SHURA, it is not anticipated that completed homes will begin to be seen within the SHURA until approximately 2025.

Adoption of Resolution 2242 authorizes City Staff to submit application for this loan, and accept an execute loan offers substantially similar to what is presented in the application.

**Tie-In to Council Goals**

7. Fund infrastructure improvements to support new housing and enhance livability

**Fiscal Information**

The SHURA is a Public-Private-Partnership with Monte Vista Homes. The intention is that the City and Monte Vista will Cover the annual debt service for the SHURA until such time that the SHURA’s revenues can cover the full annual debt service. The SHURA Plan was deliberately very conservative in it’s assumptions of development speed and velocity; with an assumption of only an average of 20 homes per year, and that, due to the timing of Tax Roll certification and tax payment, that large SHURA revenue wouldn’t begin until 2029.

Even with that assumption, you can see that the first year of homes hitting the tax rolls would completely cover the anticipated annual loan payment for this item of work.

	2023	2024	2025	2026	2027	2028	2029
<b>City’s Loan Payment*</b>	\$ 75,177	\$ 74,431	\$ 73,663	\$ 72,872	\$ 71,967	\$ 71,218	\$ -
<b>Developer’s Loan Payment*</b>	\$ 75,177	\$ 74,431	\$ 73,663	\$ 72,872	\$ 71,967	\$ 71,218	\$ -
<b>SHURA Payment</b>	0	\$ 1,491	\$ 3,028	\$ 4,610	\$ 6,420	\$ 7,918	\$ 252,168

*\*Assumed 30 year loan for full amount (no ‘forgiveness’) at 3%. Final terms to be determined with DEQ staff.*

The source of City funding in the initial years is from the Utility Fund; which has adequate revenue to cover this annual amount in it’s entirety.

It is also worthy of pointing out that stimulating the development of additional housing units at a rate of only 20 units per year is estimated to generate an additional \$312,000 in Sewer System Development Charges alone within 10 years of houses being completed. Additionally, this would generate an additional \$623,000 in monthly sewer base charges alone within 10 years of houses being completed. Therefore the SDC revenue alone will easily cover the Utility Fund’s cost upfront over the life of all 1,300 housing units getting built-out.

**Alternatives and Recommendation**

Alternatives

- Adopt Resolution 2242
- Reject Resolution 2242
- Request Changes

Recommended Action/Motion

- Motion to approve Resolution 2242 as presented.

**Submitted By:**

Mark Morgan



**RESOLUTION NO. 2242**

**A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO APPLY FOR A CLEAN WATER STATE REVOLVING FUND LOAN FROM THE OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY FOR THE SOUTH HERMISTON URBAN RENEWAL AREA SEWER MAIN PROJECT IN THE AMOUNT OF \$2,947,000.00.**

WHEREAS, the Oregon Department of Environmental Quality is accepting applications for the Clean Water State Revolving Fund Loan program (“Program”); and

WHEREAS, the City of Hermiston (“City”) desires to participate in the Program to the greatest extent possible as a means of constructing wastewater infrastructure into Southwest Hermiston; and

WHEREAS, the South Hermiston Urban Renewal Area Sewer Main Project (“Project”) will extend wastewater infrastructure to areas of the city that do not have access to City sewer, which will allow for future housing; and

WHEREAS, the City proposes that the Project will include the construction of approximately 5,300 linear feet of 8" gravity sewer main from the intersection of OR207 and Gettman Road going to the south; and

WHEREAS, the Project is anticipated to serve approximately 1,350 new housing units currently planned on a 353-acre site within city limits; and

WHEREAS, the estimated Project cost is \$2,947,000; and

WHEREAS, if awarded the requested funding, the Oregon Department of Environmental Quality may forgive up to \$500,000.00 of the principal amount once construction is completed; and

WHEREAS, the City intends to make the remaining loan payments through a combination of Utility Fund resources, Southwest Hermiston Urban Renewal Area revenue, and private contributions; and

WHEREAS, the City is proposing that the Project be financed with Oregon Department of Environmental Quality Clean Water State Revolving Fund Loan funding in the amount of \$2,947,000.

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

1. That the City of Hermiston supports the proposed South Hermiston Urban Renewal Area Sewer Main Project and hereby authorizes an application for an Oregon Department of Environmental Quality Clean Water State Revolving Fund Loan in the amount of \$2,947,000.00 to construct the wastewater infrastructure for the South Hermiston Urban Renewal Area Sewer Main Project. The total project cost is estimated at \$2,947,000.00. The City of Hermiston is hereby authorized to

- commit the funds and resources necessary to deliver the proposed project.
2. That the City Manager or his designee is authorized to sign all necessary documents to facilitate the application for the Oregon Department of Environmental Quality Clean Water State Revolving Fund Loan.
  3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of November, 2022.  
SIGNED by the Mayor this 14th day of November, 2022.

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Dr. David Drotzmann, MAYOR

ATTEST:

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Lilly Alarcon-Strong, CMC, CITY RECORDER



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Resolution #2243- Franchise Agreement Renewal for Fatbeam, LLC.

**Summary and Background**

Fatbeam is a telecommunications provider which mainly provides backbone connectivity between educational facilities. Like other similar providers, they are allowed to maintain their infrastructure within the City-Owned Right of Way because they provide a valuable service to the community. In exchange for this benefit, companies like this pay franchise fees to the City.

Fatbeam has operated within Hermiston for a number of years, with no major issues or concerns, and have complied with the terms of their existing franchise agreement. This renewal features no substantive changes from the existing agreement.

**Tie-In to Council Goals**

**Fiscal Information**

Due to the nature of Fatbeam's narrow business model, this agreement generates relatively minimal annual Franchise Fees. Typically less than \$5,000 per year.

**Alternatives and Recommendation**

**Alternatives**

- Approve Resolution 2243
- Reject Resolution 2243
- Table Resolution 2243 and request changes

**Recommended Action/Motion**

Approve Resolution 2243 as presented.

**Submitted By:**

Mark Morgan

**RESOLUTION NO. 2243**

**A RESOLUTION APPROVING THE EXECUTION OF A FRANCHISE AGREEMENT WITH FATBEAM, LLC.**

WHEREAS, Fatbeam, LLC (“Grantee”) has applied for a telecommunications franchise for the construction, maintenance, and operation of a telecommunications system as a Competitive Local Exchange Carrier (“CLEC”) within the City of Hermiston; and

WHEREAS, Grantee has substantially complied with the Hermiston City Code to show that Grantee has the financial, legal, and technical ability to sufficiently provide services, facilities, and equipment necessary to meet the future communications related needs of the community; and

WHEREAS, the City and Grantee have negotiated a Franchise with terms agreeable to both parties; and

WHEREAS, the City and Grantee wish to execute and enter into a Franchise Agreement.

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

1. The foregoing recitals are approved and incorporated herein by this reference.
2. That the Franchise Agreement with Fatbeam, LLC is accepted and approved.
3. That the City Manager is authorized to execute the Franchise Agreement on behalf of the City.
4. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of November, 2022.  
SIGNED by the Mayor this 14th day of November, 2022.

\_\_\_\_\_  
Dr. David Drotzmann, MAYOR

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, CITY RECORDER

**City of Hermiston  
Telecommunications Franchise Agreement**

This Franchise Agreement, authorized pursuant to Hermiston Municipal Code (“Code”) Title XI, is between the City of Hermiston (City) and Fatbeam, LLC, a Washington Limited Liability Company (Grantee) and dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

1. **Grant of Franchise.** City grants to Grantee, its successors and assigns, a non-exclusive franchise to construct, operate and maintain telecommunications facilities in, under, and over the surface of the City's Public Rights of Way (“Franchise”) subject to the terms of this Agreement.
  
2. **Term.** The term of this Franchise shall be five (5) years from the date listed above, unless terminated sooner as provided in this agreement or as provided in Title XI of the Code, and thereafter from year to year unless terminated by either Party by giving written notice of its intention to do so not less than sixty (60) days prior to the end of any period.
  
3. **Fee.** Except as provided below, Grantee shall pay as a franchise fee to the City, through the duration of this Franchise, an amount equal to 5% of the Grantee’s gross revenues directly attributable to its business operations within the City. Notwithstanding the foregoing, for purposes of calculating the franchise fee, Grantee’s gross revenues shall not include any revenues derived from customers that have a franchise with, and pay franchise fees to, the City.
  
4. **Payment.** Payment of the franchise fee shall be made quarterly or before April 30, July 31, October 31 and January 31 for the calendar quarters immediately preceding. Franchise fee payments not received by the City on or before the due date shall be assessed interest at the rate of one percent (1%) compounded monthly, or, if lower, the maximum rate allowed by law. Interest shall be due on the entire late payment from the date on which the payment was due until the date on which the City receives the payment.
  - 4.1. Each payment shall be accompanied by a written report to the City, verified by an officer or other authorized representative of Grantee, containing an accurate statement of Grantee's Gross Revenues and the computation basis and method. Such reports shall be in a form satisfactory to the City.
  - 4.2. No acceptance of any payment by the City shall be construed as an accord that the amount paid is, in fact, the correct amount, nor shall the acceptance of any payment be construed as a release of any claim the City may have for further or additional sums payable.
  - 4.3. All amounts paid shall be subject to audit and confirmation by the City, provided that such audit is completed within three years of the date the audited payment is due. If no such audit is conducted within the three-year period, then any claim that the City might have had for additional compensation shall be waived
  - 4.4. Grantee shall reimburse the City for the reasonable costs of such audit if Grantee has paid 95% or less of the franchise fee owing for the period at issue upon receipt.

- 4.5. If Grantee underpaid by 5% or more of the amount due, Grantee shall pay interest on the unpaid amount compounded at the rate of one percent (1%) compounded monthly or, if less, the maximum amount allowed by law. Interest shall be due on the entire underpayment from the date on which payment was due until the date on which full payment is received.
- 4.6. If the Grantee disputes the City's determination of underpayment, the Grantee shall place the disputed amount in an escrow account until final resolution.
- 4.7. All Grantee's books, maps, and records directly concerning its calculation of franchise fee payments to the City shall be open for audit by the City, upon no less than 48 hours prior written notice, during normal business hours.
- 4.8. Payment of the franchise fee shall not exempt Grantee from the payment of any license fee, tax or charge on the business, occupation, property or income of Grantee that may be lawfully imposed by the City or any other taxing authority.

**5. Title XI Hermiston Municipal Code, Charter and General Ordinances to Apply.**

- 5.1. Unless the context requires otherwise, words and phrases used in this Franchise shall have the same meaning as defined in Title XI of the Code. All applicable provisions of Title XI are incorporated by reference and made a part of this Franchise. In the event of any inconsistencies between the terms of this Franchise and the Code, this Franchise shall control.
- 5.2. The Charter of the City of Hermiston and general ordinance provisions of the City affecting matters of general City concern, and not merely existing contractual rights of Grantee, now in effect or adopted in the future, are incorporated by reference and made a part of this Franchise. Nothing in this Franchise shall be deemed to waive the requirements of the various codes and ordinances of the City regarding permits, fees to be paid, or the manner of construction.

**6. Indemnity.**

- 6.1. Grantee agrees and covenants to indemnify, defend and hold the City, its officers, agents and employees, harmless from any claim for injury, damage, loss, liability, cost or expense, including court and appeal costs and attorney fees or expenses, arising from any casualty or accident to person or property by reason of any construction, excavation or any other act done under this Franchise, by or for Grantee, its agents or employees, or by reason of any neglect or omission of Grantee to keep its facilities in a safe condition, but not to the extent that such casualty or accident arises out of or by reason of any negligence or willful misconduct by the City, its officers, agents or employees. The City shall provide Grantee with prompt notice of any such claim, which Grantee shall defend with counsel of its own choosing. No settlement or compromise of any such claim will be done by the Grantee without the prior written approval of the City. Grantee and its agents, contractors and others shall consult and cooperate with the City while conducting its defense of the City.

6.2. Grantee also shall indemnify the City for any damages, claims, additional costs or expenses assessed against or payable by the City arising out of or resulting, directly or indirectly, from Grantee's failure to remove, adjust or relocate any of its facilities in the City Rights-of-Way in a timely manner, when required to do so, unless Grantee's failure arises directly from the City's negligence or willful misconduct.

**7. Construction and Relocation.**

7.1. Subject to the terms of this Franchise and the Code, Grantee may construct, operate and maintain its facilities. All construction and maintenance of any and all of Grantee's facilities within City Rights-of-Way shall, regardless of who performs such installation or construction, be and remain the responsibility of Grantee. Grantee shall apply for and obtain all permits necessary for installation or construction of any such facilities, and for excavation and laying of any facilities within City Rights-of-Way.

7.2. At least two weeks prior to beginning construction in any City Rights-of-Way, Grantee shall provide the City with a construction schedule.

7.3. Grantee may make excavations in the City Rights-of-Way, subject to obtaining permits from the City. Prior to doing such work, Grantee must give appropriate notices to any other franchisees, licensees or permittees of the City owning or maintaining facilities that may be affected by the proposed excavation. Grantee shall, at its own expense, restore any damage or disturbance caused to City property as a result of its operation, construction, or maintenance of its facilities to a condition reasonably comparable to the condition of such property immediately prior to such damage or disturbance.

7.4. In the event that emergency repairs are necessary for Grantee's facilities in City Rights-of-Way, Grantee shall immediately notify the City of the need for such repairs. Grantee may immediately initiate such emergency repairs, and shall apply for appropriate permits the next business day following discovery of the emergency.

7.5. Grantee shall comply with the terms and conditions ORS Chapter 757, governing the location of underground facilities (the "One-Call statutes").

7.6. Grantee shall, at its own expense, temporarily or permanently remove, relocate, change or alter the position of any of its facilities when directed to do so by City.

7.7. All construction practices and installation of equipment shall be done in accordance with all applicable sections of the then current version of the National Electric Safety Code, in accordance with good engineering practices and performed by qualified maintenance and construction personnel.

7.8. The Grantee shall at all times employ ordinary care and shall use commonly accepted methods and devices preventing failures and accidents.

7.9. To the extent possible, the Grantee shall use utility poles, conduits and other facilities



already existing in the City Rights-of-Way.

7.10. Whenever any existing utilities are located underground within a public right of way of the City, Grantee shall also locate its facilities underground. Whenever any overhead electric utilities are relocated underground, Grantee shall also relocate its facilities underground. Any and all such installation and relocation under this paragraph shall be without expense to the City.

**8. Reservation of City Rights.**

8.1. Nothing in this Franchise shall be construed to prevent the City from constructing sewers, water systems, electric systems, grading, paving, repairing or altering any street or constructing or establishing any other public work or improvement. Grantee's facilities shall be constructed and maintained in such manner as not to interfere with City sewers, water systems, electric systems or any other facilities of the City.

8.2. If any of the Grantee's facilities interfere with any City sewer, water or electric system, street or public improvement, Grantee shall remove or replace its Facilities as directed by the City. Any and all such removal or replacement by Grantee shall be without expense to the City. Should Grantee fail to remove, adjust or relocate its Facilities by the date established by the City, the City may undertake such removal, adjustment or relocation, and the expense thereof shall be paid by Grantee, including all costs and expenses incurred by the City due to Grantee's delay.

**9. Assignment.**

9.1. Grantee's rights under this Franchise may not be assigned or transferred without the prior consent of the City, which consent shall not be unreasonably withheld or delayed. No such consent shall be required for an assignment by Grantee to a corporate affiliate; Provided, however, that the Grantee, not more than ten (10) business days following such assignment, provides the City with written notice of the assignment and the assignee agrees in writing to be bound by the terms of this Agreement.

9.2. Grantee and the proposed assignee or transferee shall provide and certify the following information to the City not less than sixty (60) days prior to the proposed date of transfer or assignment:

9.2.1. Complete information setting forth the nature, terms and condition of the proposed transfer or assignment;

9.2.2. All information required of a telecommunications franchise applicant with respect to the proposed transferee or assignee;

9.2.3. Any other information reasonably required by the City.

9.2.4. No transfer shall be approved unless the assignee or transferee has the legal,

technical, financial and other requisite qualifications to comply with the terms of this Franchise.

- 9.3. Grantee shall reimburse the City for all direct and indirect fees, costs, and expenses reasonably incurred by the City in considering a request to transfer or assign the Franchise.
- 9.4. Any transfer or assignment of this Franchise without prior approval of the City under this section shall be void.

**10. Miscellaneous Provisions.**

- 10.1. If any section, provision or clause of this Franchise is held by a court of competent jurisdiction to be invalid or unenforceable, or is preempted by federal or state laws or regulations, the remainder of this Franchise shall not be affected, unless the City determines such section, provision, or clause was material to the City's agreement to grant the Franchise to the Grantee.
- 10.2. Grantee shall not be relieved of its obligations to comply with any of the provisions of this Franchise by reason of any failure of the City to enforce prompt compliance, nor does the City waive or limit any of its rights under this Franchise by reason of such failure or neglect.
- 10.3. This Franchise should be governed by the laws of the State of Oregon. Any litigation between the City and the Grantee arising under or regarding this Franchise shall occur, if in the state courts, in the Umatilla County Circuit Court, and if in the federal courts, in the United States District Court for the District of Oregon.
- 10.4. Any notice provided for under this Franchise shall be sufficient if in writing and (1) delivered personally to the following addressee or deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, (2) sent by overnight or commercial air courier (such as Federal Express), or (3) sent by facsimile transmission addressed as follows, or to such other address as the receiving party shall specify in writing:

If to the City: City Manager, City of Hermiston, 180 NE 2nd Street, Hermiston, Oregon 97838; FAX 541-567-5530

If to the Grantee: General Counsel of Fatbeam, 2065 W. Riverstone Dr., Ste. 105, Coeur d'Alene, ID 83814.

Any such notice, communication or delivery shall be deemed effective and delivered upon the earliest to occur of actual delivery, three business days after depositing in the United States mail, one business day after shipment by commercial air courier or the same day as facsimile transmission (or the first business day thereafter if faxed on a Saturday, Sunday or legal holiday).

11. **Other Authority Superseded.** Upon effectiveness of this Franchise, any and all authority to operate previously granted to Grantee by the City shall be superseded by this Franchise.

12. **Cable Authority.** This Franchise does not authorize the Grantee to operate a cable system or provide video programming, as defined by 47 U.S.C.A § 522 (Supp. 1997).

13. **Insurance.**

13.1. The Grantee shall maintain throughout the term of the Franchise insurance in amounts at least as follows:

Workers' Compensation	Statutory Limits
Commercial General Liability	[\$1,000,000] per occurrence, Combined Single Liability (C.S.L) [\$2,000,000] General Aggregate
Auto Liability including coverage On all owned, non-owned Hired autos	[\$1,000,000] per occurrence C.S.L.
Umbrella Liability	[\$1,000,000] per occurrence C.S.L.

13.2. The City shall be added as an additional insured, arising out of work performed by Grantee, to the above Commercial General Liability, Auto Liability and Umbrella Liability insurance coverage.

13.3. The Grantee shall furnish the City with current certificates of insurance evidencing such coverage upon request.

14. **Execution.** This Agreement may be executed by the Parties in one or more counterparts.

<b>Grantee</b>	<b>City</b>
By: _____	By: _____
Title: _____	Title: <u>City Manager</u>
Date: _____	Date: _____



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Adoption of Resolution 2244 – IGA with City of Pendleton for IT Services

**Summary and Background**

Earlier this fiscal year, the City was informed by the Intermountain Educational Services District (IMESD) that our rates for IT services were going to drastically increase. To get close to the level of service we were interested in, the rate was going to increase by more than 3X.

After study and research it was determined that in order to adequately meet our own needs as the City of Hermiston, we should establish an internal Information Technology Department. In discussions with surrounding cities (Umatilla, Stanfield, Echo), Morrow County and UCFD1 it was determined that these agencies also had needs that were not being met with their current providers. We were able to reach an agreement with these agencies on cost and service level. Doing this allows us to hire a staff with the technical capabilities that we need with enough time to service additional agencies.

After the initial establishment of an IT Department, City of Hermiston staff has been working very hard to provide good service to the initial five partners listed above. During that time the City of Hermiston has been approached by a number of other entities about providing services. Our initial plan was to try to get six months under our belt before adding any other partnerships. However, the City of Pendleton was in a more desperate situation. They have some internal staff that can provide some of the desktop related support. Their need is in the server/network areas. We have put together an agreement with three days per week of service which we estimate will address those needs.

**Tie-In to Council Goals**

N/A

**Fiscal Information**

The costs are based on a three days a week contract with a \$120 per hour rate.

\$12,500 per month

\$150,000 per year

Staff anticipates the need for additional personnel to service the proposed IGA with the City of Pendleton but revenue generated from this IGA would cover those additional costs.

**Alternatives and Recommendation**

Alternatives

1. Adopt Resolution 2244 and attached IGA without modification.
2. Adopt Resolution 2244 and attached IGA with minor modifications.
3. Direct staff to make major changes to Resolution 2244 and/or the attached IGA and return at a later date.

Recommended Action/Motion

Adopt Resolution 2244 and attached IGA without modification.

**Submitted By: Byron D. Smith**

**RESOLUTION NO. 2244**

**A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PENDLETON FOR THE CITY OF HERMISTON TO PROVIDE INFORMATION TECHNOLOGY SERVICES TO THE CITY OF PENDLETON AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

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

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

WHEREAS, the City and the City of Pendleton (COP) have reached an agreement to provide ongoing IT services to the COP; and

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

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

1. That the Intergovernmental Agreement attached to this resolution between the City of Hermiston and the City of Pendleton to provide ongoing IT services is hereby approved.
2. That the City Manager is authorized to sign the Intergovernmental Agreement.
3. That pursuant to ORS 221.310(3), that this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of November, 2022.  
SIGNED by the Mayor this 14th day of November, 2022.

\_\_\_\_\_  
Dr. David Drotzmann, MAYOR

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, CITY RECORDER

**INTERGOVERNMENTAL AGREEMENT**  
**between**  
**The City of Hermiston**  
**and**  
**The City of Pendleton**  
**For Ongoing Information Technology Services**

This Intergovernmental Agreement (Agreement) is made by and between the City of Hermiston, hereinafter "COH" and the City of Pendleton, hereinafter "Pendleton" (and collectively the "Parties") pursuant to ORS Chapter 190.

**The Parties mutually agree as follows:**

**Term of Agreement.** This Agreement shall be for a term of one year commencing on November 1, 2022 and expiring on October 31, 2023 with two optional three-year renewal options, unless terminated earlier as set forth herein. Renewal of the agreement shall be in writing and subject to the mutual agreement of the parties.

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

**Consideration.**

1. **Basic Services.** Pendleton agrees to pay COH \$12,500 per month for basic services. Pendleton will pay for devices and any other materials required to perform the services under this Agreement. In the event that there is a future change in the need for basic services by Pendleton, then the parties may mutually agree to increase or reduce basic services with a commensurate increase or reduction in basic services compensation.

2. **Materials.** The cost of materials purchased by COH for Pendleton shall be reimbursed by Pendleton within 45 days of receipt of invoice. COH agrees to notify Pendleton prior to purchasing anything over \$500 and to provide adequate documentation and invoice Pendleton for the cost.

**Payment for Work.** No payments shall be made until this Agreement is fully executed by both Parties. Invoices shall be issued on a monthly basis beginning November 30, 2022. Unless otherwise specified in Attachment A, COH will submit invoices monthly for services rendered and Pendleton shall remit payment within 45 calendar days of receipt of invoice.

**STANDARD TERMS AND CONDITIONS**

- 1. Legal Relationship.** The Parties intend the legal relationship between the parties to be at all times and for all purposes under this Agreement that of independent contracting agencies.
  
- 2. Subcontracts and Assignment.** Neither party shall subcontract or assign any part of the Agreement without the prior written approval of the other party. Any attempted assignment of this Agreement without the prior written approval of the other party shall be void. If consent to a subcontract is properly given, then in addition to any other provisions of this Agreement, the subcontracting party shall hold it subcontractor to all the terms and conditions of this Agreement that would otherwise bind the party to whom consent was given. The Parties agree that any such subcontracts shall have no binding effect on the consenting party to this Agreement.
  
- 3. Termination.** This Agreement may be terminated as follows unless otherwise specified herein:
  - a. Mutual: The Parties may mutually terminate this Agreement at any time by written Agreement. Pendleton shall pay COH for all materials purchased and work performed prior to the termination date.
  - b. Either party may terminate the Agreement upon 90 days' notice to the other. If either party gives termination notice due to the occurrence of impracticability or impossibility of performance, including unavailability of labor or unanticipated budgetary shortfall, and the terminating party has made a reasonable and diligent effort to resolve the impracticability or impossibility of performance, then shorter notice may be negotiated between the parties.
  - c. Breach: Either party may terminate this Agreement in the event of a breach by the other party. To be effective, the party seeking termination must give the other party written notice of the breach and its intent to terminate. If the breaching party does not entirely cure the breach within five (5) calendar days of the date of the notice, then the non-breaching party may terminate this Agreement at any time thereafter by giving a written notice of termination. Pendleton shall pay COH for all materials purchased and work performed prior to the termination date.
  - d. Termination by either party shall not constitute a waiver of any claim either party may assert against the other party.
  
- 4. Access to Records.** Upon reasonable advance notice, each party shall have access to the books, documents and other records of the other party (electronic or otherwise) which are necessary for completion of this Agreement for the purpose of examination, copying and audit unless otherwise limited by law.



**5. Confidentiality.**

- a. Maintenance of Confidentiality. COH shall treat as confidential any Pendleton Confidential Information that has been made known or available to COH or that COH has received, learned, heard or observed; or to which COH has had access. COH shall use Pendleton’s Confidential Information exclusively for Pendleton’s benefit and in furtherance of the Products and/or Services provided by COH. Except as may be expressly authorized in writing by Pendleton, in no event shall COH publish, use, discuss or cause or permit to be disclosed to any other person such Confidential Information. COH shall (1) limit disclosure of the Pendleton’s Confidential Information to only those directors, officers, employees and agents of COH who need to know the Confidential Information in connection with providing ongoing IT services, (2) exercise reasonable care with respect to the Pendleton’s Confidential Information, at least to the same degree of care as COH employs with respect to protecting its own proprietary and confidential information, and (3) return immediately to Pendleton, upon its request, all materials containing Pendleton’s Confidential Information, in whatever form, that are in COH possession or custody or under its control and (4) will be titled or marked :CONFIDENTIAL.” COH is expressly restricted from and shall not use Confidential intellectual property of Pendleton without Pendleton’s prior written consent.

Public Records. Both parties are public agencies and subject to the Oregon Public Records Act and Federal law. Both parties agree that proprietary and confidentially labeled information are assumed to be exempt from public records disclosure by ORS 192.355 (4) and/or (10) or other exemption. Each party will communicate the receipt of a relevant public records request and provide the opportunity for input from the other prior to making a response.

- b. Scope. This Contract shall apply to all Pendleton Confidential Information previously received, learned, observed, known by or made available to COH. This Contract shall not apply to Pendleton’s Confidential Information which (1) is or later becomes part of the public domain without breach of this Contract and through no wrongful act of COH; (2) COH lawfully receives from a third party; (3) was developed independently by and was reduced to writing by COH prior to the earlier of the date of this Contract or the date of any access or exposure to any Pendleton Confidential Information, or (4) is required to be disclosed under operation of law. COH's confidentiality obligations under this Contract shall survive termination.
- c. Equitable Remedies. COH acknowledges that unauthorized disclosure of Pendleton’s Confidential Information or misuse of a Pendleton computer system or network will result in irreparable harm to Pendleton. In the event of a breach or threatened breach of this Contract, Pendleton may obtain equitable relief prohibiting the breach, in addition to any other appropriate legal or equitable relief.

- 6. Compliance with Applicable Laws.** Parties shall comply with all federal, state, county and local laws, ordinances and regulations applicable to the work to be done under this Agreement, including all applicable State and local public contracting provisions.
- 7. Insurance.** The Parties represent that they are insured according to the statutory limits set in the State of Oregon for any liability, property, or auto claims. The Parties represent that they will maintain insurance to cover any claim that may result from or arise out of this Agreement. COH is insured for workers' compensation as required by law and shall provide benefits as prescribed by the State of Oregon.
- 8. Indemnity and Hold Harmless.** The Parties individually accept responsibility for liability arising out of their individual performance of this Agreement. Pendleton shall hold harmless, and indemnify COH from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from Pendleton's negligent acts, omissions, activities or services provided pursuant to this Agreement. COH shall hold harmless, and indemnify Pendleton from any and all liability, settlements, loss, costs and expenses in connection with any action, suit or claim resulting or allegedly resulting from COH's negligent acts, omissions, activities or services provided pursuant to this Agreement.
- 9. Waiver, Severability.** Waiver of any default or breach under this Agreement by either party does not constitute a waiver of any subsequent default or a modification of any other provision(s) of this Agreement. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provision shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.
- 10. Remedies.** In case of Pendleton's breach, COH shall be entitled to receipt of payments for work performed and to any other available legal and equitable remedies. In case of COH's breach, Pendleton shall be entitled to a refund of any prepayments of any work not performed and to any other available legal and equitable remedies.
- 11. Dispute Resolution.** The Parties shall exert every effort to cooperatively resolve any disagreements they may have under this Agreement. In the event that the Parties alone are unable to resolve any conflict under this Agreement, they agree to present their disagreements to a mutually agreeable mediator for mediation. Each party shall bear its own costs for mediation and the parties shall share the cost of the mediator. This mediation procedure shall be followed to its conclusion prior to either party seeking relief

from the court, except in the case of an emergency.

**12. Attorney Fees.** If any action is instituted in connection with any claim or controversy arising out of this agreement, attorney fees may not be awarded by the court of competent jurisdiction and each party shall bear its own expenses of such action.

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

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

City of Pendleton, Attn: City Manager  
500 SW Dorion Ave.; Pendleton, OR 97801  
Email: Robb.Corbett@ci.pendleton.or.us PH: 541.966-0201

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

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

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

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

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

**19. Execution in Counterparts; Electronic Transmittal.** This document may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Said counterparts may be transmitted by one party to the other by facsimile or electronic mail, including pdf format, with the same force and effect as delivery of original signature. The parties may use electronic or signatures as evidence of the execution and delivery of this document to the same extent as an original signature.

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

**CITY OF PENDLETON**

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Name (print): \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF HERMISTON**

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Name (print): \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment A: Statement of Work**

24 assumed hours per week/month of service.

Current hourly billing rate: \$120 per hour.

Current monthly billing rate: \$12,500

Hours worked at Pendleton’s request have been tracked since Tuesday, October 11, 2022 and will be billed to Pendleton on their first monthly billing.

**Managed Help Desk**

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

**Managed Server and Network Infrastructure Support**

- Monitor servers and network infrastructure
- Configure for optimal performance
- Maintain updates/patches for hardware and software
- Ensure compliancy for licensing/usage
- Remote management/support
- Installation and configuration of any new hardware such as servers, firewalls, switches, etc

**Active Directory**

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

**Expectations:**

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

**What this service covers and includes:**

**Vendor Liaison:** COH will act as Pendleton's duly appointed representative and advocate.  
IGA IT SERVICES

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

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

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

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

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

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

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

**Service Level Agreements (SLAs):**

SLA 1: Service not available (not able to work, network down, workstation not turning on, etc.) This is an instant contact scenario. Submitting Help Desk Ticket is not required and may

not be available. Contact information will be provided to Pendleton staff. Response time is immediate as possible.

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

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

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

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



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Resolution #2245- Franchise Agreement Renewal for CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink.

**Summary and Background**

Centurylink provides telephone and internet service in Hermiston, and uses the City's public Rights of Way (ROW) to run most of their infrastructure necessary to provide those services to our residents. In exchange for utilizing the public's ROW, the City charges them a franchise fee based on a percentage of their gross revenues earned within the City.

Centurylink has a long history of operating within the City ROW, and this proposed renewal does not include significant substantive changes from the existing agreement. Approval of this franchise would renew the terms for 5 more years.

**Tie-In to Council Goals**

**Fiscal Information**

Centurylink's annual franchise fee payments to the City have steadily dropped by 150% from June, 2015 to June, 2020, to approximately \$10,000. There was a simultaneously strong percentage jump in franchise fee revenue paid by Charter Cable coinciding with the COVID-19 Pandemic. I anticipate Centurylink's franchise fee payments to continue to decline in to the future as high speed internet becomes more and more necessary.

**Alternatives and Recommendation**

**Alternatives**

- Approve Resolution 2245
- Reject Resolution 2245
- Table Resolution 2245 and request changes



Recommended Action/Motion

Approve Resolution 2245 as presented.

**Submitted By:**

Mark Morgan

**RESOLUTION NO. 2245**

**A RESOLUTION APPROVING THE EXECUTION OF A FRANCHISE AGREEMENT WITH CENTURYTEL OF EASTERN OREGON, INC. D/B/A CENTURYLINK.**

WHEREAS, CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink (“Grantee”) has applied for a telecommunications franchise for the construction, maintenance, and operation of a telecommunications system as a Competitive Local Exchange Carrier (“CLEC”) within the City of Hermiston; and

WHEREAS, Grantee has substantially complied with the Hermiston City Code to show that Grantee has the financial, legal, and technical ability to sufficiently provide services, facilities, and equipment necessary to meet the future communications related needs of the community; and

WHEREAS, the City and Grantee have negotiated a Franchise with terms agreeable to both parties; and

WHEREAS, the City and Grantee wish to execute and enter into a Franchise Agreement.

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

1. The foregoing recitals are approved and incorporated herein by this reference.
2. That the Franchise Agreement with CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink is accepted and approved.
3. That the City Manager is authorized to execute the Franchise Agreement on behalf of the City.
4. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 14th day of November, 2022.

SIGNED by the Mayor this 14th day of November, 2022.

\_\_\_\_\_  
Dr. David Drotzmann, MAYOR

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, CITY RECORDER

**FRANCHISE AGREEMENT**  
**HERMISTON, OREGON**

**This Franchise (“Franchise”)** is between the City of Hermiston, Oregon, hereinafter referred to as “Grantor” and CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink, hereinafter referred to as “Grantee.” Grantor and Grantee may be referred to herein individually as a “Party” and collectively as the “Parties.”

**WHEREAS**, Grantor and Grantee are parties to a franchise agreement dated \_\_\_\_\_, 2022, and

**WHEREAS**, Grantor finds that Grantee substantially complied with the material terms of a prior franchise, and that the financial, legal and technical ability of Grantee is sufficient to provide Telecommunications Services to the community; and

**WHEREAS**, Grantor and Grantee wish to replace the prior franchise with this Franchise.

**NOW, THEREFORE**, Grantor and Grantee agree as follows:

**1. Definitions**

**1.1. Definitions.** For the purpose of this Franchise, the following terms, phrases, and words shall have the meaning set forth below. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word “shall” is mandatory and “may” is permissive. Words not defined herein shall be given their common and ordinary meaning.

- A. “Applicable Law” shall mean any provision of federal, state or local law, including without limitation statutes, regulations, ordinances and judicial or administrative orders, that is directly applicable to Grantee’s Equipment in the Streets, Grantee’s provision of Telecommunications Services in the Service Area, or any other action authorized or required to be undertaken by Grantee pursuant to the terms of this Franchise.
- B. “Cable Service” shall mean the one-way transmission to subscribers of video programming, or other programming service; and subscriber interaction, if any, that is required for the selection or use of such video programming or other programming service.
- C. “Carrier” shall mean any Person that has located, or that wishes to locate, facilities within the Streets for the purpose providing Telecommunications Service, Cable Service or Wireless Service.
- D. “Effective Date” shall mean the date of Grantee’s acceptance of this Franchise as recorded on the signature page.

- E. “Equipment” shall mean any poles, wires, antennae, underground conduits, manholes, and other conductors, fixtures, and facilities used by Grantee to provide Telecommunications Services.
- F. “FCC” shall mean the Federal Communications Commission and any successor governmental entity thereto.
- G. “Franchise” shall mean the non-exclusive rights granted by Grantor to Grantee to construct, operate, and maintain Equipment in and along the Streets for the purpose of providing Telecommunications Services.
- H. “Gross Revenues” shall mean, as required by Applicable Law at ORS 221.515, those revenues derived from exchange access services, as defined in ORS 403.105 (Definitions for ORS 305.823 and 403.105 to 403.250), less net uncollectibles from such revenues. Subject to the foregoing, “Gross Revenues” shall not be net of: (1) any operating expense; (2) any accrual, including, without limitation, any accrual for commissions; or (3) any other expenditure, regardless of whether such expense, accrual, or expenditure reflects a cash payment. “Gross Revenues” shall not include: (1) any taxes, fees or assessments collected by Grantee from Subscribers for pass-through to a government agency, including the Franchise fee set forth herein; (2) bad debt; (3) credits, refunds and deposits paid to Subscribers; and (4) any other exclusions available under Applicable Law.
- I. “OPUC” shall mean the Oregon Public Utilities Commission.
- J. “Person” shall mean an individual, partnership, association, organization, corporation, trust or governmental entity.
- K. “Service Area” shall mean the geographic boundaries of the Grantor, and shall include any additions thereto by annexation or other legal means.
- L. “Street” shall include each of the following: public streets, roadways, highways, bridges, land paths, boulevards, avenues, lanes, alleys, sidewalks, circles, drives, rights of way and similar public ways and extensions and additions thereto, including but not limited to rights-of-way dedicated for compatible uses now or hereafter held by the Grantor in the Service Area.
- M. “Subscriber” shall mean any Person lawfully receiving Telecommunication Service from Grantee within the Service Area.
- N. “Telecommunications” shall mean the transmission of any voice, video, or data information of the Subscriber’s choosing between and among points specified by the Subscriber, without change in the form or content of the information as sent and received. Telecommunications includes, but is not limited to, local exchange service, access service, extended area service, call origination, interconnection, switching, transport, or call termination and any other products or services identified and authorized as such by the FCC or the OPUC. For purposes of this Franchise, Telecommunications shall expressly include the provision of internet

service via cable modem or other similar means. Notwithstanding anything herein to the contrary, Telecommunications shall not include Wireless Service or Cable Service

- O. “Telecommunications Service” shall mean the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.
- P. “Wireless Service” shall mean communications services offered to users of wireless devices such as handheld computers and telephones through radio frequency signals rather than through end-to-end wire communication.

**2. Right to Use Streets**

- 2.1. **Grant of Franchise.** Grantor hereby authorizes Grantee to erect, construct, extend, operate and maintain in, upon, along, across, above, over and under the Streets, now in existence and as may be created or established, any Equipment for the sole purpose of providing Telecommunications Services.
- 2.2. **Term.** The Franchise, and the rights, privileges and authority hereby granted, shall be for a term of five (5) years commencing on the Effective Date and shall thereafter automatically renew from year-to-year unless either Party gives the other Party a written notice of termination at least one hundred and twenty (120) days prior to expiration of the initial term or subsequent annual term.
- 2.3. **Police Powers and Conflicts with Franchise.** In exercising its rights under this Franchise, Grantee agrees to comply with the terms of Chapter 115 of the Code of Hermiston (except to the extent any are held to be preempted by state or federal law) and all other provisions of Applicable Law. If any generally applicable ordinance provision adopted by Grantor, whether before or after the Effective Date, is in conflict with the express terms of this Franchise, this Franchise shall be controlling. This Franchise is a contract and, except as to those changes that are the result of Grantor’s lawful exercise of its general police power, Grantor may not take any unilateral action that materially changes the explicit mutual promises in this Franchise. Except as expressly provided herein, any changes to this Franchise must be made in writing signed by both Parties.
- 2.4. **Franchise Required.** Grantor shall require all other Carriers to obtain and maintain a franchise from Grantor on a non-discriminatory basis.

**3. Indemnification and Insurance**

- 3.1. **Indemnification.** Grantee shall indemnify and hold harmless Grantor, including its elected officials, managers, agents, and employees, from any and all third-party claims, demands, or judgments to the extent caused by Grantee’s construction, repair, extension, maintenance, operation or removal of its Equipment (“Claims”). Grantor shall give Grantee written notice of its obligation to indemnify Grantor within thirty (30) days of receipt of a Claim. In the event any such Claim arises, Grantor shall tender the defense thereof to Grantee and Grantee shall have the right to defend and settle or compromise

such Claims. If a settlement or compromise imposes any obligations on the Grantor, Grantor must give prior written approval for such settlement or compromise. Grantor shall cooperate fully herein. If Grantor determines in good faith that its interests cannot be represented by Grantee, Grantee shall be excused from any obligation to represent Grantor. Notwithstanding the foregoing, Grantee shall not be obligated to indemnify Grantor for any damages, liability or claims resulting from the willful misconduct or negligence of Grantor.

**3.2. Insurance.**

A. Grantee shall maintain throughout the term of the Franchise insurance in amounts at least as follows:

Workers' Compensation	Statutory Limits
Commercial General Liability	\$1,000,000 per occurrence, Combined Single Limit (C.S.L.) \$2,000,000 General Aggregate
Auto Liability including coverage on all owned, non-owned hired autos	\$1,000,000 per occurrence C.S.L.
Umbrella Liability	\$1,000,000 per occurrence C.S.L.

J. Grantor shall be covered as an additional insured, arising out of work performed by Grantee, to the above Commercial General Liability, Auto Liability and Umbrella Liability insurance coverage.

K. Evidence of Grantee's Insurance can be found at [www.lumen.com/moi](http://www.lumen.com/moi).

**4. Service Availability**

**4.1. New Development.** In cases of new construction or property development within the Service Area where electric facilities or the facilities of any other Carriers will be placed underground, Grantor agrees to notify Grantee of the development application.

**4.2. Annexation.** Grantor shall provide written notice to Grantee of its annexation of any territory that is being provided Telecommunications Services by Grantee. Such annexed area will be subject to the provisions of this Franchise. Grantee shall pay Grantor the Franchise fee on Gross Revenues received within the annexed territory commencing not later than ninety (90) days after Grantee's receipt of Grantor's written notice of annexation. Such notice shall include detailed and sufficient information for Grantee, at its discretion, to make any and all changes that may be necessary to comply with the Franchise.

**5. Construction and Technical Standards**

- 5.1. **Construction Standards and Requirements.** All of Grantee’s Equipment in the Streets shall be designed, installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated by experienced and qualified personnel in accordance with the then current version of the National Electric Safety Code and good engineering practices.
- 5.2. **Safety.** With respect to any activity undertaken in or around the Streets, Grantee shall at all times employ reasonable care and shall use commonly accepted methods and devices to prevent failures or accidents that may cause injury or property damage.
- 5.3. **Construction Codes and Permits.** Grantee shall comply with all generally applicable permitting requirements before commencing any work, including the opening or disturbance of any Street within the Service Area. To the extent allowed by law, Grantor shall cooperate with Grantee in granting any permits required, providing such grant and subsequent construction by Grantee shall not unduly interfere with the use of such Streets. Grantee shall adhere to all building and zoning codes currently or hereafter applicable to the construction, operation or maintenance of Grantee’s Equipment in the Service Area, provided that such codes are of general applicability and such codes are uniformly and consistently applied by Grantor to other Carriers.
- 5.4. **Restoration of Streets.** Grantee shall, at its own expense, restore any damage or disturbance caused to the Streets as a result of its operation, construction, or maintenance of its Equipment to a condition reasonably comparable to the condition of the Streets immediately prior to such damage or disturbance.

**6. Conditions on Street Occupancy**

- 6.1. **General Conditions.** To the extent feasible, Grantee shall use existing utility poles rather than installing new ones in the Streets. This Franchise does not give Grantee permission to attach its Equipment to any utility poles owned or operated by Hermiston Energy Services. Grantee shall be solely responsible for obtaining and complying with any pole attachment agreements needed to use existing utility poles.
- 6.2. **Underground Construction.** Grantee’s Equipment shall be installed underground where, at the time of Grantee’s installation, all existing cable, Telecommunications and electric facilities are already located underground. In areas where cable, Telecommunications, and electric utility facilities are all installed aerially at the time Grantee installs its Equipment, Grantee also may install its Equipment aerially.
- 6.3. **Interference with Use of Streets.** Suitable barricades, flags, lights, flares or other devices shall be used at such times and places as are reasonably required for the safety of all members of the public. Any Equipment placed in any Street by Grantee shall be placed in such a manner as not to interfere with the usual travel on such Street.
- 6.4. **Removal in Emergency.** Whenever, in case of fire or other disaster, it becomes necessary in the judgment of Grantor to remove any of Grantee’s Equipment, no charge

shall be made by Grantee against Grantor for restoration and repair, unless such acts amount to negligence by Grantor.

- 6.5. **Tree Trimming.** Grantee or its designee shall have the authority to trim trees on public property at its own expense as may be necessary for the installation, maintenance, protection and/or removal of its Equipment.
- 6.6. **Relocation for Grantor.** Grantee shall, upon receipt of reasonable advance written notice, to be not less than ninety (90) days, protect, support, temporarily disconnect, relocate, or remove any of its Equipment located in the Streets when lawfully requested by Grantor pursuant to its police powers and not for the benefit of a third party (see below). Grantee shall be responsible for any costs associated with these obligations to the same extent all other users of the Streets are responsible for the costs related to the relocation of their Equipment.
- 6.7. **Relocation for Benefit of Third Party.** Grantee shall, on the request of any person holding a lawful permit issued by the Grantor, protect, support, raise, lower, temporarily disconnect, relocate in or remove from the Streets, as applicable and if possible, any Grantee property, provided that the expense of such is paid by any the person requesting the relocation and Grantee is given reasonable advance written notice to prepare for such changes. Grantee may require such payment in advance. For purposes of this subsection, “reasonable advance written notice” shall be no less than forty-five (45) days in the event of a temporary relocation and no less than one hundred twenty (120) days for a permanent relocation.
- 6.8. **Reimbursement of Costs.** If funds are made available by Grantor to any Carrier for the purpose of defraying the cost of removing or relocating its facilities as required by Grantor or by the terms of its franchise, Grantor shall also offer funds to Grantee for such purposes on the same basis.

**7. Franchise Fee**

- 7.1. **Amount of Fee.** Grantee shall pay to the Grantor an annual Franchise fee in an amount equal to five percent (5%) of the annual Gross Revenues. Notwithstanding the forgoing, Grantor may, in its sole discretion and any time during the term of this Franchise, increase the Franchise fee payable by Grantee hereunder provided that: (1) any such increased Franchise fee shall be consistent with Applicable Law; and (2) any such increased franchise fee shall become effective not less than ninety (90) days after Grantor provides Grantee with written notice of the increase. The Franchise fee paid pursuant to this Franchise shall be in addition to taxes of general applicability owed to Grantor by Grantee, subject to Applicable Law. Franchise fees may be passed through by Grantee to its Subscribers as a line item on Subscriber bills to the extent allowed by Applicable Law.
- 7.2. **Payment of Fee.** Grantee shall pay the Franchise fee on or before each April 30, July 31, October 31, and January 31 of the term of this Franchise. Each such quarterly payment shall be for the calendar quarter immediately preceding the payment date. Payments shall be transmitted by electronic funds transfer to a bank account designated by Grantor.



Along with each quarterly payment, Grantee shall provide Grantor a written report setting forth in reasonable detail the basis for Grantee's calculation of the payment.

- 7.3. **Accord and Satisfaction.** Grantor's acceptance of any payment or partial payment from Grantee shall not be construed as a release of, or an accord and satisfaction with respect to, any claim Grantor may have for additional sums payable by Grantee under this Franchise.
- 7.4. **Limitation on Recovery.** If any Franchise Fee payment is not made on or before the dates specified herein, Grantee shall pay an interest charge computed from such due date at the annual rate equal to the lesser of one percent (1%) or the maximum rate allowed by law.

### 8. **Transfer of Franchise**

Grantee may not assign or transfer the Franchise granted hereunder without the prior written consent of the Grantor, which consent may not be unreasonably withheld or delayed. Notwithstanding the foregoing, no consent shall be required by Grantor in connection with an assignment or transfer by Grantee to an entity controlling, controlled by, or under common control with Grantee, or for any rights, title, or interest of Grantee in the Franchise or Facilities in order to secure indebtedness. Grantee shall reimburse Grantor for all costs reasonably incurred by Grantor to review and analyze any request made by Grantee for Grantor's consent to an assignment or transfer this Franchise.

### 9. **Records**

- 9.1 **Inspection of Records.** Grantee shall permit duly authorized representatives of Grantor, upon advance notice, to examine during normal business hours and on a non-disruptive basis at Grantee's local office any and all of Grantee's records maintained by Grantee as is reasonably necessary to ensure Grantee's compliance with the terms of this Franchise. Such notice shall specifically reference the Sections of the Franchise under review so that the Grantee may organize the necessary records for easy access by the Grantor. The Grantee shall not be required by this Franchise to maintain any records longer than three (3) years; *provided however*, that Grantee's obligation to maintain records for not less than three (3) years shall survive the expiration, termination or revocation of this Franchise.
- 9.2 **Confidential Information.** To the extent allowed by law, Grantor agrees to treat as confidential any information provided to it by Grantee that has been designated by Grantee as "Confidential Information." If Grantor determines that it is required by law to release any designated Confidential Information, it shall first advise Grantee in advance so that Grantee may take appropriate steps, at its own expense, to protect the confidentiality of its Confidential Information.
- 9.3 **Notice and Maps of Equipment.** Grantee shall notify Grantor in writing, consistent Section 11.2 below, within thirty (30) days after Grantee installs new or moves existing Equipment in the Streets. Grantor shall notify Grantee in writing, consistent with Section 11.2 below, of any Grantor construction project that may interfere with Grantee's

Equipment in the Streets. Not less than thirty (30) days following the Effective Date, Grantee shall provide Grantor a map showing the general location of Grantee's Equipment in the Streets. Grantee will update such equipment location map on or before each January 31 during the term of this Franchise upon Grantor's request.

**10. Enforcement or Revocation**

- 10.1. **Notice of Violation.** If Grantor believes that Grantee has not complied with the terms of the Franchise, the Grantor shall notify the Grantee in writing of the exact nature of the alleged noncompliance (the "Violation Notice").
- 10.2. **Grantee's Right to Cure or Respond.** Grantee shall have thirty (30) days from receipt of the Violation Notice to cure such default. If such default cannot be cured within the thirty (30) day period, Grantee shall initiate reasonable steps within the thirty (30) day period to remedy such default and notify Grantor of the steps being taken and the projected date that they will be completed.
- 10.3. **Enforcement.** Subject to applicable Federal and State law, in the event Grantor determines that Grantee is in default of any provision of the Franchise, Grantor may:
  - A. Seek specific performance of any provision that reasonably lends itself to such remedy.
  - B. Commence an action at law for monetary damages or seek other equitable relief.
  - C. Commence proceedings to revoke the Franchise in accordance with subsection 10.4 below.
- 10.4. **Revocation.** Prior to revocation or termination of the Franchise, Grantor shall give written notice to Grantee of its intent to revoke the Franchise. The notice shall set forth the exact nature of the noncompliance. Grantee shall have thirty (30) days from such notice to either object in writing and to state its reasons for such objection and provide any explanation or to cure the alleged noncompliance. If Grantor has not received a satisfactory response from Grantee, it may then seek to revoke the Franchise at a public hearing. Grantee shall be given at least thirty (30) days prior written notice of such public hearing. At the hearing, Grantor shall give Grantee an opportunity to state its position on the matter, after which it shall determine whether or not the Franchise shall be revoked. Upon revocation of the Franchise, and to the extent allowed by Applicable Law, Grantee shall remove its Equipment from the Street within ninety (90) days unless Grantee requests and Grantor allows that it remain abandoned in place.
- 10.5. **Minor Violations.** The Parties hereby agree that it is not Grantor's intention to subject Grantee to forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no adverse impact on Grantor or Subscribers in the Service Area.

**11. Miscellaneous Provisions**

- 11.1. **Force Majeure.** Grantee shall not be in default of this Franchise where noncompliance was caused by circumstances beyond its reasonable control. This provision shall not apply to any obligation to pay money when due.
- 11.2. **Notices.** Unless otherwise provided by Applicable Law, all notices pursuant to this Franchise shall be in writing and shall be deemed to be sufficiently given upon delivery to a Person at the address set forth below, or by U.S. certified mail, return receipt requested, nationally or internationally recognized courier service such as Federal Express or electronic mail communication to the designated electronic mail address provided below. Grantee shall provide thirty (30) days' written notice of any changes in rates, programming services or Channel positions using any reasonable written means.

As set forth above, notice served upon the Grantor shall be delivered or sent to:

City of Hermiston  
180 NE 2<sup>nd</sup> Street  
Hermiston, OR 97838

Every notice served upon Grantee shall be delivered or sent by certified mail, return receipt requested to:

CenturyLink  
ATTN: ROW/NIS Manager  
100 CenturyLink Drive  
Monroe, LA 71203

With a copy of default notices to:

CenturyLink  
ATTN: Legal Department  
931 14<sup>th</sup> Street  
Denver, CO 80202

- 11.3. **Severability.** If any provision of this Franchise is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Franchise.
- 11.4. **Entire Agreement.** This Franchise sets forth the final agreement between the Parties with respect to the subject matter hereof. This Franchise supersedes all prior correspondence, representations and agreements between the Parties with regard to the subject matter hereof.

**11.5. Compliance with Applicable Law and Reservation of Rights.** Grantor and Grantee agree that they are subject to, and will comply with, all Applicable Laws in connection with this Franchise. In entering into this Franchise, neither Grantor's nor Grantee's present or future legal rights, positions, claims, assertions or arguments before any administrative agency or court of law are in any way prejudiced or waived. Grantor and Grantee expressly reserve any and all arguments it may have at law or equity to the legality or appropriateness of any provision in this Franchise.

Considered and approved this \_\_\_\_ day of November, 2022.

City of Hermiston, Oregon

Signature: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Accepted this \_\_\_\_ day of November, 2022, subject to applicable federal, State and local law.

By: CenturyTel of Eastern Oregon, Inc

Signature: \_\_\_\_\_

Name/Title: \_\_\_\_\_



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of November 14, 2022

**Title/Subject**

Discussion and possible support of the Oregon Mayors Association (OMA) homelessness funding recommendations.

**Summary and Background**

The OMA formed a task force, consisting of 25 mayors from across the state, in May of 2022 to develop a response to homelessness that would help all communities statewide, regardless of size or location, to address the issue. The task force was diverse in size and location around the state.

Over the summer and early fall, the task force met regularly to develop its homelessness plan, which was finalized and approved October 14. The plan was subsequently emailed to all 90 members of the Oregon Legislature and the three candidates for governor.

The task force's recommendations involve a partnership between the state of Oregon and its 241 cities. This partnership will allow for the establishment and expansion of local, community-based responses that provide immediate shelter, needed services, and secure safety for unhoused Oregonians.

**Tie-In to Council Goals**

11. Determine City role as it relates to homelessness

**Fiscal Information**

The proposed partnership requires the enactment of two separate, yet parallel, state budget proposals during the 2023 Legislative Session:

1. A budget package which provides direct allocation to cities for homelessness response and prevention services; and
2. An allocation that provides capital improvement funding for cities.

The first prong of this partnership is a direct allocation of funding from the state to each incorporated city in Oregon for cities to use in their homelessness response and prevention services as needed. It is recommended for the direct allocation to be as follows:

- Each city will be allocated funds in an amount equal to \$40 per resident, in accordance with the latest official population estimates from Portland State University (PSU) with a minimum for each city of \$50,000.
- Cities may elect to use the funds for their own homelessness response and prevention services, or may redirect their funds to community partners who are required to use the funds for homelessness response and prevention services.
  - Funds must be used for homelessness response and prevention services, which may include:
    - Abatement/clean-up
    - Environmental mitigation
    - Affordable housing
    - Capital construction or improvement costs related to homelessness or affordable housing measures
    - Community resource officers
    - Education and outreach
    - Food bank assistance
    - Shelter and/or transitional housing
    - Hygiene stations
    - Operation costs
    - Outreach workers
    - Prevention

With a \$50,000 guarantee for all cities, and a \$40.00 per resident multiplier in place, based on the April 19, 2022, PSU population estimates, the total amount would equal \$123,575,800.

The second prong of this effort requires a meaningful allocation from the state for coordinated capital construction investments for specific shelter and transitional housing projects, statewide. It is expected that final dollar amount for needed capital construction investments will equal between \$125 to \$175 million.

### **Alternatives and Recommendation**

#### Alternatives

1. Support the OMA proposal for homelessness funding.
2. Not support the OMA proposal for homelessness funding.

#### Recommended Action/Motion

Support the OMA proposal for homelessness funding.

**Submitted By: Byron D. Smith**



**To convene, network, train, and empower Mayors**

October 14, 2022

Oregon Legislature  
900 Court Street, NE, H-269  
Salem, Oregon 97301

Re: Partnership Needed to Solve Statewide Homelessness Emergency

We write to you as leaders, partners and voters seeking collaboration and action. Cities are facing a crisis as we respond to the emergency of homelessness across Oregon.

Last week at the League of Oregon Cities conference, Mayors came together from across the state to discuss critical policies and programs that impact Oregonians. The number one issue throughout Oregon – in both rural and urban communities, large and small – is homelessness. We know this humanitarian crisis is impacting both the individuals directly experiencing homelessness as well as communities at large.

Many jurisdictions have developed new programs, expanded service efforts, built regional partnerships, and are making substantial investments of local general fund and American Rescue Plan Act (ARPA) funds to respond to the unhoused emergency. Yet, this humanitarian crisis exceeds our individual capacity. While active projects, programs, and partnerships are in place in many cities in Oregon, the state has an opportunity to partner with local governments to build upon these efforts to make an immediate and impactful difference.

Cities cannot be left to solve this statewide crisis by ourselves. No one single approach is effective without a collaborative and coordinated strategy to work together to create the quality of life we all want for everyone who lives in our cities and state. Cities are one part of what must be a statewide approach. We need state leadership to allocate direct funding that is scaled to respond to the gravity of this crisis facing cities statewide.

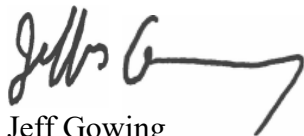
This past May, the Oregon Mayors Association formed a Taskforce on Homelessness. Twenty-five mayors, representing cities of all sizes from around the state, studied Oregon's homelessness crisis. And while the crisis may seem insurmountable, given that the symptoms and solutions look different between urban and rural communities and vary based on a city's size, geography and available service providers, local government leaders have developed a solution to Oregon's crisis of the unhoused.

The solution is that the State of Oregon and its 241 cities must come together in partnership to establish and expand local, community-based responses. Time and time again, local programs, which are community-centered, are the programs that provide immediate shelter, needed services, and secure safety for unhoused Oregonians.

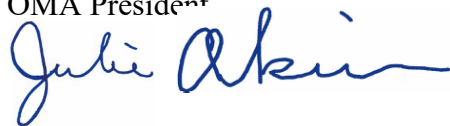
For this crisis to be humanely and timely addressed, the State must partner with cities to fully fund local homelessness response and prevention programs. Fully funding local programs requires direct allocations to each incorporated city in Oregon, totaling \$123,575,800 annually. In addition to direct, annual allocations, coordinated capital construction investments for specific shelter and transitional housing projects, statewide, is also required.

Oregon's mayors are leading the on-the-ground response on homelessness, but we cannot do so alone and need joint leadership from state government to support cities and our county partners. We call on Oregon's next governor and legislature to fund the services and housing needed to make an impact on Oregon's homelessness crisis.

Sincerely,



Jeff Gowing  
Mayor of Cottage Grove  
OMA President



Julie Akins  
Mayor of Ashland



Gena Goodman-Campbell  
Mayor of Bend



Beth Wytoski  
Mayor of Dayton



Lucy Vinis  
Mayor of Eugene



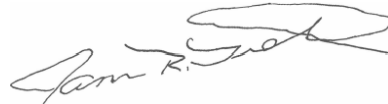
Teri Lenahan  
Mayor of North Plains  
OMA President Elect



Lacey Beaty  
Mayor of Beaverton



Meadow Martell  
Mayor of Cave Junction

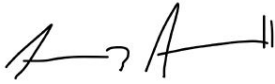


Jim Trett  
Mayor of Detroit




Carol MacInnes  
Mayor of Fossil





Travis Stovall  
Mayor of Gresham



Dave Drotzmann  
Mayor of Hermiston



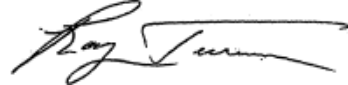
Steve Callaway  
Mayor of Hillsboro



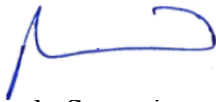
Kate McBride  
Mayor of Hood River



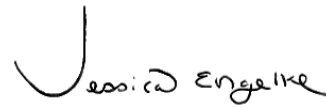
Carol Westfall  
Mayor of Klamath Falls



Ray Turner  
Mayor of Lakeview



Randy Sparacino  
Mayor of Medford



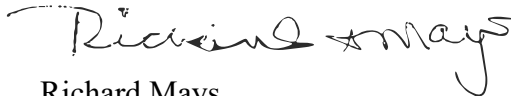
Jessica Engelke  
Mayor of North Bend



Ted Wheeler  
Mayor of Portland



Michael Preedin  
Mayor of Sisters



Richard Mays  
Mayor of the Dalles



Jason Snider  
Mayor of Tigard



Rod Cross  
Mayor of Toledo



Tom Vialpando  
Mayor of Vale



Henry Balensifer III  
Mayor of Warrenton

cc: Christine Drazen, Gubernatorial Candidate  
Betsy Johnson, Gubernatorial Candidate  
Tina Kotek, Gubernatorial Candidate