



CITY COUNCIL

AGENDA

MONDAY, DECEMBER 11, 2023

COUNCIL CHAMBERS- 180 NE 2ND ST

Where Life is Sweet

Other ways of viewing or participating in live meetings are available through:

YouTube at: City of Hermiston - YouTube

*Zoom with Meeting ID: 841 0675 8958 Passcode: 075556
Telephone number to join is: 1 253 215 8782;*

or submitting comments to meetings@hermiston.or.us

1. CALL 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

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 November 27th City Council Special Town Hall and Regular Meetings

B. Minutes of the October 23, Public Safety Committee Meeting

7. ITEMS REMOVED FROM CONSENT AGENDA

8. ORDINANCES AND RESOLUTIONS

A. Resolution 2299- RWS Phase 2 Pump Improvements.

B. Resolution 2300- Purchase 44 acres of land within the South Hermiston Industrial Park.

[C.](#) Resolution 2301- Return of A Misdemeanor Prosecution to Hermiston Municipal Court

9. OTHER

[A.](#) November 2023 Financial Report

10. COMMITTEE REPORTS

A. City Committee and Liaison:

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

B. Council President's Report

C. Council Report

D. Youth Advisory Report

E. Manager's Report

11. ADJOURN

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

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



CITY COUNCIL

Special Town Hall Meeting Minutes November 27, 2023

Mayor Drotzmann called the special town hall meeting to order at 6:00pm. Present were Councilors Primmer, Hardin, Peterson, Barron, Duron, Linton, McCarthy, and Myers. Municipal Court Judge Bendixsen was in attendance, as well as City Staff to include: City Manager Byron Smith, Assistant City Manager Mark Morgan, Finance Director Mark Krawczyk, City Attorney Rich Tovey, Chief Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles (arrived at 6:02pm), Library Director Mark Rose, Hermiston Energy Services General Manager Nate Rivera, IT Support Specialist Tony Ficenec, and City Recorder Lilly Alarcon-Strong. Youth Advisors Jeannine Heredia and Yaneisy Perez were also present.

Mayor Drotzmann announced, and Councilor Duron translated that Hispanic Advisory Committee members Jessica De La Cruz and Jesse Roa were stationed in Council Chambers and the foyer area for individuals who needed Spanish translation services.

Mayor Drotzmann thanked all those in attendance stating that the City is seeking public feedback and recommendations for the City's 2024 Budget that the City has been discussing for the last six months.

Updating the City's Budget for 2024

City Manager Smith presented information (PowerPoint Presentation attached) regarding: the budget gap including Measures 5 and 50, department operations, budget review and adoption process, public outreach efforts both in person and with online surveys regarding City services, possible budget changes, and more.

Public Input

Deloris Veliz, Hermiston- Asked that the City consider sending the survey out in utility bills, asked for clarification on information presented about Amazon and Public Safety Fees, stated a \$5.00 increase on garbage fees would be ideal but other increases would be hard on people.

Troy White, 785 SE Opal Court- Stated he agrees with Councilor Barron's previous comments regarding allowing Marijuana sales in the City and a Business License Fee but does not support a sales tax to the general public as the City should focus on bringing more businesses into the City as property taxes are extremely high.

Clint Elliot, 1189 E Newport Ave- Stated he moved from the westside of the state and saw what happened when more police officers were hired but had their hands tied. Mr. Elliot stated he supports the work police officers do but feels that if the City is going to hire more officers it should untie their hands.

Brian Misner, 6 SW Sunrise Court- Stated City residents already voted no on Marijuana sales in the City, however the City should allow residents to vote on gas and sales tax. As a member of the Budget Committee, he finds it troubling that no warning signs about this budget issue were given and feels that the City Council should hold someone accountable for this issue. Mr. Misner stated he feels sorry for the Police Department and their frustration on getting the help they need.

David Hanson, 1737 W Alleluia Ave- Stated the Police Department has the worst employment ratio in the area and it would be better to hire six officers instead of three to help keep the community safer. As a Budget Committee member, he believes the Committee should meet quarterly and have more oversight as they did



CITY COUNCIL

Special Town Hall Meeting Minutes November 27, 2023

not know what was going on. These are hard decisions and freezing salaries should be considered, as well as holding someone responsible. Mr. Hanson stated he supports a TRT increase and a Public Safety Fee of \$9.00 instead of \$5.00 but asked that the City negotiate with Amazon to get more money for Public Safety Funds and gave the City praise for obtaining the grants they have received.

Josh Roberts, 1709 NE 6th Place- Stated these are difficult gut-wrenching decisions but he agrees with Mr. Misner that the City should be holding someone accountable for this failure and the public should be aware of this. The COPS grant is great as we need more police officers but we also need an increase that is well thought out, has everyone paying a fair share, and make sure this doesn't happen again. Mr. Roberts thanked the City for this public process.

Kena West, 690 W Sandpiper Ave- Stated residents should not have to pay additional fees or be responsible for the deficit. The City should make cuts everywhere as every penny matters. The additional fees will not fix the homelessness problems in the City that make it impossible go to the Library. Mrs. West stated she does not support any fees as there are no direct benefits.

Jose Garcia, 440 SW 11th St- Stated the City is losing revenue from the Latino Entertainment Business to Tri-Cities because the event prices at EOTEC are too high. High school graduations should be hosted in the City as the City is losing money to Tri-Cities when these events are held out of town. Mr. Garcia stated he has great respect for the Police Department and thinks each officer should give at least 10 citations per shift they work as he witnesses a lot of speeding.

Ann Minton- emailed comment attached.

Stacy Stanek, 330 SE Carter Drive- Stated Planning Fees should be tied to inflation and updated frequently, and although she does not want to pay additional fees, she will if this is what the City needs; however, the City should ask for a \$10.00 per month in Public Safety Fees instead of \$5.00 if that is what the City wants.

Kari Christiansen, 470 Christiansen Loop- Stated although she lives out of City limits she does own a business in City limits so this will impact her as well. Mrs. Christiansen stated the Police Department is great and does support additional fundings for them. The City should also reconsider the Gettman Road Project as it would be spending funds on something that is unnecessary and encouraged the Council to speak with her about this project.

Karyn Jones, 1010 W highland Ave- Asked if she could submit written public comment before a decision is reached in January and expressed support and gratitude to and for the Police Department.

Councilor McCarthy stated he received input from a member of the Downtown District who shared her concern regarding the proposed \$250.00 per year Business License Fee stating the City should reconsider this this fee as it could bring hardships to the Downtown Districts businesses who already pay fees to their organization, possible fees to the Chamber of Commerce if they are members, and would discourage businesses development in the City, as well as businesses possibly having to let go of staff. If a fee is required, the City should look into Business Fees that the City of Pendleton charges.



CITY COUNCIL

Special Town Hall Meeting Minutes November 27, 2023

City Manager Smith gave information regarding the online budget survey with results being gathered and shared at the January 8th meeting where the public can give additional comments and feedback to the Council before the Council is asked to make a budget decision.

After additional comments and questions from the Council, the Council thanked the public for attending and participating, encouraged the public to continue to participate stating all comments will be taken into consideration when making this very difficult decision.

Adjournment

Mayor Drotzmann adjourned the Special Town Hall meeting at 6:59pm and stated the Council will take a short recess before starting the regular council meeting.

DRAFT



Why are we here?

- FY 2023-24 General Fund Budget Gap
- Gap has been building due to property tax limitations (Measures 5 (early 90's) and 50 (late 90's))
- Utilized One-Time Federal \$\$ (ARPA) to Delay This Discussion



Why are we here?

- General Fund Departments
 - Administration
 - Finance
 - Police
 - Library
 - Parks and Recreation
 - Planning
 - Court
- Enterprise Funds
 - Water
 - Sewer
 - Streets
 - Electric
 - Information Technology
 - EOTEC



Process

- Budget Adopted – June 2023
- Department/Revenue Review Started – June 2023
- Completed Review – November 2023
- Town Hall Discussion – November 27, 2023
 - Including an online survey
- Report to Council/Get Direction (January)



Desired Service Levels

- Various Public Outreach Efforts
 - **2040 Vision Report**
 - **2019 Phone Survey**
 - **2023 Online Survey**
- All showed varied levels of satisfaction for current services
- One showed some willingness to pay for increased police services (ie. more officers)



FY2023-24 Budget

REVENUES

	Adopted FY24-B	Status Quo Budget*
Property Taxes	\$ 7,425,990	\$ 7,425,990
From Other Agencies	1,122,501	1,122,501
Service Charges	2,181,400	2,181,400
Tranf From	2,498,035	2,498,035
Lic & Franchises	1,468,300	1,468,300
Cash Fwd	951,685	951,685
Fines/Penalties	400,000	400,000
Misc Revenue	65,000	65,000
Interest	70,000	70,000
Non-Rev Receipts	723,000	50,000
	\$ 16,905,911	\$ 16,232,911

- *Changes from Adopted Budget
- Removes the Loan Proceeds (\$673,000)
 - Restores Funding for PT Library Positions (\$100,000)
 - Restores Funding for Recreation Coord. Position (\$96,000)
 - Restores Council Budget (\$55,000)

EXPENSES

Personnel Costs	\$ 11,299,862	\$ 11,550,352
Mat'ls/Svcs	3,520,428	3,520,428
Transfers	1,479,520	1,479,520
Debt Svc	460,825	460,825
Capital Outlay	92,000	71,500
Contingency	53,276	53,276
	\$ 16,905,911	\$ 17,135,901
	0	-902,990

- Possible Addition
- \$370,000 for Three New Officers



Additional Cuts

- Cut Street Funding
- Various Materials and Services Cuts



Possible Revenues

- Increase Transient Room Tax (TRT) Rate
- Utility Fees (Police, Parks and Recreation, etc.)
- Increase Planning and Zoning Fees
- Franchise Fee on Water/Sewer
- Business License Fee
- Local Sales Tax (exempting all food/prescription drug sales)



Possible Revenues

- Local Fuel Tax
- Marijuana Tax
- Local Option Property Tax Levies
- Payroll Tax



Recommendation

- Cuts
 - **Street Maintenance (+\$340,000)**
 - **Materials/Services (+\$150,000)**



Recommendation

Revenues

- **Planning Department Fees (+\$80,000)**
- **Transient Room Tax 1% Increase (+\$100,000)**
- **Business License Fee (+\$100,000)**
- **Public Safety Fee (\$5/month) (+\$360,000)**
- **COPS Grant (+125,000)**



Recommendation Impact

REVENUES	Adopted FY24-B	Recommended Budget*
Property Taxes	\$ 7,425,990	\$ 7,425,990
From Other Agencies	1,122,501	1,247,501
Service Charges	2,181,400	2,821,400
Tranf From	2,498,035	2,498,035
Lic & Franchises	1,468,300	1,468,300
Cash Fwd	951,685	951,685
Fines/Penalties	400,000	400,000
Misc Revenue	65,000	65,000
Interest	70,000	70,000
Non-Rev Receipts	723,000	50,000
	\$ 16,905,911	\$ 16,997,911
EXPENSES		
Personnel Costs	\$ 11,299,862	\$ 11,729,862
Mat'ls/Svcs	3,520,428	3,372,154
Transfers	1,479,520	1,138,520
Debt Svc	460,825	460,825
Capital Outlay	92,000	71,500
Contingency	53,276	53,276
	\$ 16,905,911	\$ 16,827,137
	0	170,774

- *Changes from Adopted Budget
- Removes the Loan Proceeds (\$673,000)
 - Restores Funding for PT Library Positions (\$100,000)
 - Restores Funding for Recreation Coord. Position (\$96,000)
 - Restores Council Budget (\$55,000)

- *Additional Recommended Changes
- Staff Recommended Cuts in Non-Staff Areas (\$150,000)
 - Leave 90% of Franchise Fees in General Fund (\$340,000)
 - Planning Dept. Fee Update (\$80,000)
 - Transient Room Tax (TRT) 1% Increase (\$100,000)
 - Business License Fee (\$250) -- (\$100,000)
 - Public Safety Fee (\$5/month) -- (\$360,000)
 - COPS Grant Funding (\$125,000)



Forecast Assumptions

- *Changes from Adopted Budget**
- Removes the Loan Proceeds (\$673,000)
 - Restores Funding for PT Library Positions (\$100,000)
 - Restores Funding for Recreation Coord. Position (\$96,000)
 - Restores Council Budget (\$55,000)
 - Adds Funding for Three New Patrol Officer Positions (\$370,000)
- *Additional Recommended Changes**
- Staff Recommended Cuts in Non-Staff Areas (\$150,000)
 - Leave 90% of Franchise Fees in General Fund (\$340,000)
 - Planning Dept. Fee Update (\$80,000)
 - Transient Room Tax (TRT) 1% Increase (\$100,000)
 - Business License Fee (\$250) - (\$100,000)
 - Public Safety Fee (\$5/month) - (\$360,000)
 - COPS Grant Funding (\$125,000)

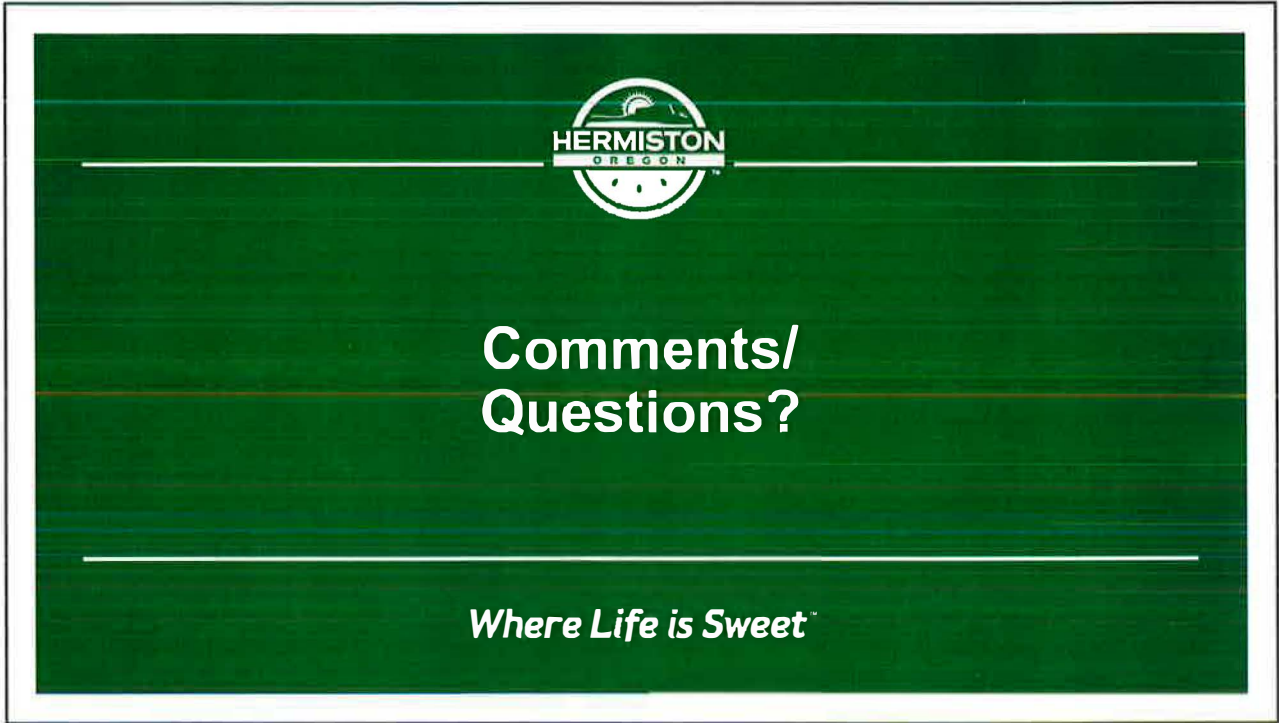
- †Projection Assumptions**
- Revenues**
- Property Taxes - 5.5% annual growth based on past five years
 - From Other Agencies - 1% annual growth
 - Service Charges - 4.5% annual growth based on past five years
 - Transfers From - 3% annual growth
 - Licenses and Franchises - 3% plus projected Amazon Growth
 - Cash Forward - Decreasing as needed
 - Fines and Penalties - Best estimate on returning of A Misd. and full PD staffing with 1% growth
 - Misc. Revenue - Conservative estimate, Historically no pattern
 - Interest - Conservative estimate with unknown interest rate climate
 - Non-Revenue Receipts - Conservative, Historically no pattern
- Expenses**
- Personnel Costs - 5% annual growth
 - Materials and Services - 5% annual growth
 - Transfers - 3% annual growth
 - Debt Service - Steady
 - Capital Outlay - Small growth
 - Contingency - Steady



Recommendation + Forecast

REVENUES	Adopted FY24-B	Recommended Budget†	FY25-P	FY26-P	Projected† FY27-P	FY28-P	FY29-P
Property Taxes	\$ 7,425,990	\$ 7,425,990	\$ 7,894,419	\$ 8,265,313	\$ 8,719,905	\$ 9,199,499	\$ 9,705,472
From Other Agencies	1,122,501	1,247,501	1,259,976	1,272,576	1,160,302	1,171,905	1,183,624
Service Charges	2,181,400	2,721,400	2,843,863	2,971,837	3,105,569	3,245,320	3,391,360
Transf From	2,498,035	2,598,035	2,675,976	2,756,255	2,838,943	2,924,111	3,011,835
Lic & Franchises	1,468,300	1,808,300	1,962,549	2,241,051	2,830,693	3,593,921	4,487,678
Cash Fwd	951,685	951,685	600,000	415,000	200,000	-	-
Fines/Penalties	400,000	275,000	350,000	353,500	357,035	360,605	364,211
Misc Revenue	65,000	65,000	100,000	100,000	100,000	100,000	100,000
Interest	70,000	70,000	70,000	50,000	50,000	50,000	50,000
Non-Rcv Receipts	723,000	50,000	50,000	50,000	50,000	50,000	50,000
	\$ 16,905,911	\$ 17,212,911	\$ 17,746,784	\$ 18,475,531	\$ 19,412,447	\$ 20,695,361	\$ 22,344,179
EXPENSES							
Personnel Costs	\$ 11,299,862	\$ 11,729,862	\$ 12,316,355	\$ 12,932,173	\$ 13,578,781	\$ 14,257,721	\$ 14,970,607
Mat/ls/Svcs	3,520,428	3,372,154	3,540,782	3,717,600	3,903,690	4,098,874	4,303,818
Transfers	1,479,520	1,138,520	1,173,706	1,208,917	1,245,184	1,282,540	1,321,016
Debt Svc	460,825	460,825	460,825	460,825	460,825	460,825	460,825
Capital Outlay	92,000	71,500	100,000	100,000	125,000	125,000	125,000
Contingency	53,276	266,776	55,000	55,000	55,000	55,000	55,000
	\$ 16,905,911	\$ 17,042,137	\$ 17,846,647	\$ 18,474,714	\$ 19,368,481	\$ 20,279,960	\$ 21,236,266
		170,774	100,136	817	43,964	415,402	1,107,913





From: Ann Minton <anm1405@gmail.com >
Sent: Monday, November 27, 2023 5:38 PM
To: City of Hermiston Meetings
Subject: Hermiston City Townhall meeting - question

You don't often get email from anm1405@gmail.com. [Learn why this is important](#)

[EXTERNAL EMAIL] - STOP and VERIFY - This message came from outside of the City of Hermiston

Ann Minton

895 SW 7th Street Hermiston,

Below are my concerns about the addition of a safety fee for Hermiston. I do not support this

- How is this fee assessed? Monthly bill?
- Shouldn't the public vote on a new tax. Or because you labeled it a fee it doesn't fall under the same laws as a new tax.
- If we don't get to vote on it, then what prevents the city from arbitrarily raising it five dollars this year \$10 next year in three years were up to \$50 safety fee
- What additional value can you provide for me as a citizen to back the justification of a safety fee?
- What other counties have initiated the safety fee? I see that Thurston county. Washington initiated a safety tax, but that was brought to the public as a vote .
- The City is like a business. There are costs, bills, etc that need to be paid. Why are The City's poor spending choices suddenly my problem. \$1 million in the red is a significant amount. Were there not any warning flags along the way? As a citizen if I start to run in the red, do I get to reach out to the general population and ask for a fee or a tax to get me through?

Sent from [Mail](#) for Windows



CITY COUNCIL

Regular Meeting Minutes November 27, 2023

Mayor Drotzmann called the regular meeting to order at 7:04pm. Present were Councilors Primmer, Hardin, Peterson, Barron, Duron, Linton, McCarthy, and Myers. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Finance Director Mark Krawczyk, City Attorney Rich Tovey, Chief Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles, Hermiston Energy Services General Manager Nate Rivera, IT Support Specialist Tony Ficenec, and City Recorder Lilly Alarcon-Strong. Youth Advisors Jeannine Heredia and Yaneisy Perez were also present. The pledge of allegiance was given.

Presentation- H2OEO Water for Eastern Oregon

Michael Graham gave information (PowerPoint Presentation attached) regarding groundwater contamination in our region. H2OEO is a group formed by businesses and individuals in the area concerned with addressing the groundwater quality in our region.

Citizen Input on Non-Agenda Items

Kenzie Maloy, 1348 E Main St- Stated she is a longtime City resident, graduating from Hermiston High School, and a health and wellness provider in Hermiston and presented information (handout attached) regarding health impacts from 5G towers.

Jill Litzsinger- emailed comment attached.

Troy White, 785 SE Opal Court- Asked that the City give other business owners tax breaks, like they do with Amazon, to develop in the Urban Growth Boundaries.

Consent Agenda Items

Councilor Primmer moved and Councilor McCarthy seconded to approve Consent Agenda items A-E to include:

- A. Committee Vacancy Announcements
- B. Committee Appointment Confirmation of Nicole Westing for: Airport Advisory Committee Position #2- term ending 10/31/2026
- C. Committee Appointment confirmation of Jesse McCormach for: Airport Advisory Committee Position #5- remaining term ending 10/31/2025
- D. Minutes of the November 13th City Council Work Session and Regular Meeting
- E. Initiate annexation and comprehensive plan map amendment proceedings 4N2813 TL 200 & 500 - 1295 SE 10th St

Motion carried unanimously.

October 2023 Financial Report

Councilor McCarthy moved and Councilor Myers seconded to accept the October Financial Report as presented by Finance Director Mark Krawczyk. Motion carried unanimously.

Committee Reports

Hispanic Advisory Committee- Councilor Duron stated the Committee heard many presentations including one from City Manager Smith regarding the Budget and asked that Committee members consider translating for tonight's meeting, Energy Trust, and more. There were questions regarding EOTEC's rates which were answered by displaying the rate schedule found on the City's website.



CITY COUNCIL

Regular Meeting Minutes November 27, 2023

Stepping Stones Alliance/PATH Project (not a City Committee)- Mayor Drotzmann gave information regarding Stepping Stones Open House on December 7th, Board Member changes, Marlette Homes building accessible units for those with disabilities, and thanked those involved in these resources to provide for those in need.

Councilor Duron also encouraged the public to visit Stepping Stones Alliance's website for more information.

Mayor's Report

Mayor Drotzmann spoke regarding:

- Thanked Council President Primmer for running the last meeting in his absence and for covering the upcoming meeting as he will be attending the Oregon Business Summit.
- His participation in the Community Thanksgiving Fellowship Dinner where he and many other volunteers delivered and served meals to those in need or those who just didn't want to be alone. This is a great organization who will also be providing a meal on Christmas.

Council Reports

Councilor Primmer thanked EOTEC staff as he received many great compliments regarding the EOTEC facility and staff from the organizers and attendees of the Oregon State Interoperability Council who meet annually with different government agencies and private communication businesses to coordinate statewide emergency communication planning. Agencies from Umatilla and Morrow Counties were in attendance, as well as the FBI, National Guard, cell phone companies, and more.

Councilor McCarthy spoke regarding Thursday's Tree Lighting and Festival of Trees events.

Mayor Drotzmann encouraged the community to shop local this holiday season and throughout the year.

Youth Advisory Report

Yaneisy Perez stated she and others will be volunteering at the Festival of Trees.

Jeannine Heredia gave information regarding the High School canned food drive and Posada Celebration on December 8th.

City Manager's Report

City Manager Smith stated he had nothing new to share that hasn't already been mentioned besides stating that participation at the Festival of Lights is by donation.

Recess for Executive Session

At 8:21pm Council President Primmer announced the City Council of the City of Hermiston will now meet in Executive Session in the Executive Session Room for the purpose of discussing matters pertaining to negotiating real property transactions. The Executive Session is held pursuant 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.



Where Life is Sweet

CITY COUNCIL

Regular Meeting Minutes November 27, 2023

Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are excluded. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No final decision may be made in executive session. At the end of the executive session, the council will return to open session which the audience may attend. The executive session will last approximately 30 mins.

Reconvene and Adjournment

Mayor Drotzmann reconvened and adjourned the City Council meeting at 9:02pm as there was no other City business.

SIGNED:

Doug Primmer, Council President

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder

DRAFT



What's the Problem?

- Some domestic wells have elevated levels of nitrates
 - OHA found about 20% of tests on 1,000 wells returned over 10 mg/L
 - Estimated 3,500-4,500 domestic wells in LUBGWMA
- Solutions are complex
 - Nitrate sources include agriculture, livestock, water reuse, failing septic tanks, shallow wells, etc.
 - Geology and hydrology of Basin are not well understood
- Unclear chain of responsibility
 - Lack of coordination over 30 years to study and address nitrates
 - State and federal regulations do not apply to individual wells, and owners are ultimately responsible for their own wells

Who's Who in Lower Umatilla Basin



- **LUBGWMA:** Groundwater quality restoration
- **OREGON DEQ:** Environmental rules and monitoring
- **Oregon Health Authority:** Impact on human health
- **EPA:** Federal oversight
- **Counties:** Water use and environmental health

Timeline of Major Water Events



Direct Support: 2022-2023

- Before OHA began its outreach, direct testing for **300 wells** and testing support for another **200 wells**
- Assisted local officials with drinking water distribution, with the donation of loading dock space, storage, and **1,000 water jugs**
- Provided **1,200+ information packets** (in English and Spanish)
- Created www.H2OEO.org website for information and updates
- Partnered with **30+ local businesses and organizations**
- Coordinating with local, state, and federal government

Why H2OEO?

As local employers and community organizations we can:

- **Amplify local voices** where decisions are being made and speak for our community.
- **Fight misinformation** by sharing reliable facts.
- **Support** OHA and county health department efforts.
- **Move swiftly** to meet emerging needs and fill gaps.
- **Help** our employees and their families access resources.

The Path Forward

- Continue to meet immediate needs (well testing, filtration systems, water deliveries, information)
- Increase awareness of individual responsibility for well testing and maintenance
- Identify regional roles and responsibilities to conduct research and make tangible progress on clean water
- Follow the science and secure necessary funding to enact locally-led solutions

Med Pr. 2020 Jan 20;71(1):105-113. doi: 10.13075/mp.5893.00867.
Epub 2019 Nov 29.

[Protection of the population health from electromagnetic hazards-
challenges resulting from the implementation of the 5G network
planned in Poland].

Zmysłony M(1), Bieńkowski P(2), Bortkiewicz A(3), Karpowicz J(4),
Kieliszek J(5), Politański P(1), Rydzyński K(6).

“the research evidence is strong enough for the World Health
Organization to classify EMF as an environmental factor potentially
carcinogenic to humans.”

“due to the fact that there are data indicating the existence of
biophysical mechanisms of the EMF influence that may lead to adverse
health effects, it seems necessary to use the precautionary principle and
the ALARA principle when creating environmental requirements for the
construction and exploitation of the infrastructure of the planned 5G
system”

<https://www.cdc.gov/nceh/radiation/alara.html>

The guiding principle of radiation safety is “ALARA”. ALARA stands for “as
low as reasonably achievable”. ALARA means avoiding exposure to
radiation that does not have a direct benefit to you, even if the dose is
small.

1

Toxicol Lett. 2020 May 1:323:35-40.

doi: 10.1016/j.toxlet.2020.01.020. Epub 2020 Jan 25.

Adverse health effects of 5G mobile networking technology under real-
life conditions

Ronald N Kostoff¹, Paul Heroux², Michael Aschner³, Aristides Tsatsakis⁴

Affiliations

- ¹Research Affiliate, School of Public Policy, Georgia Institute of
Technology, Georgia, United States. Electronic address:
rkostoff@gmail.com.
- ²Toxicology and Health Effects of Electromagnetism, McGill
University, Canada.
- ³Molecular Pharmacology, Einstein Center of Toxicology, Albert
Einstein College of Medicine, United States.
- ⁴Laboratory of Toxicology, Medical School, University of Crete,
Voutes, 71409 Heraklion, Crete, Greece; Department of Analytical,
Toxicology, Pharmaceutical Chemistry and Pharmacognosy,
Sechenov University, 119991 Moscow, Russia. Electronic address:
toxlab.uoc@gmail.com.
- PMID: 31991167
- DOI: [10.1016/j.toxlet.2020.01.020](https://doi.org/10.1016/j.toxlet.2020.01.020)

“Wireless radiation offers the promise of improved remote sensing,
improved communications and data transfer, and improved connectivity.
Unfortunately, there is a large body of data from laboratory and
epidemiological studies showing that previous and present generations
of wireless networking technology have significant adverse health
impacts.”

2

J Epidemiol Community Health. 2021 Jan 19;jech-2019-213595. doi: 10.1136/jech-2019-213595

Electromagnetic fields, 5G and health: what about the precautionary principle?

Frank JW(1).

Author information: (1)Usher Institute, University of Edinburgh, Edinburgh, UK john.frank@ed.ac.uk.

“Several recent reviews by independent scientists, however, suggest that there is significant uncertainty on this question, with rapidly emerging evidence of potentially harmful biological effects from radio frequency electromagnetic field (RF-EMF) exposures, at the levels 5G roll-out will entail. This essay identifies four relevant sources of scientific uncertainty and concern: (1) lack of clarity about precisely what technology is included in 5G; (2) a rapidly accumulating body of laboratory studies documenting disruptive in vitro and in vivo effects of RF-EMFs-but one with many gaps in it; (3) an almost total lack (as yet) of high-quality epidemiological studies of adverse human health effects from 5G EMF exposure specifically, but rapidly emerging epidemiological evidence of such effects from past generations of RF-EMF exposure; (4) persistent allegations that some national telecommunications regulatory authorities do not base their RF-EMF safety policies on the latest science, related to unmanaged conflicts of interest. The author, an experienced epidemiologist, concludes that one cannot dismiss the growing health concerns about RF-EMFs, especially in an era when higher population levels of exposure are occurring widely, due to the spatially dense transmitters which 5G systems require. Based on the precautionary principle, the author echoes the calls of others for a moratorium on the further roll-out of 5G systems globally, pending more conclusive research on their safety.”

3

Int J Hyg Environ Health. 2018 Apr;221(3):367-375.

doi: 10.1016/j.ijheh.2018.01.011. Epub 2018 Feb 2.

Towards 5G communication systems: Are there health implications?

Agostino Di Ciaula¹

Division of Internal Medicine, Hospital of Bisceglie (ASL BAT), Bisceglie, Italy; International Society of Doctors for Environment (ISDE), Arezzo, Italy. Electronic address: agostinodiciaula@tiscali.it.

- PMID: 29402696
- DOI: 10.1016/j.ijheh.2018.01.011

“Evidences about the biological properties of RF-EMF are progressively accumulating and, although they are in some case still preliminary or controversial, clearly point to the existence of multi-level interactions between high-frequency EMF and biological systems, and to the possibility of oncologic and non-oncologic (mainly reproductive, metabolic, neurologic, microbiologic) effects.”

4

From: Jill Litzinger <jilllitzinger@gmail.com >
 Sent: Monday, November 27, 2023 7:26 PM
 To: City of Hermiston Meetings
 Subject: Meeting November 27th

You don't often get email from jilllitzinger@gmail.com. [Learn why this is important](#)

[EXTERNAL EMAIL] - STOP and VERIFY - This message came from outside of the City of Hermiston

\$900,000 is owed. \$375,000 police grant was given. \$525,000 is left. But you're wanting to add 16,997,000 in new taxes plus Amazon owes \$20million for cold water work that's being done. Payback from the 2 loans taken 1.36M and 675K is just over 2M so why is almost 17M needed?

So Pendleton is getting all the revenue from the cannabis tax I feel that we need to open a cannabis shop in Hermiston. Let a business work for the citizens.

I understand we have (I do not know technical terms) Incentives for new businesses for 0 taxes Up to 10 years or 15 I'm not sure. That needs to be limited to the first company in each county all others should be subject to taxes. We have been railroaded by Amazon And there mass amounts of buildings. They are bringing people to the area yet they are not being held accountable for taxes to assist in the county's they are in. And that's with all aspects construction and Jobs both local and out of state. This is a multi million dollar business. We need to figure out how to change this tax free Incentive because it's not an incentive to the community in which they are residing. And when they're lease of 10 years or 15 years comes up are these buildings going to still be worth anything or are they going to shut these buildings down and want to build new? Or are they just going to leave the area completely because they've outused all the resources that we have? And then we're stuck with empty ugly buildings. I want Amazon held accountable also. So you might want to find somebody else that is better at negotiating with Amazon. To have them start paying their share of expenses that they are bringing to our community. 10 to 15 years is way too long to have to wait and put that Burden on the people of this community.

Because once you taxes you won't take that tax away regardless if Amazon does pay in 10 to 15 years. You will use that as extra revenue without giving any kickbacks to the citizens of Hermiston.

As for taxing the citizens COVID already did a number on a lot of Citizens, businesses that they are already hurting and you want to implement more taxes but not hold the people responsible for this disaster accountable? The citizens were forced To shut down their businesses by the city who listened to the governor. Yet allowed Safeway and Walmart to run openly and free.

Where did that \$30.9 million dollars that you guys used for big projects In the last budget come from? Was that COVID money that should of went to the citizens of those businesses? Why wasn't that money split up between small business owners And just handed to them? Why did the city feel the need to take that covid money and use it for their own benefit instead of helping their citizens? There are so many un answered questions I would like to see a print out or an email of all the COVID money that Hermiston and umatilla county received And exactly where that Money was implemented! Transparency

Our \$30.9 million bigger than normal budget.

<https://northeastoregonnow.com/capital-investments-behind-hermistons-bigger-2023-24-budget/?fbclid=IwAR3nHywsWVQd4vK-qVsYpHwDzWoQxInjCNkHMT-g2cDJJQs-WnrPdC6Izoc>

Section 6, Item A.

Police grant \$375,000 is this for each year for 3 years?

<https://elkhornmediagroup.com/hermiston-receives-cops-grant/?fbclid=IwAR2E5eh4ruuwjSinXLgxQh2cggUBVsc-XE1RPjvrl7Qx8TqZai9SXjMcXc#:~:text=HERMISTON%20%E2%80%93%20Police%20Chief%20Jason%20Edmiston,year%20grant%20has%20been%20approved.>

This is the added taxes! I say open up a cannabis shop and allow those taxes pay for any needed expenses. But we shouldn't have ANY if Amazon owes \$20,000,000!!!!

https://m.facebook.com/story.php?story_fbid=7097556793643679&id=100001682857927&mibextid=Nif5oz

<https://facebook.com/events/s/hermiston-city-council/3528434244073399/>

Jill Litzinger
PCP Umatilla County 126
& Vice-President
Greater Hermiston Conservatives



Where Life is Sweet

Public Safety Committee Minutes

October 23, 2023

Councilor Primmer called the meeting to order at 5:15pm. Councilor Hardin was present, as well as Umatilla County Sheriff Terry Rowan. Councilor Linton was absent. Staff in attendance included: City Manager Byron Smith, City Attorney Rich Tovey, Court Administrator Jillian Viles, Chief Edmiston, Captains Travis Eynon and Scott Clark, Communications Manager Amanda Hartsteen, Patrol Sergeant Leonard Stokoe, Training Corporal Tim Miers, Patrol Officer Jovanny Bedolla-Chavez, and City Recorder Lilly Alarcon-Strong.

Police Department

- **Introductions and Personnel Updates**

Hermiston's Police Department (HPD) Chief Edmiston, introduced Umatilla County Sheriff Terry Rowan and members of HPD who were in the audience, and gave personnel updates to include: the HPD is currently down six people; individuals have been hired but are waiting to attend academy. Once academy has been completed, individuals will continue training at HPD before being released to solo duty, this entire process takes about six months to complete. As stated previously, there continues to be a decline in the number of individuals seeking law enforcement/public safety careers. The HPD continues to recruit, however, recruitment and retention can be difficult as many area PD's are seeking similar staffing and many have pay and benefit packages that are greater than HPD making HPD less desirable.

- **3rd Quarter Activity Report**

Chief Edmiston reviewed the 3rd quarter activity report (attached) stating total crime is up 37% from the 10-year average and up 16% from last year which mostly consists of property crimes. There is a staggering increase in the amount of larceny and burglary cases from residences and commercial businesses. Attempted murder is counted in the homicide statistic rate as required per the State of Oregon and Federal Bureau of Investigation. Major and violent crimes such as rape, robbery, and aggravated assaults, as well as auto thefts are down, which is always good. Transient activity to date, in 2023, account for 26% of HPD's total call load demand. Total incident and calls for service are up which can be viewed as a positive thing as many people still have faith and trust in the PD to call for help and are also tired of the criminal activity taking place in our community. There is also an increase of people with home cameras who are more openly coming forward to report something captured on video. Chief Edmiston stated he continues to believe the crime increase is due to the continual decriminalization of certain crimes by the Oregon legislature and Measure 110 which will continue to adversely impact the livability of our citizens.

Chief Edmiston stated HPD targets criminal behavior not people unless they are engaged in crime. This is important because HPD will need the City's and Communities support as they move towards combating crime in a more aggressive approach to those issues impacting the livability of our citizens.



Where Life is Sweet

Public Safety Committee Minutes

October 23, 2023

Chief Edmiston stated that despite HPD being understaffed by 20%, he is incredibly proud of the hard work his men and women do to combat crime and stay active in the community.

- **HPD & Umatilla County Sheriff Joint Crime Update**

Chief Edmiston and Umatilla County Sheriff Terry Rowan gave information regarding the partnership shared within the region to help combat crime despite limited resources, as well as efforts being made to contend with recent aggravated crime.

- **Past/Upcoming Events**

Faith & First Responders- Chief Edmiston thanked the Kiwanis Club, Parks and Recreation, and the Eastern Oregon First-Responders Chaplains Association for all their work making this event a success.

Retired Lieutenant Randy Studebaker Memorial- Chief Edmiston thanked the community for their love and support to the Studebaker family.

Questions, Comments, Concerns

Chief Edmiston and Sheriff Rowan answered questions from the Council regarding: 411 Service, additional support from State Police, and the relationship between the Bureau of Land Management, Sheriff's Department, and the City to establish what can be improved at Oxbow Trail so people feel safer while using this.

Adjournment

There was no other business and the meeting was adjourned at 5:47pm.

HERMISTON POLICE DEPARTMENT



Mission Statement

Without fear or favor and in partnership with our diverse community, we will create and maintain a safe environment with the reduction of crime through problem-oriented and community-based policing strategies. The quality of life for those we serve takes precedent over our individual needs.

3rd QUARTER ACTIVITY REPORT 2023

Hermiston Police Department 2014-2023 Patrol Stats - January through September

Incident Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	Avg	Normal Range	2023	% Change Avg-'23	% Change '22-'23
Total Incidents	17784	17731	16940	17070	16648	17414	16206	16771	16217	16976	16532-17419	17100	1%	5%
Calls for Service	9774	7676	7753	8122	8640	8879	7985	8495	9086	8490	8115-8865	9886	16%	9%
Officer Initiated Activity	8010	10055	9187	8948	8008	8535	8221	8276	7131	8486	8004-8967	7214	-15%	1%
Traffic Stops	3717	5109	4735	3970	3161	4235	3965	3939	3355	4021	3616-4425	3352	-17%	0%
Case Investigations	2155	2485	2365	2337	2534	2451	1781	1956	2234	2255	1969-2542	2472	10%	11%
Total Arrests	952	1051	1039	954	920	1014	614	620	847	890	729-1051	960	8%	13%
Misdemeanor Arrests	651	816	788	652	642	739	431	453	640	646	527-765	741	15%	16%
Felony Arrests	301	235	251	302	278	275	201	167	207	246	203-290	219	-11%	6%
Total Citations	4466	5310	4698	4775	4128	5186	3569	3304	3348	4309	3606-5013	3554	-18%	6%

POPULATION	17240	17345	17520	17730	17985	18200	18775	19354	19696
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19973

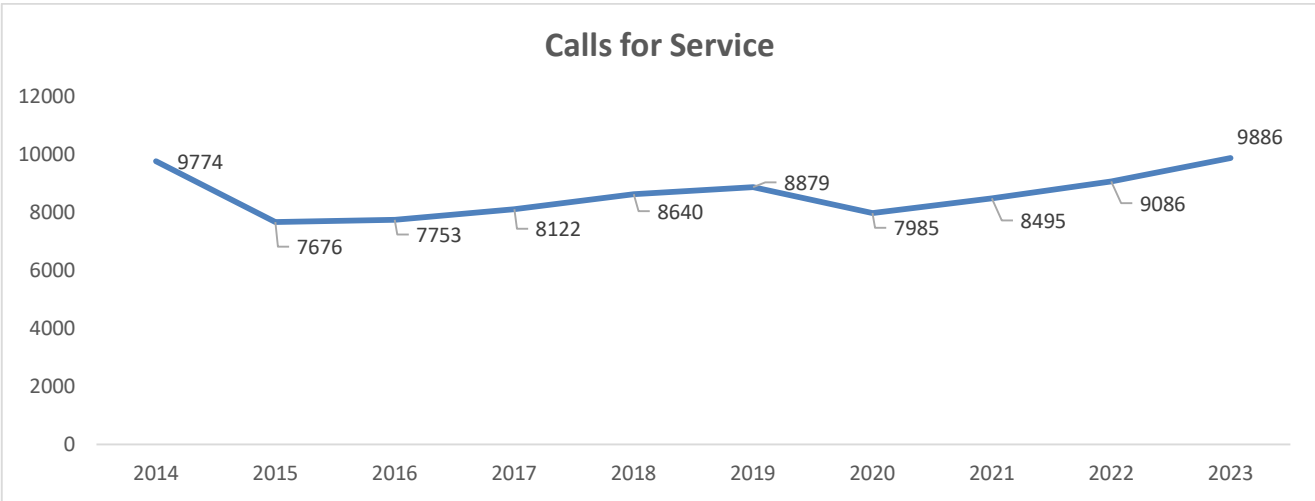
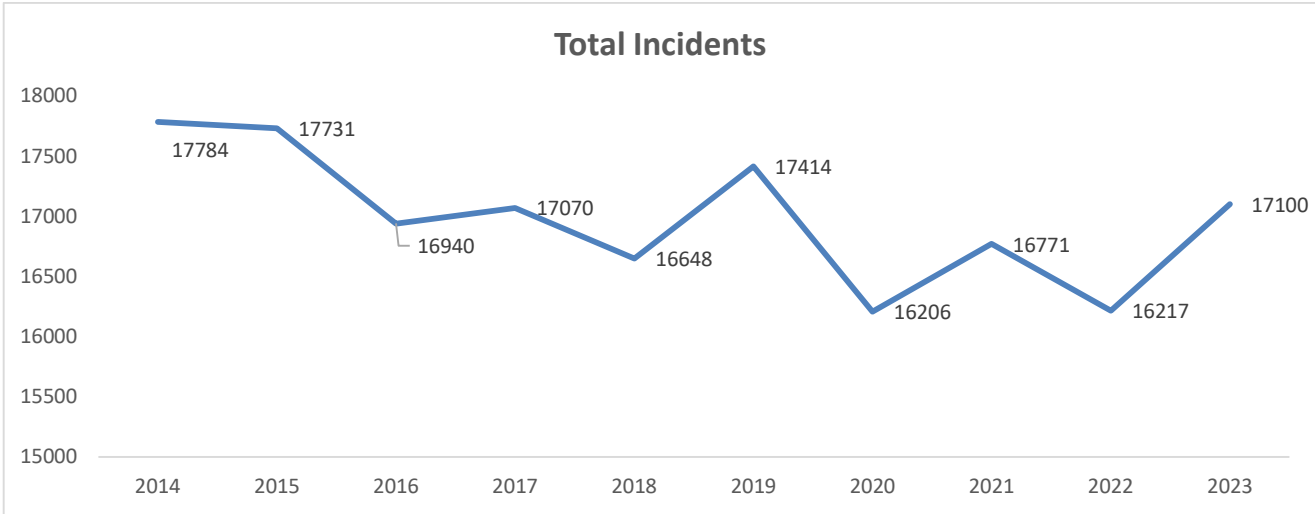
Incident Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	Avg	Normal Range	2023	% Change Avg-'23	% Change '22-'23
Homicide	0	1	1	1	1	0	2	2	1	1	0-2	3	200%	200%
Rape	2	3	7	2	6	3	7	6	5	5	0-2	4	-20%	-20%
Robbery	11	3	0	2	7	7	6	10	9	6	5-8	4	-33%	-56%
Aggravated Assault	5	9	20	26	27	25	11	15	33	19	11-27	26	37%	-21%
Burglary	62	42	40	40	72	52	38	50	29	47	33-62	37	-21%	28%
Larceny	309	313	321	283	373	352	249	284	391	319	265-374	477	50%	22%
Auto Theft	19	33	21	29	36	24	22	23	36	27	21-33	30	11%	-17%
Arson	2	1	0	2	3	2	5	2	1	2	1-3	4	100%	300%
TOTAL	410	405	410	385	525	465	340	392	505	426	357-496	585	37%	16%
TOTAL VIOLENT	18	16	28	31	41	35	26	33	48	31	23-38	37	19%	-23%
TOTAL PROPERTY	392	389	382	354	484	430	314	359	457	396	333-459	548	38%	19%

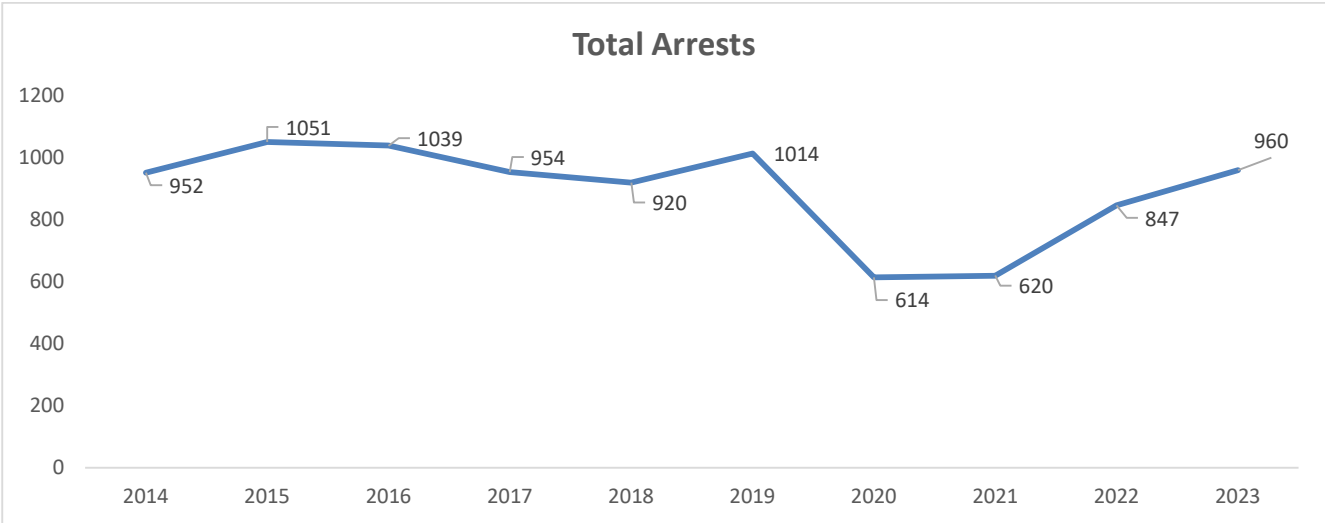
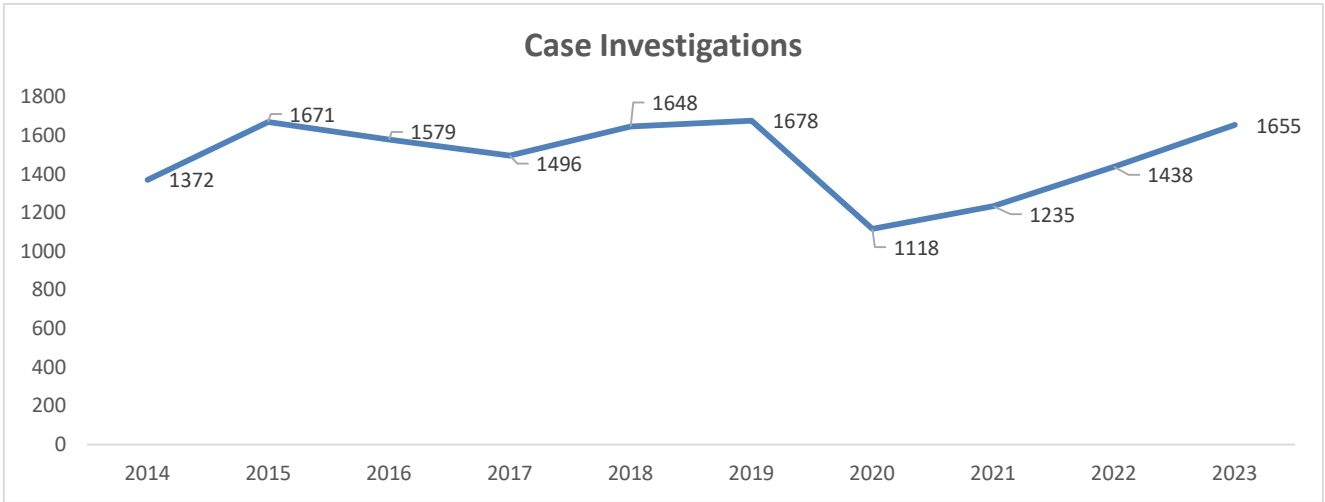
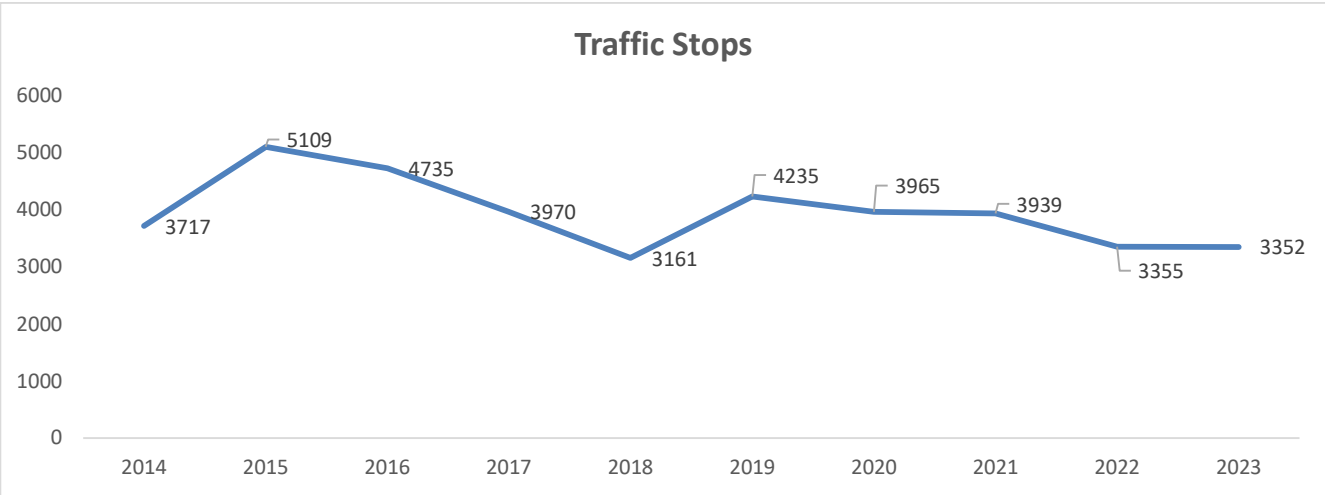
POPULATION	17240	17345	17520	17730	17985	18200	18775	19354	19696
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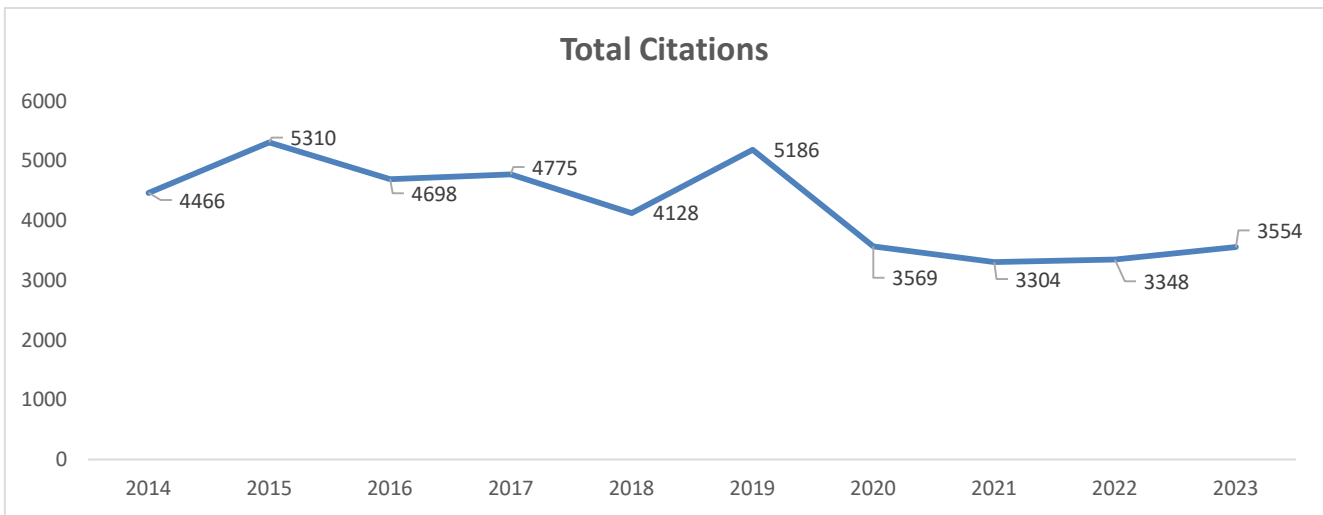
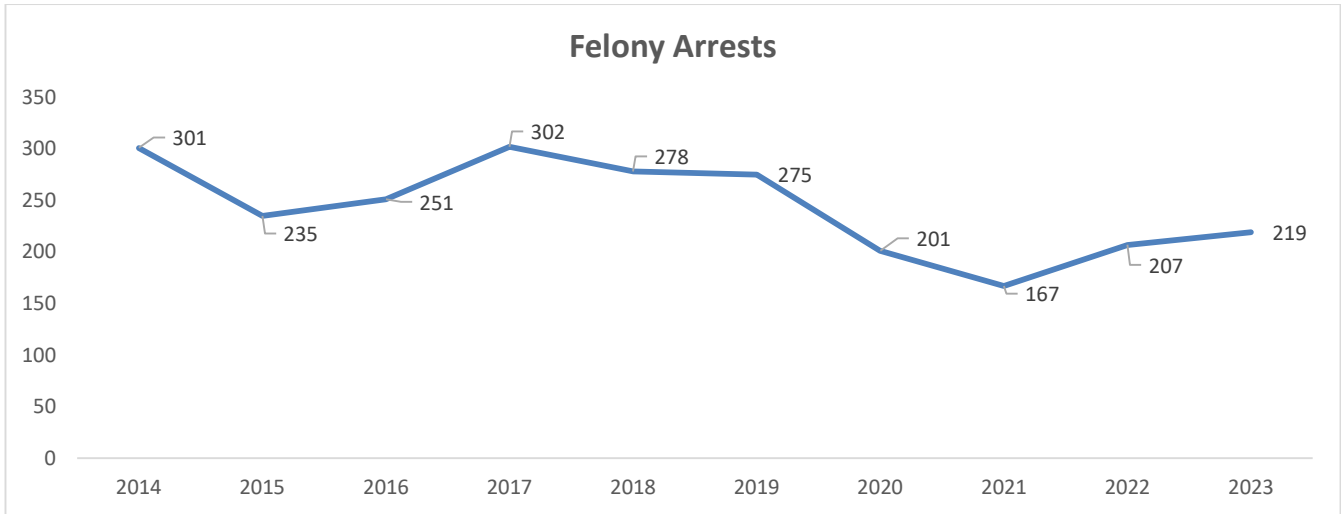
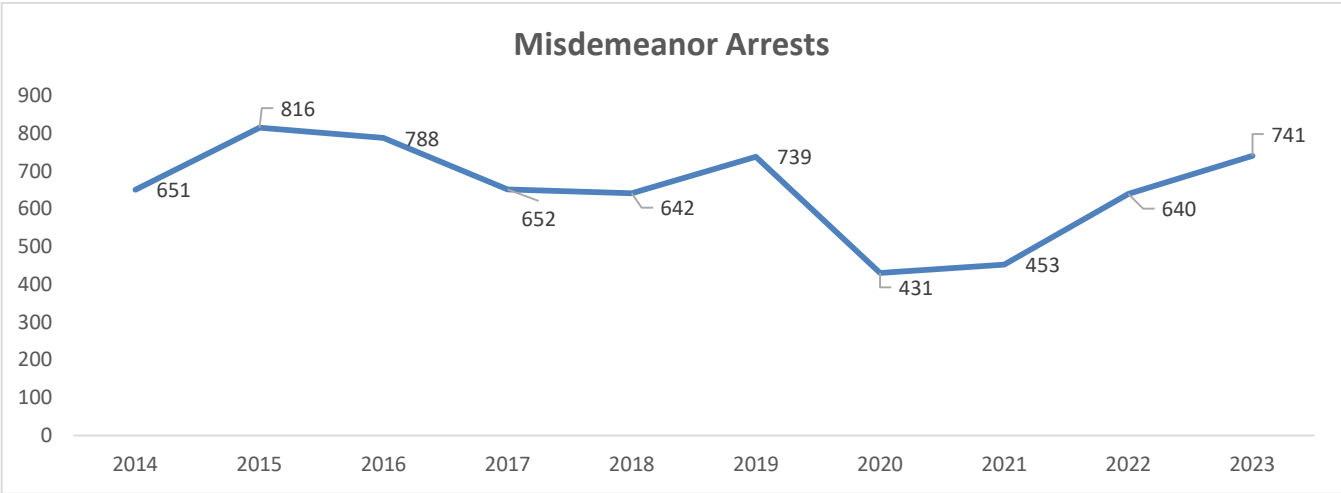
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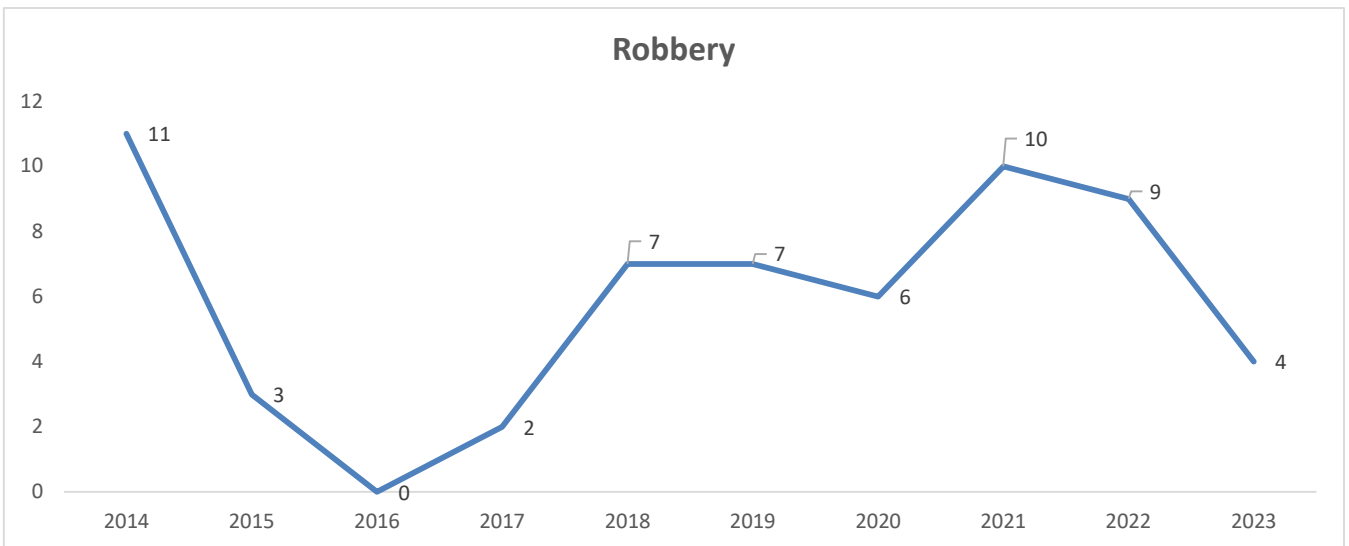
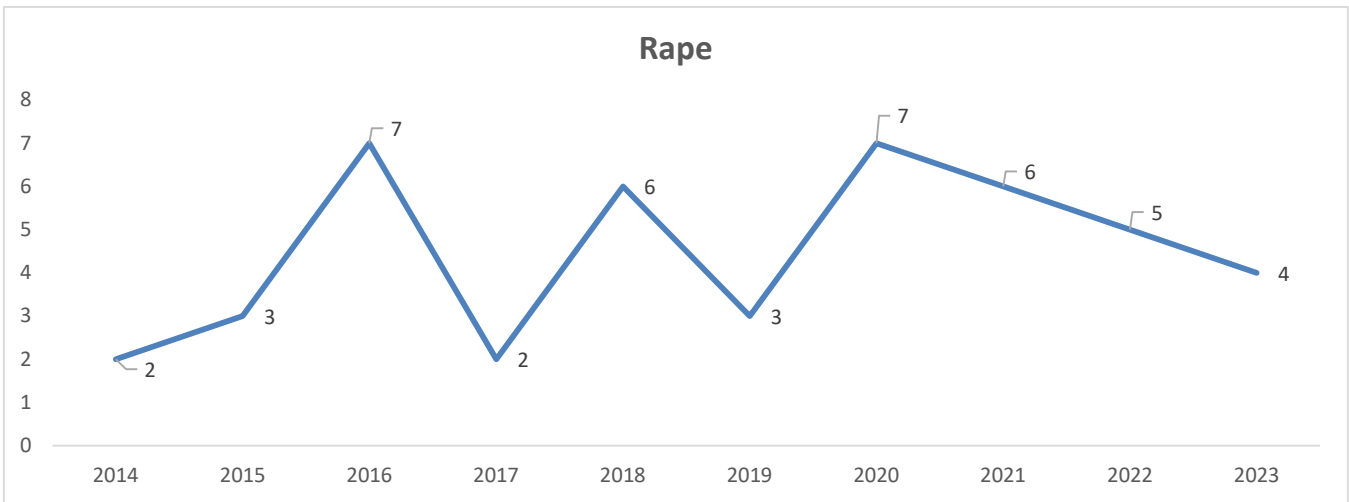
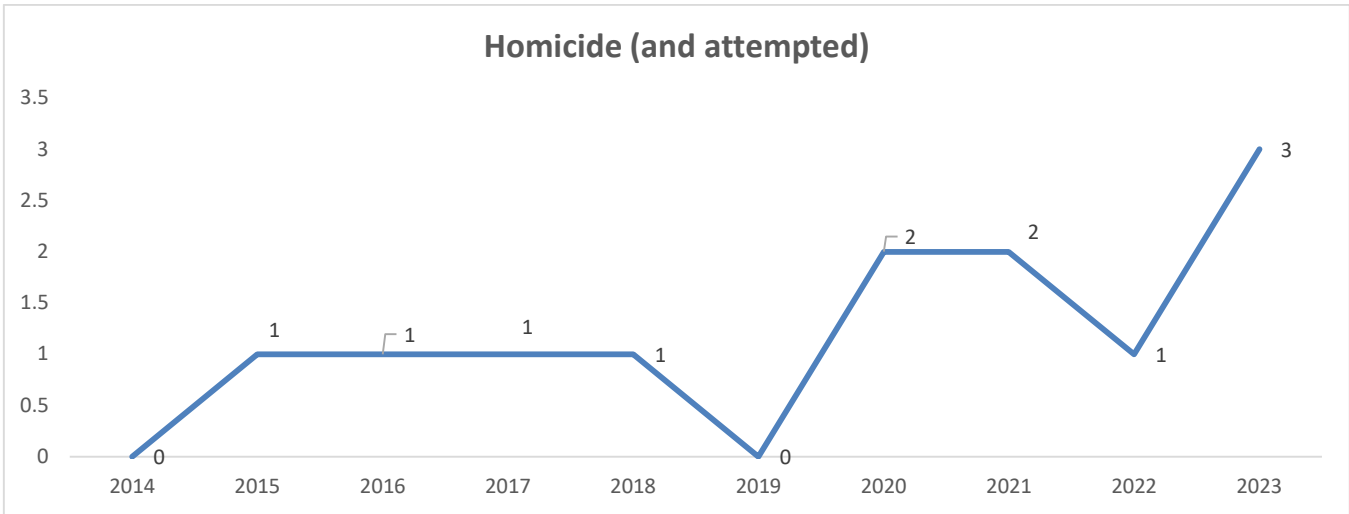
Hermiston Police Department 2014-2023 Crime Stats

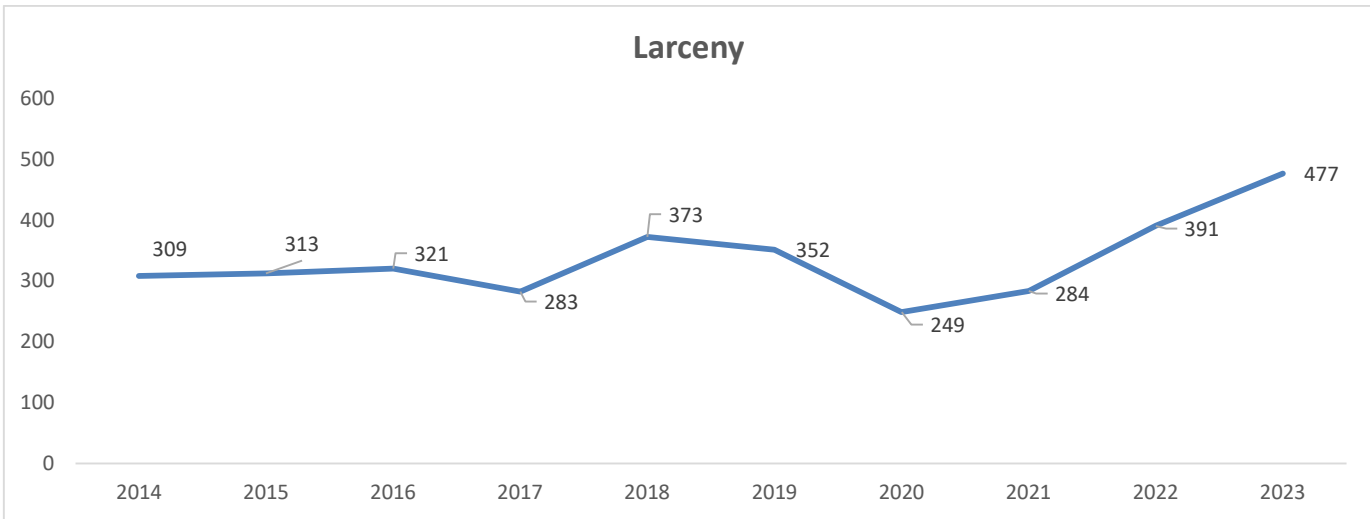
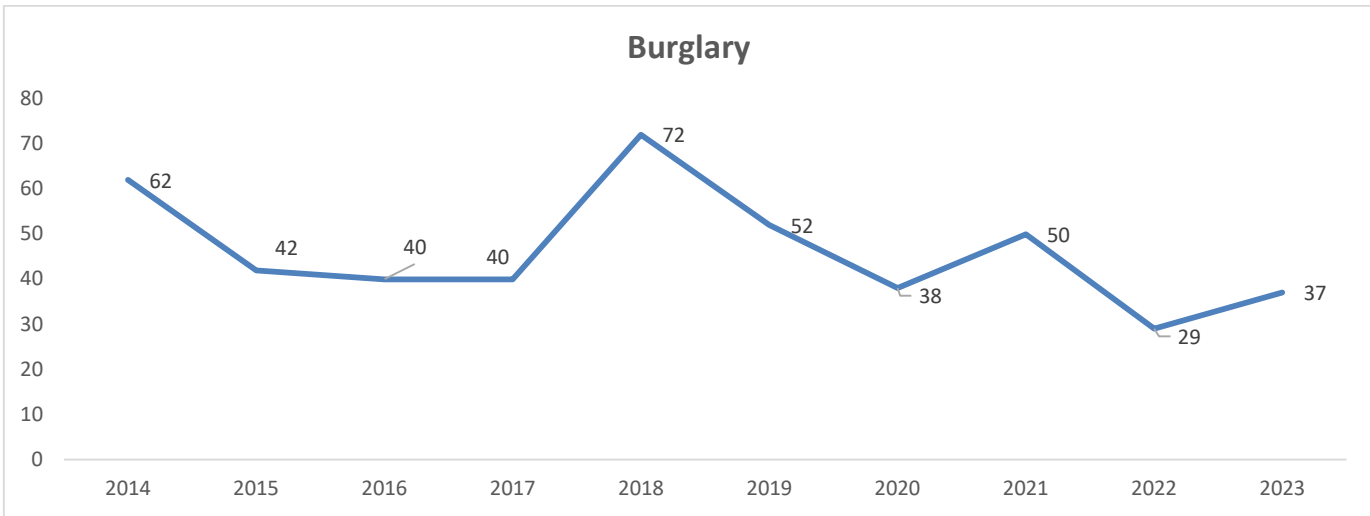
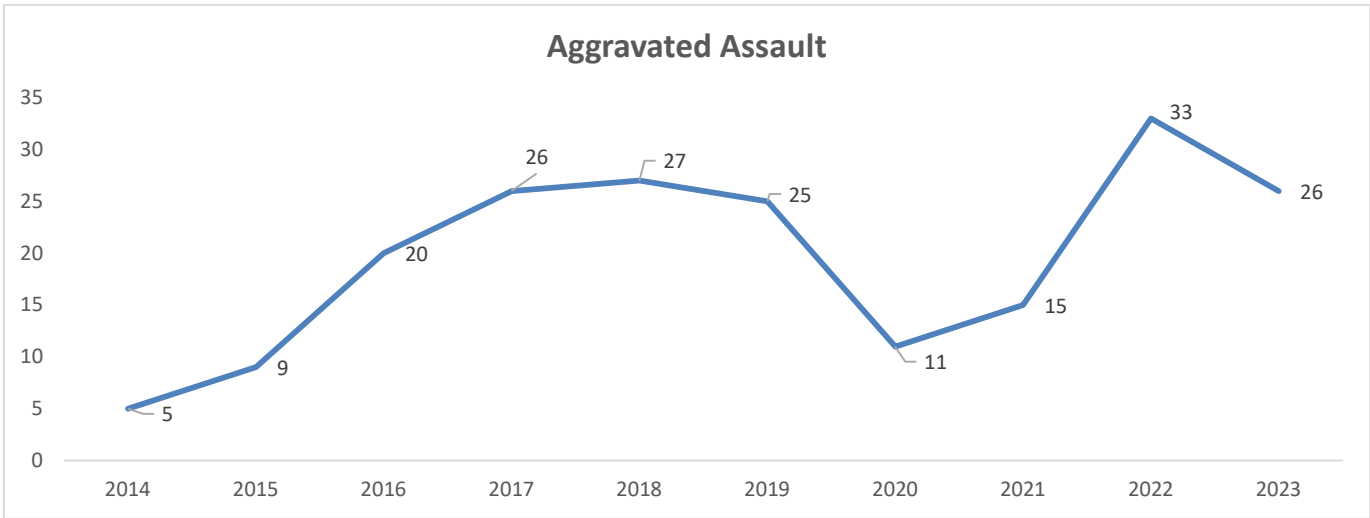
January through June 10-year Trends

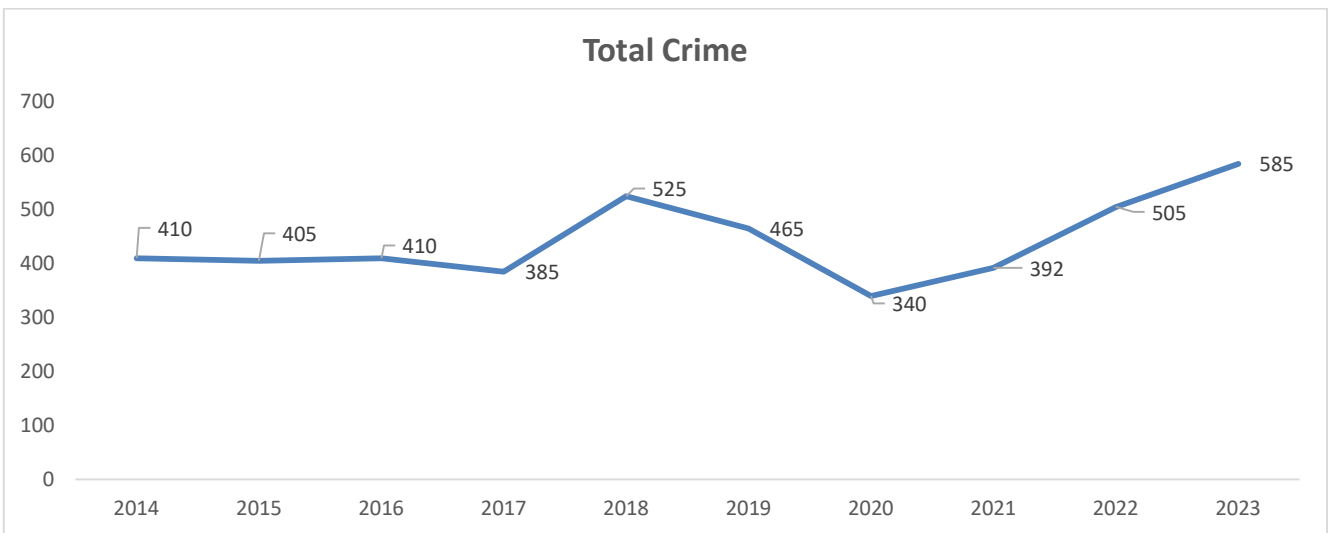
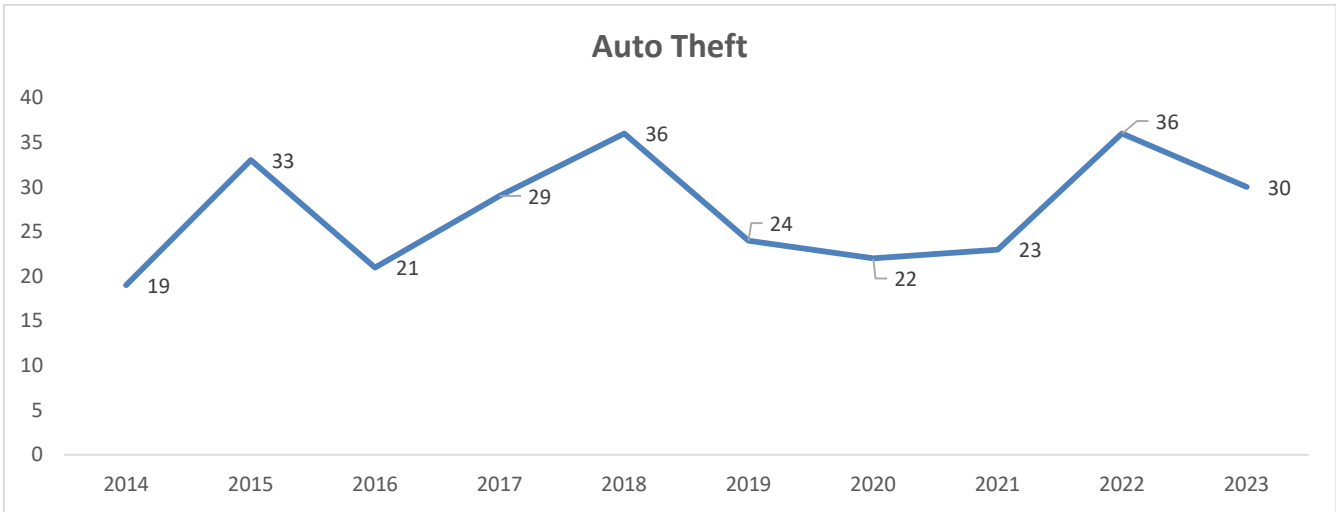


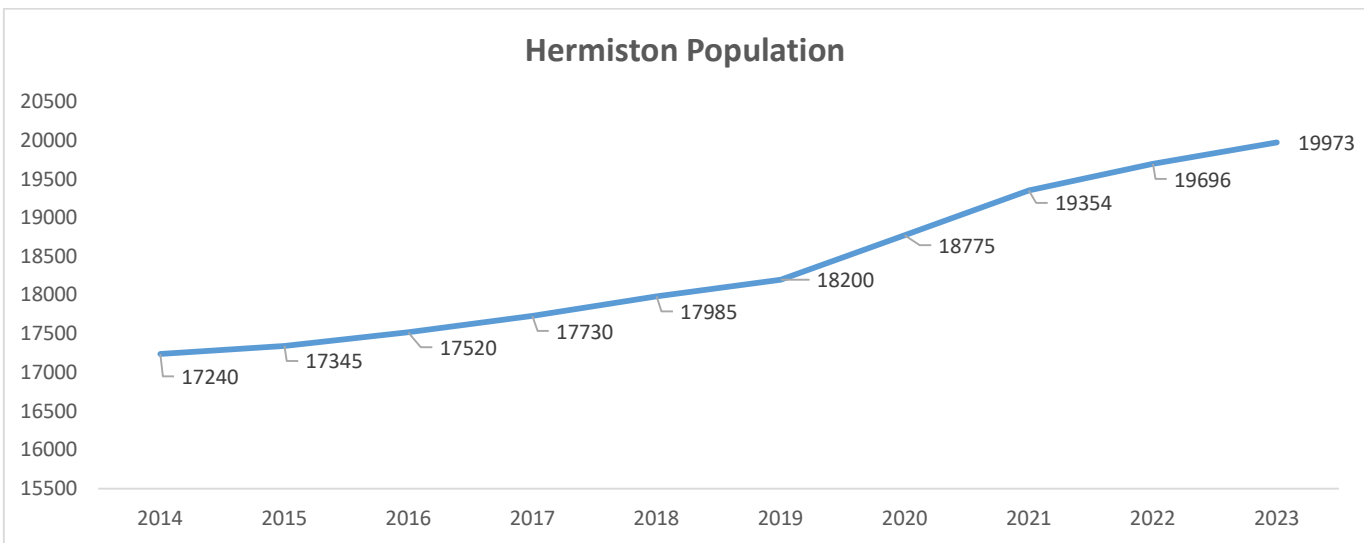
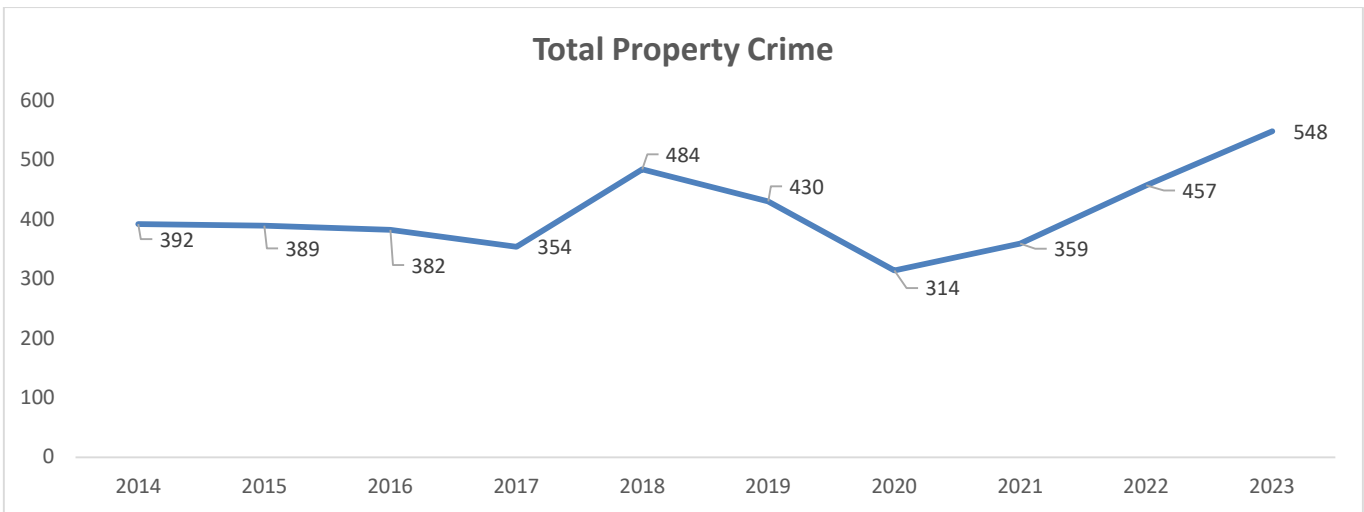
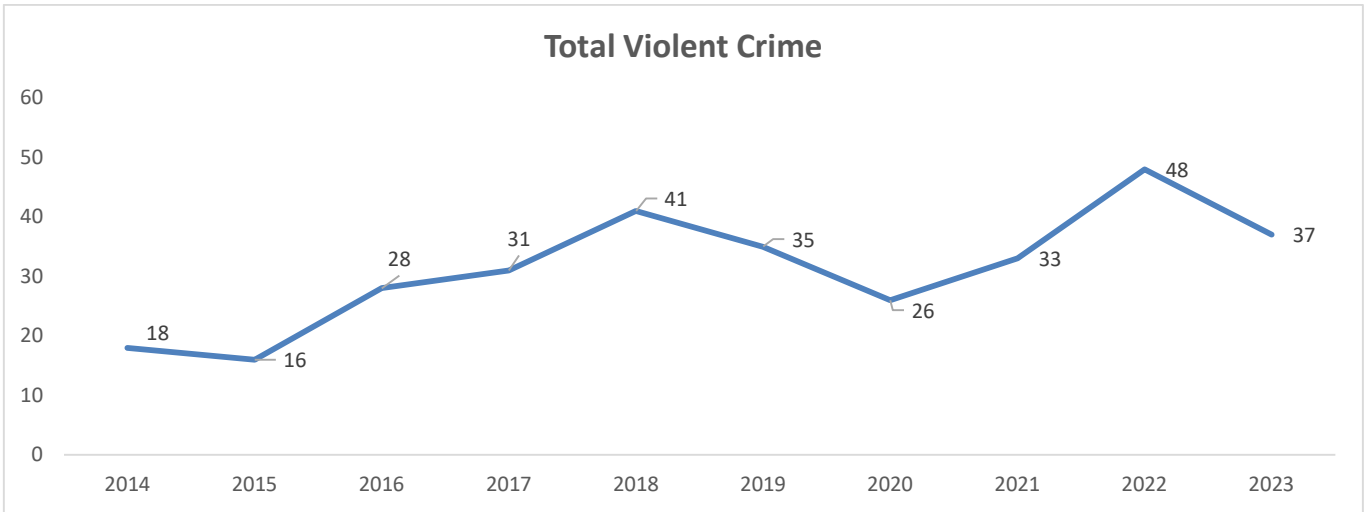














Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of December 11, 2023

Title/Subject

Resolution 2299- RWS Phase 2 Pump Improvements.

Summary and Background

This resolution will award the final large contract related to water and sewer infrastructure improvements in the Feedville Road corridor for the near-future. This contract is for the installation of pumps, motors, drives, etc. at multiple locations throughout the Regional Water System to accommodate water demand from Amazon Web Services. City Council previously awarded a \$2.3 million contract in August specifically for the purchase of pumps and motors directly by the City. Since the value of the pumps/motors themselves represent roughly half the cost of this portion of the work, splitting that portion out and bidding the actual installation separately is a best practice to allow smaller local/regional contractors the ability to bid on the work.

Tie-In to Council Goals

Workforce Development: Attract Industry & Jobs

Fiscal Information

As has been the case with all of these projects, Amazon Web Services, as the user who needs these improvements, is paying for 100% of the cost of the project through reimbursement to the City. This project was advertised in November, and two bids were opened on December 5. Due to the nature of the work, it is not un-common to only receive two bids. C&E Trenching is a known regional qualified contractor who has performed quality work on the Regional Water System before. Resolution 2299 awards the contract to them based on the following bids.

- *Engineer’s Estimate* \$2,051,650
- C&E Trenching: \$3,728,649
- Emery & Sons Construction Group, LLC: \$3,815,850

Alternatives and Recommendation

Alternatives

- 1. Approve Resolution 2299
- 2. Reject Resolution 2299
- 3. Table

Recommended Action/Motion

Motion to approve Resolution 2299

Submitted By:

Mark Morgan

NOTICE OF INTENT TO AWARD CONTRACT

TO: All Bidders for the Project Listed Below

DATE OF NOTICE: December 5, 2023

**PROJECT NAME: City of Hermiston, Oregon
Regional Water System Phase 2 Pump Improvements - 2024**

NOTICE IS HEREBY GIVEN that the City of Hermiston, Oregon (Owner) intends to award the above-described Contract to the following apparent low Bidder:

C&E Trenching, LLC
3813 N. Glade Road
Pasco, Washington 99301

NOTICE IS FURTHER GIVEN that any protest of the Owner's Notice of Intent to Award Contract must be filed with the City of Hermiston, 180 N.E. 2nd Street, Hermiston, Oregon 97838 on or before seven calendar days from the date of this Notice. Protests must be in writing stating the basis of the protest in detail as provided by Oregon Law and be physically received at the above address on or before said date.

If no protest is filed on or prior to said date, the Owner will thereafter award the above-described Contract to the Bidder named above by issuance of a Notice of Award of Contract to said Bidder.

Dated this 5th day of December 2023.

City of Hermiston, Oregon

By _____
Mark Morgan, Assistant City Manager

December 5, 2023

Mark Morgan
City of Hermiston, Oregon
180 N.E. 2nd Street
Hermiston, Oregon 97838

RE: Regional Water System Phase 2 Pump Improvements - 2024
Award of Construction Contract

Dear Mark:

Bids for the City of Hermiston - Regional Water System Phase 2 Pump Improvements - 2024 project were received on December 5, 2023. Two bids were received. The apparent low bidder for the project is C&E Trenching, LLC, of Pasco, Washington. A bid tabulation of all bids received is attached. The Total Bid Price amounts from the bidders are summarized on the following table.

Bidder	Bid
C&E Trenching, LLC	\$3,728,649.00
Emery & Sons Construction Group, LLC	\$3,815,850.00

The total bid amount for the apparent low bidder, C&E Trenching, LLC, is higher than the Engineer's Estimate of \$2,051,650.00. We have reviewed the Bid and the accompanying documents provided in the Bidder's Packet as submitted by C&E Trenching, LLC, and their bid appears to be responsive. We have reviewed the State of Oregon Construction Contractors Board website, and it appears the license held by C&E Trenching, LLC, is in good standing and there are no outstanding claims. We see no reason why C&E Trenching, LLC, is not qualified to perform the work called for in the Contract Documents.

December 5, 2023, begins the seven-day protest period. If no protests are received and the City elects to award the Contract to C&E Trenching, LLC, please either sign and date three copies of the attached Notice of Award and mail them to our office or sign and date one copy and scan it to our office (to mleees@andersonperry.com). The date on the Notice of Award must be no earlier than December 13, 2023, which is the day after the seven-day protest period ends. Once we receive the signed and dated Notice of Award from you, we will then forward it, along with the required Contract insurance and bonding forms, to C&E Trenching, LLC, so the Contract, including Performance and Payment Bonds, can be prepared for City of Hermiston staff review.

If you have any questions regarding the bidding and award process or any other project information, please feel free to contact me.

Sincerely,

ANDERSON PERRY & ASSOCIATES, INC.

By 
Mike Lees, P.E.

ML/jg
Enclosure
cc: File No. 736-137-55 (w/encl.)
Morgan_AwrdrLtr_Hermiston_RWS Pump_736-137-002.docx

NOTICE OF AWARD

Date of Issuance:

Owner: **City of Hermiston, Oregon**

Engineer: **Anderson Perry & Associates, Inc.**

Project: **Regional Water System Phase 2 Pump Improvements - 2024**

Bidder: **C&E Trenching, LLC**

Bidder's Address: **3813 N. Glade Road, Pasco, Washinton 99301**

You are notified that Owner has accepted your Bid dated December 5, 2023, for the above Contract, and that you are the Successful Bidder and are awarded a Contract for: Regional Water System Phase 2 Pump Improvements - 2024.

The Contract Price of the awarded Contract is \$3,728,649.00. Contract Price is subject to adjustment based on the provisions of the Contract including, but not limited to, those governing changes and Unit Price Work, as applicable.

You must comply with the following conditions within 15 days of the date you receive this Notice of Award:

1. Agreement Between Owner and Contractor

Date and sign all **3** copies of the attached Agreement form. **Return all 3 copies** to the Engineer.

2. Payment and Performance Bonds

Provide the Construction Performance and Payment Bonds. Enclosed are **3** copies of the Payment Bond and **3** copies of the Performance Bond forms. Include an appropriate Power of Attorney which is properly dated with each of the bonds. **Additionally, note that the date shown on the Payment and Performance Bonds must be on or after the date shown on the Agreement.** The date on the Power of Attorney should be the same as shown on the Bond. These Payment and Performance Bond forms must be used, and no others will be accepted. Return **3** completed copies to the Engineer.

3. Certificate of Insurance

Complete the enclosed Certificate of Insurance form. The enclosed Certificate of Insurance form is the only acceptable form to be used for this project. Standard ACORD forms from the insurance company will be required to be attached to this form. Be sure to include Worker's Compensation certificates. Return all **3** copies to the Engineer.

4. Statutory Public Works Bond

The Contractor and applicable Subcontractors must file a Public Works Bond with the Construction Contractor's Board in accordance with Oregon Laws 2005, Chapter 360, Section 2. Verification that this bond has been filed by the Contractor must be submitted to the Engineer.

5. Other requirements

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within 20 days after you comply with the above conditions, Owner will return to you one fully signed counterpart of the Agreement and Contract Documents.

Owner: **City of Hermiston, Oregon**

By *(signature)*: _____

Name *(printed)*: _____

Title: _____

Copy to Owner

BID TABULATION

ANDERSON PERRY & ASSOCIATES, INC.
 243 E. Main Street, Suite C
 Hermiston, Oregon 97838

PROJECT: City of Hermiston, Oregon
 Regional Water System Phase 2 Pump Improvements - 2024

OWNER: City of Hermiston
 180 N.E. Second Street
 Hermiston, Oregon 97838

Bid Opening: 11:00 a.m., December 5, 2023, via QuestCDN
 Online Bidding Service

BIDDERS

Item	Description	Unit	Amount	Engineer's Estimate		C&E Trenching, LLC		Emery & Sons Construction Group, LLC		Unit Price	Total
				Unit Price	Total	Unit Price	Total	Unit Price	Total		
General											
1	Mobilization/Demobilization	LS	1	\$100,000.00	\$100,000.00	\$85,294.00	\$85,294.00	\$424,200.00	\$424,200.00		
2	Temporary Protection and Direction of Traffic/Project Safety	LS	1	\$50,000.00	\$50,000.00	\$13,117.00	\$13,117.00	\$15,000.00	\$15,000.00		
3	Job Photos	Each	30	\$15.00	\$450.00	\$15.00	\$450.00	\$15.00	\$450.00		
4	Regional Water System River Pump Station Modifications	LS	1	\$795,000.00	\$795,000.00	\$1,653,470.00	\$1,653,470.00	\$1,500,000.00	\$1,500,000.00		
5	Regional Water System Non-Potable Pump Station No. 2 Modification:	LS	1	\$530,000.00	\$530,000.00	\$1,242,703.00	\$1,242,703.00	\$1,335,380.00	\$1,335,380.00		
6	Erosion and Sediment Control	LS	1	\$10,000.00	\$10,000.00	\$23,149.00	\$23,149.00	\$15,000.00	\$15,000.00		
7	Removal of Structures and Obstructions	LS	1	\$85,000.00	\$85,000.00	\$93,623.00	\$93,623.00	\$10,000.00	\$10,000.00		
Water Line											
8	Highway 207 Crossing Modifications	LS	1	\$35,000.00	\$35,000.00	\$54,823.00	\$54,823.00	\$30,000.00	\$30,000.00		
9	Connection to Existing Water Line	Each	5	\$8,000.00	\$40,000.00	\$6,609.00	\$33,045.00	\$5,000.00	\$25,000.00		
10	30-inch Ductile Iron (DI) Water Line	LF	200	\$325.00	\$65,000.00	\$609.00	\$121,800.00	\$490.00	\$98,000.00		
11	30-inch Restrained Joint DI Water Line	LF	300	\$450.00	\$135,000.00	\$627.00	\$188,100.00	\$465.00	\$139,500.00		
12	24-inch DI Water Line	LF	110	\$300.00	\$33,000.00	\$514.00	\$56,540.00	\$582.00	\$64,020.00		
13	20-inch Restrained Joint DI Water Line	LF	110	\$500.00	\$55,000.00	\$218.00	\$23,980.00	\$250.00	\$27,500.00		
14	16-inch DI Water Line	LF	100	\$285.00	\$28,500.00	\$303.00	\$30,300.00	\$360.00	\$36,000.00		
15	30-inch Butterfly Valve	Each	3	\$20,000.00	\$60,000.00	\$25,305.00	\$75,915.00	\$21,000.00	\$63,000.00		
16	Asphalt Surface Restoration	SY	110	\$120.00	\$13,200.00	\$139.00	\$15,290.00	\$180.00	\$19,800.00		
17	Gravel Surface Restoration	SY	50	\$30.00	\$1,500.00	\$95.00	\$4,750.00	\$60.00	\$3,000.00		
18	General Surface Restoration	SY	1,000	\$15.00	\$15,000.00	\$12.30	\$12,300.00	\$10.00	\$10,000.00		
TOTAL BID PRICE					\$2,051,650.00		\$3,728,649.00		\$3,815,850.00		

RESOLUTION NO. 2299

A RESOLUTION AWARDED A CONTRACT FOR THE REGIONAL WATER SYSTEM PHASE 2 PUMP IMPROVEMENTS PROJECT AND AUTHORIZING THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY

WHEREAS, the Regional Water System Phase 2 Pump Improvements Project (“project”) will install pumps, motors, drives, and controls, that were previously purchased by the City of Hermiston, at multiple locations throughout the Regional Water System Phase 2 Pipeline project; and

WHEREAS, notice was published, and bids were received, with C&E Trenching, LLC being the lowest responsive and responsible bidder with a bid of an amount of \$3,728,649.00; and

WHEREAS, the City has funds available for this project and will be reimbursed for the cost of the project by the industrial user.

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

1. That C&E Trenching, LLC is awarded the contract for the Regional Water System Phase 2 Pump Improvements Project.
2. That the City Manager be, and is, hereby authorized to execute and deliver the contract to C&E Trenching, LLC with such changes, additions, deletions, and modifications as the City Manager may approve.
3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 11th day of December 2023.

SIGNED by the Council President this 11th day of December 2023.

Doug Primmer, COUNCIL PRESIDENT

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of December 11, 2023

Title/Subject

Resolution 2300- Purchase 44 acres of land within the South Hermiston Industrial Park.

Summary and Background

This resolution will authorize the purchase of an approximately 44 acre parcel of light industrial land located within the South Hermiston Industrial Park.

This property is a remaining parcel of what had previously been the “Cook Industrial Site.” The overall property had recently been acquired by a cloud computing company for the purposes of constructing a data center. Subsequent to design of the data center campus, it was determined that this 44 acres is surplus to the needs of the company. In the interest of preserving this highly developable tract of employment lands in local control, City Staff inquired about acquiring the site in late 2022, and has spent most of 2023 negotiating the final terms.

This acquisition needs to be viewed separately from the lens of any potential economic development incentives which have been negotiated with the company. This acquisition is deemed to be simply a straightforward purchase of real estate from a willing seller at the current market price. There are no incentives applied to this purchase in either direction.

If this is just a straight purchase of real estate at market rate, then why would the City purchase it? The entire driving force behind this purchase is to maintain local control over a valuable economic asset in the community. There are several examples in the community of large out-of-state corporations with operations in the community that own large tracts of otherwise developable land. Unfortunately, when entities hold on to land like that, it counts against the City’s ability to expand the developable industrial land base within the Urban Growth Boundary because the land is theoretically developable.

Tie-In to Council Goals

Workforce Development: Attract Industry & Jobs- “1.1 Examine the expansion of the Urban Growth Boundary (UGB) for commercial and industrial lands”

Fiscal Information

This 44.42 acres will be purchased at \$44,000 per acre, for a total purchase price of \$1,954,480.00. The source of the funds will be from the Water & Sewer Utility Fund's cash balance which, as of October stood at \$6,523,745.30.

The fund-balance in the water & sewer utility fund has been maintained in order to account for large 1-time equipment & infrastructure investments; namely replacement of the membrane filters at the Recycled Water Treatment Plant. Those membranes are outperforming their initial design, and aren't anticipated to need replacement until 2027.

Currently the resources in that fund are held in various forms including cash and low-risk investments. Purchase of this 44.42 acre piece of property should be viewed as shifting those resources in to a local low-risk investment.

City Staff has explored a number of options related to the eventual sale of this asset, and feels comfortable that in a worst-case scenario, the asset can be liquidated in to cash equivalent to the initial investment within the span of one fiscal year.

The long-range plan for this property is not for the Utility Fund to hold it forever. City Staff will market the property for development in parcels not smaller than 10 acres, with an aspirational asking price which may be negotiated down to incentivize employment, but in no case lower than the initial cost to purchase the property. It is only intended for the City to hold the property for no longer than 5 years. If, after 5 years, the City still owns the property, City Staff will begin pursuing avenues to liquidate the property to other local partners for not less than the original purchase price.

Alternatives and Recommendation

Alternatives

- 1. Approve Resolution 2300
- 2. Reject Resolution 2300
- 3. Table

Recommended Action/Motion

Motion to approve Resolution 2300

Submitted By:

Mark Morgan

RESOLUTION NO. 2300

A RESOLUTION APPROVING A REAL ESTATE PURCHASE AGREEMENT TO PURCHASE CERTAIN PROPERTY WITHIN THE SOUTH HERMISTON INDUSTRIAL PARK AND AUTHORIZING THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY

WHEREAS, ORS 271 authorizes the City of Hermiston (“City”) to enter into financial agreements for the purpose of acquiring real or personal property; and

WHEREAS, the City has been in negotiations with the owners of 44.42 acres of real property located within the South Hermiston Industrial Park (the “Property”); and

WHEREAS, City Staff has proposed the City Council consider a Purchase Agreement (“Agreement”), attached as Exhibit A, for such possible acquisition; and

WHEREAS, the Agreement contains various conditions and contingencies to the closing of such acquisition.

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

1. The City hereby approves the Real Estate Purchase Agreement for the acquisition of 44.42 acres of real property located South Hermiston Industrial Park, Hermiston Oregon as in substantial conformity with the Agreement as attached Exhibit A, but with any changes the City Manager may approve.
2. The City Manager is hereby authorized, on behalf of the City and without further action by the City Council, to make the offer to purchase the Property upon the terms and conditions specified in the Real Estate Purchase Agreement and to negotiate with the seller any additional terms related thereto without further action by the City Council.
3. The City Manager is hereby authorized, on behalf of the City and without further action by the City Council, to execute the Real Estate Purchase Agreement and to perform all necessary acts, sign all necessary documents, and complete any other necessary matters in order to purchase the subject property.
4. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 11th day of December 2023.

SIGNED by the Council President this 11th day of December 2023.

Doug Primmer, COUNCIL PRESIDENT

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

PURCHASE AGREEMENT

BASIC TERMS

The following terms shall have the meanings set forth below.

Seller: Amazon Data Services, Inc., a Delaware corporation

Notice Address: c/o Amazon.com, Inc.
Attention: Real Estate Manager (AWS) (PDX245)
410 Terry Ave. N
Seattle, WA 98109-5210

With a copy to:

c/o Amazon.com, Inc.
Attention: General Counsel (AWS Real Estate) (PDX245)
410 Terry Ave. N
Seattle, WA 98109-5210

and

AWS-Legal-RE@amazon.com

Buyer: City of Hermiston, Oregon

Notice Address: _____

Attention: _____
Email: _____

Escrow Holder: Fidelity National Title - National Commercial Services

Notice Address: 4400 MacArthur Blvd., Suite 200
Newport Beach, CA 92660
Attn: Valerie Rapp
(949) 477-3646 Direct
Valerie.Rapp@fnf.com

Property: An approximately 44.42 acre parcel of real property located in the City of Hermiston, Umatilla County, Oregon, as more particularly described in **Exhibit A** (“**Land**”), together with, all and singular, the tenements, hereditaments, easements, rights-of-way and appurtenances belonging or in anywise appertaining to the same, but specifically excluding any and all right, title, and interest to irrigation water rights appurtenant thereto as are described on **Exhibit A** (the “**Land**”), together with any and all improvements situated on the Land (the “**Improvements**”), and together with all intangible property (the “**Intangible Property**”) now or on the Closing Date owned or held in connection with the Land, the Improvements, governmental approvals and development rights related to the Land and the Improvements, or any part thereof.

Purchase Price: \$1,954,480.00 (based on 44.42 acres at \$44,000.00 per acre).

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this “**Agreement**”) between Seller and Buyer is made and entered into effective as of the latest date on the signature pages hereto (the “**Effective Date**”).

RECITALS

- A. Seller is the owner of the Property.
- B. Buyer desires to purchase the Property on the terms and conditions hereinafter documented.

NOW, THEREFORE, in consideration of the mutual undertakings of the parties hereto, it is hereby agreed as follows:

1. Purchase and Sale. Seller shall sell to Buyer, and Buyer shall purchase from Seller, the Property, upon the terms, covenants and conditions hereinafter set forth.

2. Payment of Purchase Price; Deposit. The Purchase Price shall be paid by wire transfer of immediately available federal funds on the Closing Date (the amount to be paid under this paragraph being herein called the “**Closing Payment**”). Within three (3) days after the Effective Date, Buyer shall deliver to Escrow Holder a wire transfer of immediately available federal funds, in the amount of [REDACTED] and No/100 Dollars (\$ [REDACTED].00) (the “**Deposit**”). The Deposit shall be held and disbursed by Escrow Holder in accordance with the terms of this Agreement, and shall be a credit against the Purchase Price. If, for any reason, Buyer is entitled to a refund of the Deposit, \$10.00 of the Deposit will nevertheless be paid to Seller as consideration for entering into this Agreement and for the rights granted to Buyer under this Agreement, even if such independent consideration is not specifically referenced elsewhere in this Agreement.

3. Title and Survey Matters.

3.1 Title Report and Survey. No later than five (5) business days after the Effective Date, Buyer may elect to order (i) from Fidelity National Title Company (which company, in its capacity as title insurer hereunder is herein called the “**Title Company**”) a title commitment covering the Property and legible copies of the documents evidencing the exceptions to title stated therein (collectively, the “**Title Report**”), to issue at Closing an ALTA owner’s policy of title insurance insuring fee simple title to the Property in Buyer, subject to the Permitted Exceptions (as defined herein) (the “**Owner’s Policy**”); and/or (ii) an ALTA survey (the “**Survey**”) of the Property prepared by a licensed surveyor selected by Buyer.

3.2 Objections. Within five (5) business days after Buyer’s receipt of the Title Report, Buyer may give Seller written notice (the “**Title Notice**”) of any exceptions to title shown on the Title Report or the Survey that are objectionable to Buyer, in Buyer’s sole discretion. Each matter to which Buyer timely objects in the Title Notice or any “Supplemental Title Notice” (as defined below) is referred to in this Agreement as a “**Disapproved Matter.**” Notwithstanding anything to the contrary contained herein, Seller shall cause, at Seller’s sole cost and expense, all mortgages, deeds of trust and monetary liens (including liens for delinquent taxes, mechanics’ liens and judgment liens) affecting the Property and all indebtedness secured thereby (collectively, the “**Existing Liens**”) to be fully satisfied, released and discharged of record on or prior to the Closing Date so that Buyer shall take title to the Property free of the same. All Existing Liens will be deemed Disapproved Matters hereunder without the need for any written objection from Buyer.

3.3 Supplements; Amendments. If the Title Company issues a supplement or amendment to the Title Report showing additional title exceptions (each, an “**Amended Report**”), Buyer will have five (5) business days from the date of receipt of each Amended Report and a copy of each document referred to

in the Amended Report in which to give written notice (each, a “**Supplemental Title Notice**”) to Seller of its objection to any additional Disapproved Matters shown in such Amended Report.

3.4 Procedure Regarding Disapproved Matters. If Buyer timely notifies Seller of any Disapproved Matter, Seller shall, no later than 6:00 p.m. Pacific Time on the date that is ten (10) business days thereafter, notify Buyer and Escrow Holder that: (i) Seller will correct the Disapproved Matter at or before the Closing at Seller’s sole cost and expense or (ii) Seller will not correct the Disapproved Matter. If Seller does not timely respond, Seller will be deemed to have elected option (ii) above. If Seller elects, in Seller’s sole discretion, not to correct all Disapproved Matters in form and substance acceptable to Buyer, in Buyer’s sole discretion, then Buyer may either: (y) terminate this Agreement by delivery of notice to Seller and Escrow Holder, such notice to be delivered no later than five (5) business days after Buyer’s receipt of Seller’s election (or deemed election) not to correct such Disapproved Matters, or (z) accept title to the Property subject to such Disapproved Matters by delivery of notice to Seller and Escrow Holder, in which case such Disapproved Matters shall be “Permitted Exceptions” (as defined below). If this Agreement is terminated due to Seller’s election (or deemed election) not to cure any Disapproved Matter, Escrow Holder shall immediately disburse the Deposit to Buyer and thereafter neither party will have any further obligation to the other, except those obligations that expressly survive the termination of this Agreement.

3.5 Permitted Exceptions. As used herein, “**Permitted Exceptions**” means the following: (i) the lien of any real estate taxes and assessments not yet due and payable, provided that the same are prorated in accordance with this Agreement; (ii) the Declaration of Use Restriction (as hereinafter defined) and (iii) any matter set forth in the Title Report, any Amended Report, or the Survey that is not disapproved by Buyer in writing in the Title Notice or any Supplemental Title Notice (excluding the Existing Liens).

4. Due Diligence Contingency. Upon (a) the prior written permission of Seller (any such permission, an “**Entry Permission**”) which will not be unreasonably withheld or delayed, and (b) Buyer’s compliance with Seller’s standard security protocol and confidentiality requirements, Buyer and its agents and representatives may access the Property during the Due Diligence Period (as defined herein). To the extent not previously provided to Buyer, Seller shall, within five (5) days after the Effective Date, and to the extent in Seller’s possession or control, deliver to Buyer copies of the items and information described in Exhibit C (collectively, the “**Due Diligence Package**”). Neither Seller nor any of Seller’s respective agents, employees, consultants or any other party has made any warranty or representation, express or implied, regarding the truth, accuracy or completeness of the Due Diligence Package, the information, data or conclusions contained therein or the source(s) thereof, and Seller has not undertaken any independent investigation as to any of the foregoing matters. In the event this Agreement is terminated, Buyer shall promptly destroy or return the Due Diligence Package and photocopies thereof to Seller.

The “**Due Diligence Period**” hereunder shall be the period commencing on the Effective Date and ending at 6:00 p.m. Pacific Time on the date that is thirty (30) days thereafter. During the Due Diligence Period, upon receipt of Entry Permission and subject to the requirements provided above, Buyer shall have the opportunity to enter the Land and otherwise perform and complete, at its sole expense, its due diligence review, examination and inspection of all matters pertaining to its acquisition of the Property, all as determined by Buyer in its sole discretion. Seller shall reasonably cooperate with Buyer in connection with Buyer’s inspection activities relating to the Property. Buyer shall indemnify, protect, defend and hold Seller harmless from and against any damages arising from any property damage or personal injury to the extent caused by Buyer and/ or Buyer’s employees, contractors, representatives, agents, or any other person acting on behalf of Buyer in connection with its inspections or examinations of the Property. If based upon such review, examination or inspection, Buyer notifies Seller in writing during the Due Diligence Period that it does not intend to proceed with the acquisition of the Property for any reason or no reason (the “**Termination Notice**”), then Escrow Holder shall promptly return the Deposit to Buyer, and thereafter all obligations of the parties hereunder shall terminate, except for those obligations that expressly survive the termination of this Agreement. If Buyer fails to timely deliver the Termination Notice, Buyer will be deemed to have elected to

proceed with this Agreement, and the Deposit will become nonrefundable to Buyer, except as otherwise provided in this Agreement.

Buyer shall keep the Property free and clear of any liens which may arise as a result of any Due Diligence Activities. Buyer will indemnify, defend and hold harmless Seller from and against any and all claims, losses, costs, damages or liabilities asserted against or incurred by Seller arising out of Buyer's or its contractor, agent, employee, consultant or other third party at Buyer's direction (each, a "Buyer Consultant", and collectively "Buyer Consultants") entry on the Land, studies, inspections, assessments, tests and/or other due diligence activities, including, without limitation, any lien asserted against the Property, and if Closing does not occur, Buyer will restore any damage to the Property caused by Buyer and Buyer Consultants to its pre-inspection condition.

5. Closing.

5.1 Closing Date; Location. The closing of the sale and purchase contemplated herein (the "Closing") shall be consummated on the date that is thirty (30) days after the expiration of the Due Diligence Period (the "Closing Date"), provided that Seller shall have the right to extend the Closing Date for up to three (3) periods of ninety (90) days each by providing written notice to Buyer no later than three (3) business days prior to the then-scheduled Closing Date. Notwithstanding the foregoing, Seller may accelerate the Closing Date to an earlier date specified by Seller to Buyer upon at least twenty (20) days' prior notice to Buyer. The Closing will take place at the offices of Escrow Holder. The parties shall conduct an escrow-style closing through the Escrow Holder so that it will not be necessary for any party to attend the Closing.

5.2 Closing Deliveries. On or before the Closing Date, the parties shall deliver to Escrow Holder the following (the forms of which, where applicable, being subject to the reasonable approval of Seller and Buyer):

(a) By Seller. Seller shall deliver (i) a duly executed and acknowledged original special warranty deed covering the Property ("Deed"); (ii) a certificate of Seller respecting the "non foreign" status of Seller; (iii) if Buyer elects to obtain an Owner's Policy, evidence reasonably satisfactory to Title Company that all necessary authorizations of the transaction provided herein have been obtained by Seller, and such other documents and instruments as may be reasonably requested by Escrow Holder or Title Company in order to issue the Owner's Policy and consummate the transaction contemplated hereby; (vi) releases ("Releases") of the Existing Liens, if any, satisfactory to Title Company; and (vii) a closing statement (the "Closing Statement") to be prepared by Escrow Holder and signed or initialed by Seller.

(b) By Buyer. Buyer shall deliver (i) the Closing Payment by wire transfer of immediately available federal funds; (ii) provided Buyer elects to obtain an Owner's Policy, evidence reasonably satisfactory to Title Company that all necessary authorizations of the transaction provided herein have been obtained by Buyer, and such other documents and instruments as may be reasonably requested by Escrow Holder or Title Company in order to consummate the transaction contemplated hereby and issue the Owner's Policy; and (iii) a Closing Statement signed or initialed by Buyer.

(c) Actions by Escrow Holder. On the Closing Date, Escrow Holder shall:

(1) Record the Deed (together with any other documents, such as Releases, and the Memorandum of Declaration of Use Restriction, required or requested to be recorded, such recordation being in the order approved by Buyer and Seller);

(2) Wire the amount due to Seller pursuant to the Closing Statement in accordance with written wiring instructions from Seller;

(3) Deliver the respective amounts due to third parties (e.g., the holders of the Existing Liens) pursuant to the Closing Statement in accordance with the respective instructions from such third parties;

(4) Cause Title Company to issue the Owner's Policy (with an effective date that is the same as the date and time of the recordation of the Deed) and deliver the same to Buyer as soon as reasonably practicable thereafter (provided Buyer elects to obtain an Owner's Policy); and

(5) File all information returns required under Section 6045 of the Internal Revenue Code and take all other reporting actions as may be required in connection therewith.

5.3 Closing Costs. Buyer shall pay (i) the escrow fee charged by Escrow Holder; (ii) the premium applicable to the Owner's Policy and the cost of any additional endorsements or coverage; (iii) the cost of the Survey (if applicable); (iv) the cost of any of its examinations and inspections and audits of the Property; and (v) the recording fees for the Deed and the Memorandum of Declaration of Use Restriction. Seller shall pay the premium applicable for ALTA standard coverage under the Owner's Policy, together with the cost of any endorsements or other fees or expenses required to insure over or delete any Disapproved Matters required to be corrected by Seller hereunder (if applicable). All other closing costs not specifically allocated herein shall be paid by the Buyer. Seller and Buyer shall each pay their respective (i) legal fees and expenses, (ii) share of prorations (as provided below), and (iii) cost of all opinions, certificates, instruments, documents and papers required to be delivered, or caused to be delivered, by it hereunder and the cost of all its performances under this Agreement.

5.4 Prorations. All real estate taxes and assessments on the Property, all charges, reimbursements and income of the Property, and all normal and customary operating expenses of the Property shall be prorated as of the Closing Date, with Seller being obligated to pay expenses, and entitled to receive income, applicable to periods prior to the Closing Date and Buyer being obligated to pay normal and customary operating expenses, and entitled to receive all income, applicable to periods from and after the Closing.

5.5 Calculation. The prorations and payments shall be made on the basis of a written statement submitted by Escrow Holder to Buyer and Seller prior to the Closing Date and approved by Buyer and Seller. In the event any prorations or apportionments shall prove to be incorrect for any reason, then any party shall be entitled to an adjustment to correct the same. Any item which cannot be finally prorated because of the unavailability of information shall be tentatively prorated on the basis of the best data then available and re-prorated when the information is available. Notwithstanding the foregoing, any re-proration shall be made, if at all, within ninety (90) days after the Closing Date (except with respect to taxes and assessments, in which case such re-proration shall be made within thirty (30) days after the information necessary to perform such re-proration is available). The provisions of this Section 5.5 shall survive the Closing.

6. Representations and Warranties; Certain Covenants.

6.1 Representations and Warranties of Seller. Seller hereby represents and warrants the following to Buyer:

(a) Authority. Seller is a Delaware corporation, duly organized validly existing and in good standing under the laws of its state of formation. This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Seller are duly authorized, executed and delivered by and are binding upon Seller. Seller has obtained all consents and permissions related to the transactions herein contemplated and required under any covenant, agreement,

encumbrance, or laws. No bankruptcy, insolvency or other similar proceeding has occurred with respect to, or which otherwise, affects Seller.

(b) Compliance. To the best knowledge of Seller: (a) all permits, licenses and other governmental authorizations related to or required in connection with the Property have been obtained, are in full force and effect and are free from violation; and (b) the Property and the operation and use thereof complies with applicable laws and any agreements affecting the Property.

(c) Default. Seller is not in default in respect of any of its obligations or liabilities pertaining to the Property. Without limitation on the foregoing the Permitted Exceptions are free from default by Seller and, to the best knowledge of Seller, by any other party thereto.

(d) Litigation; Condemnation. To the best knowledge of Seller, there are no actions, suits or proceedings pending or threatened, before or by any judicial, administrative or union body, any arbiter or any governmental authority, against or affecting Seller, its partners or the Property (or any portion thereof). To the best knowledge of Seller, there is no existing, proposed or contemplated eminent domain or similar proceeding which would affect the Land or Improvements in any way whatsoever.

6.2 Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller that (i) this Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Buyer are duly authorized, executed and delivered by and are binding upon Buyer; and (ii) no bankruptcy, insolvency or other similar proceeding has occurred with respect to Buyer.

6.3 Survival of Seller's Representations and Warranties. The representations and warranties and covenants of Seller set forth in Section 6.1 above shall expire as of the date that is ninety (90) days after the Closing Date.

6.4 Certain Interim Covenants of Seller. Until the Closing Date or the sooner termination of this Agreement:

(a) Seller shall maintain the Property in the same manner as prior hereto pursuant to its normal course of business. Seller shall not make any alterations or improvements to the Property or on the Land, nor demolish any of the Property, without the prior approval of Buyer.

(b) Seller shall not enter into any leases, occupancy agreements, licenses or other agreements or rights with respect to the use or occupancy of the Property without the prior written consent of Buyer.

(c) Seller shall maintain its existing insurance policies for the Property.

(d) Seller shall cooperate with Buyer in executing any applications and other materials prepared by Buyer for submission to various government authorities in connection with Buyer's development plans.

7. Intentionally Deleted.

8. Brokerage Matters. Seller represents and warrants to Buyer, and Buyer represents and warrants to Seller, that no broker or finder has been engaged by it, respectively, in connection with any of the transactions contemplated by this Agreement or to its knowledge is in any way connected with any of such transactions. Seller shall be obligated to pay any and all commissions or fees which may be due Broker in connection with the transactions contemplated herein. In the event of a claim for any other broker's or finder's fee or commissions in connection herewith, then Seller shall indemnify, protect, defend and hold

Buyer harmless from and against the same if it shall be based upon any statement or agreement alleged to have been made by Seller, and Buyer shall indemnify, protect, defend and hold Seller harmless from and against the same if it shall be based upon any statement or agreement alleged to have been made by Buyer.

9. Conditions to Closing.

9.1 Buyer’s Conditions to Closing. Buyer’s obligation to purchase the Property is conditioned on the following which are collectively referred to herein as “**Buyer’s Closing Conditions**”:

- (a) the due performance by Seller of each and every undertaking and agreement to be performed by it hereunder in all material respects; and
- (b) the truth of each representation and warranty made by Seller in this Agreement in all material respects at the time as of which the same is made and as of the Closing Date as if made on and as of the Closing Date.

If any condition specified in this Agreement is not satisfied on or before the Closing Date, Buyer may, in its sole discretion, (i) waive such condition and proceed to Closing; or (ii) terminate this Agreement by delivering notice to Seller and Escrow Holder, in which event Escrow Holder shall immediately return the Deposit to Buyer, and thereafter neither party will have any further obligation to the other, except those obligations that expressly survive the termination of this Agreement.

9.2 Seller’s Conditions to Closing. Seller’s obligation to convey the Property to Buyer is conditioned on the following which are collectively referred to herein as “**Seller’s Closing Conditions**”:

- (a) the due performance by Buyer of each and every undertaking and agreement to be performed by it hereunder in all material respects; and
- (b) the truth of each representation and warranty made by Buyer in this Agreement in all material respects at the time as of which the same is made and as of the Closing Date as if made on and as of the Closing Date.

If any condition specified in this Agreement is not satisfied on or before the Closing Date, Seller may, in its sole discretion, terminate this Agreement by delivering notice to Buyer and Escrow Holder, in which event Escrow Holder shall disburse the Deposit to Seller, and thereafter neither party will have any further obligation to the other, except those obligations that expressly survive the termination of this Agreement.

10. Default.

10.1 By Buyer. IF BUYER, WITHOUT THE RIGHT TO DO SO AND IN DEFAULT OF ITS OBLIGATIONS UNDER THIS AGREEMENT, FAILS TO COMPLETE CLOSING OR OTHERWISE DEFAULTS UNDER OR BREACHES THIS AGREEMENT PRIOR TO CLOSING AND FAILS TO REMEDY SUCH DEFAULT OR BREACH (OTHER THAN A FAILURE TO COMPLETE CLOSING) WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF NOTICE THEREOF FROM SELLER, SUCH FAILURE WILL BE AN EVENT OF DEFAULT BY BUYER, AND SELLER MAY TERMINATE THIS CONTRACT AND RECEIVE FROM ESCROW HOLDER THE DEPOSIT AS LIQUIDATED DAMAGES. IN ADDITION, SELLER WILL ALSO HAVE ITS RIGHTS AT LAW OR IN EQUITY.

10.2 By Seller. IF SELLER, WITHOUT THE RIGHT TO DO SO AND IN DEFAULT OF ITS OBLIGATIONS UNDER THIS AGREEMENT, FAILS TO COMPLETE CLOSING OR OTHERWISE DEFAULTS UNDER OR MATERIALLY BREACHES THIS AGREEMENT PRIOR TO

CLOSING AND FAILS TO REMEDY SUCH DEFAULT OR BREACH WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF NOTICE THEREOF FROM BUYER, BUYER SHALL HAVE THE RIGHT TO (I) TERMINATE THIS AGREEMENT UPON WRITTEN NOTICE OF SUCH TERMINATION TO SELLER, IN WHICH EVENT BUYER WILL BE ENTITLED TO A RETURN OF THE DEPOSIT AS ITS SOLE AND EXCLUSIVE REMEDY, AND THEREAFTER NEITHER SELLER NOR BUYER WILL HAVE ANY CONTINUING RIGHTS OR OBLIGATIONS OTHER THAN THOSE THAT EXPRESSLY SURVIVE TERMINATION HEREUNDER.

11. Declaration of Use Restriction.

11.1 Use Restriction. Buyer agrees that no portion of the Property shall be leased, used for or occupied as the following, which are collectively referred to herein as the "Use Restriction":

(a) Any residence, dwelling, duplex, planned unit development, house, home, hotel, motel, hospital, sleeping facility, day care home, assisted living facility, nursing home, caretaker facility, nursery, or other structure, permanent, manufactured, mobile, trailer, any temporary dwelling unit, or otherwise, which permits its occupants, guests or invitees to sleep therein;

(b) Any educational facility including, without limitation the following: preschool, primary school, elementary school, junior or senior high schools, colleges or universities;

(c) Any library or museum;

(d) Any auditorium, exhibition hall or other public assembly room;

(e) Any recreational vehicle park;

(f) Any indoor or outdoor shooting range, archery range, other gun-related or similar facility where any type of fire-arm or other weapon may be discharged;

(g) Any use that emits an obnoxious odor (excluding normal cooking odors associated with a restaurant or residence with proper ventilation), fume, dust, vapor, noise or sound which is not mitigated on-site or properly vented and can be heard or smelled outside of the Property or from another property;

(h) Any noxious, dangerous or offensive trade or business use;

(i) Any distilling, refining, smelting, or mining operation; and

(j) Any dumping, disposing, incineration, or reduction of garbage.

11.2 Recording of the Use Restriction. Concurrently with the execution of this Agreement, Buyer and Seller will execute and deliver to Escrow Holder their respective counterparts to the "**Declaration of Use Restriction**" attached hereto as **Exhibit D**, and Buyer will further execute and deliver to Escrow Holder the "**Memorandum of Declaration of Use Restriction**" attached thereto. At Closing, Escrow Holder shall release the Declaration of Use Restriction and Memorandum of Declaration of Use Restriction to Seller. Seller, at its sole expense and sole option, may elect to record the Memorandum of Declaration of Use Restriction at Closing or any time thereafter.

11.3 Buyer hereby acknowledges and agrees that upon conveyance of the Property to Buyer, Seller will not be a tenant or operator of the Property.

12. Statutory Warning. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

13. Destruction/Condemnation of Property. In the event that all or any portion of the Property is damaged or destroyed by any casualty or is the subject of a taking or condemnation under the provisions of eminent domain law after the Effective Date but prior to the Closing Date, Seller shall have no obligation to repair or replace any damage or destruction caused by the foregoing, but the following shall apply at the Closing: (1) in the event of a casualty, Buyer shall receive a credit against the Purchase Price at Closing for the reasonably estimated remaining cost to restore the Property to its condition immediately prior to such casualty; and (2) in the event of a taking, Seller shall assign to Buyer its rights to any condemnation proceeds resulting from such taking. Notwithstanding the foregoing, if such casualty or taking is a "Material Event" (as defined below), then Buyer may elect to terminate this Agreement by written notice to Seller given on or before the Closing Date, and upon such termination, any Deposit shall be returned to Buyer and the parties shall have no further liability or obligation hereunder. As used in this Section, a "**Material Event**" means either of the following: (a) a casualty resulting in damage or destruction to the Property, if the cost to restore the Property to its condition immediately prior to such casualty is reasonably estimated to exceed the Purchase Price; or (b) a taking or condemnation which would impede access to the Property, reduce available parking below that required by laws or any applicable agreements affecting the Property, or result in a condemnation award reasonably estimated to exceed the Purchase Price.

14. Indemnification Obligations. Seller shall protect, defend, indemnify and hold Buyer and the Property harmless from and against: (i) any claim in any way related to the Property and arising or accruing prior to Closing, including any claim arising or accruing under any Permitted Exception or other agreement affecting the Property; and (ii) any claim that results from any breach or default by Seller under this Agreement. If the Closing occurs, Buyer shall protect, defend, indemnify and hold Seller harmless from and against any claim in any way related to the Property and first arising or accruing after the Closing, including any claim first arising or accruing after the Closing under any Permitted Exception (except to the extent such claim results from a fact or circumstance that is inconsistent with the representations and warranties of Seller in this Agreement). Notwithstanding the foregoing sentence, in no event will (a) either party be liable to the other for any loss of profits or other special, incidental, consequential, indirect, punitive, exemplary or reliance damages arising from or in relation to this Agreement, however caused and regardless of theory of liability, except that the foregoing shall not apply to a breach of Section 17 below.

15. Successors and Assigns. Seller may assign or transfer its rights or obligations under this Agreement without the prior written consent of Buyer. Buyer may not assign or transfer its rights or obligations under this Agreement.

16. Notices. All notices, approvals, consents, requests or demands required or permitted to be given or served by either party to this Agreement shall be in writing (unless otherwise expressly set forth herein to the contrary) and shall be delivered: (i) personally, (ii) by depositing with the United States Postal Service, postage prepaid, by registered or certified mail, return receipt requested, (iii) by a nationally recognized overnight delivery service providing proof of delivery, or (iv) by email delivery, provided for delivery pursuant to this clause (iv) a copy is also sent pursuant to either clause (i), (ii) or (iii) above, and in all event such events, properly addressed to the addresses set forth at the beginning of this Agreement. Either party may by notice given aforesaid change its address for all subsequent notices. Except where otherwise expressly provided to the contrary, notice shall be deemed given upon delivery or when delivery is refused. Notices required or permitted to be given or served by either party hereunder will be deemed effective if delivered by an agent or attorney acting on behalf of such party.

17. Confidentiality. Buyer agrees and acknowledges that (i) the existence and terms of this Agreement and all information relating to Seller's disposition of the Property will constitute “**Confidential Information**”, whether or not such information is available in the public domain and Buyer will not, and will instruct its representatives, brokers, developers, contractors, subcontractors, agents and consultants (each a, “**Buyer Representative**”) to not, nor will Buyer permit any Buyer Representative to, disclose any Confidential Information without the prior written approval of Seller. Neither Buyer nor any Buyer Representative will make any public statement or announcement regarding the transaction described in this Agreement, either prior to or after the Closing, without the prior written approval of Seller. This Section 17 will survive Closing or earlier termination of this Agreement.

18. Further Assurances. Each party shall use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions described in this Agreement.

19. Matters of Construction.

19.1 Non-Business Days. Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time (or by a particular date) that ends (or occurs) on a non-business day, then such period (or date) shall be extended until the immediately following business day; provided that, if Closing would be scheduled to occur on a non-business day, Closing shall be delayed until the second business day after such non-business day. As used herein, “**business day**” means any day other than a Saturday, Sunday or federal or state holiday in the state where the Property is located.

19.2 Entire Agreement. This Agreement (and the items to be furnished in accordance herewith) constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement, or condition not expressed in this Agreement will be binding upon the parties hereto or will affect or be effective to interpret, change or restrict this Agreement.

19.3 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

19.4 Interpretation. Words used in the singular shall include the plural, and vice versa, and any gender shall be deemed to include the other. Whenever the words “including”, “include” or “includes” are used in this Agreement, they should be interpreted in a non-exclusive manner. The captions and headings of the Sections of this Agreement are for convenience of reference only, and shall not be deemed to define or limit the provisions hereof. Except as otherwise indicated, all Exhibit and Section references in this Agreement shall be deemed to refer to the Exhibits and Sections in this Agreement. Each party acknowledges and agrees that this Agreement (a) has been reviewed by it and its counsel; (b) is the product of negotiations between the parties, and (c) shall not be deemed prepared or drafted by any one party. In the event of any dispute between the parties concerning this Agreement, the parties agree that any ambiguity in the language of the Agreement is to not to be resolved against Seller or Buyer, but shall be given a reasonable interpretation in accordance with the plain meaning of the terms of this Agreement and the intent of the parties as manifested hereby.

19.5 No Waiver. Any party may at any time or times, at its election, waive any of the conditions to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by such party (except that if a party proceeds to Closing, notwithstanding the failure of a condition to its obligation to close, then such condition shall be deemed waived by the Closing). No such waiver shall reduce the rights or remedies of a party by reason of any breach by the other party hereunder. Waiver by one party of the performance of any covenant, condition or promise of the other party shall not invalidate this Agreement, nor shall it be deemed to be a waiver by such party of the performance of any other covenant, condition or promise by such other party (whether preceding or succeeding and whether or not of the same or similar nature). No failure or delay by one party to exercise any right it may have by reason of the default of the other party shall operate as a waiver of default or modification of this Agreement or shall prevent the exercise of any right by such party while the other party continues to be so in default.

19.6 Governing Law. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OREGON.

19.7 Third Party Beneficiaries. Except as otherwise expressly provided in this Agreement, Seller and Buyer do not intend by any provision of this Agreement to confer any right, remedy or benefit upon any third party (express or implied), and no third party shall be entitled to enforce or otherwise shall acquire any right, remedy or benefit by reason of any provision of this Agreement.

19.8 Amendments. This Agreement may be amended by written agreement of amendment executed by all parties, but not otherwise.

19.9 Escrow Holder. Escrow Holder hereby accepts its designation as Escrow Holder under this Agreement and agrees to hold and disburse the Deposit as provided in this Agreement without further instruction from either party. The provisions hereof will constitute joint instructions to the Escrow Holder to consummate the purchase in accordance with the terms and provisions hereof, provided, however, that the parties shall execute such additional escrow instructions, not inconsistent with the provisions hereof, as may be deemed reasonably necessary to carry out the intentions of the parties as expressed herein. The provisions of this Section will survive the Closing or earlier termination of this Agreement.

19.10 No Recording. Neither Seller nor Buyer shall cause or permit this Agreement to be filed of record in any office or place of public record and, if Buyer or Seller shall fail to comply with the terms hereof by recording or attempting to record the same, such act shall not operate to bind or cloud title to the Property.

20. Waiver of Trial by Jury. The parties hereby irrevocably waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. This waiver shall apply to

any subsequent amendments, renewals, supplements or modifications to this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

21. Waiver of Consequential Damages. Notwithstanding any provision in this Agreement to the contrary, neither party will be liable to the other party for consequential damages, such as lost profits or interruption of the other party’s business, except that this sentence will not apply to Buyer’s breach of its confidentiality obligations under this Agreement.

22. Acceptance of Deed. The acceptance of the Deed by Buyer shall be deemed full compliance by Seller of all of Seller’s obligations under this Agreement except for those obligations of Seller which are specifically stated to survive Closing hereunder.

23. Multiple Originals and Counterparts; Electronic Documents. This Contract may be executed in any number of copies and counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docuSign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

24. Anti-Corruption. Buyer has not, will not, and will ensure others operating on its behalf will not, pay bribes or illegal or improper payments, gifts or anything of value, solicitations or demands to anyone in any way related to this Agreement or the Property including any Seller employee or an employee of its parent company or any consultant recommended by Seller. Buyer will maintain accurate and complete books and records concerning payments to third parties under or in relation to this Agreement. Seller and its designated representative may inspect Buyer’s books and records to verify compliance with this Section. Buyer will notify Seller promptly: (1) of any improper solicitation, demand or other request for a bribe, improper gift or anything of value, made by any party in any way related to this Agreement or the Property; and (2) if Buyer (or a third party operating on its behalf) is directly or indirectly asked by any person to make or offer any payment to a government official or authority (or any other person at a government official’s request or with such officials’ assent or acquiescence). Seller may immediately terminate or suspend performance under this Agreement if Buyer breaches its obligations under this Section.

25. Joint and Several Liability. If and when included within the term “Buyer” or “Seller” as used in this Agreement, there is more than one person, firm or corporation, each will be jointly and severally liable for the obligations of Buyer or Seller, as applicable.

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[SIGNATURES ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates below, effective as of the Effective Date.

BUYER:

CITY OF HERMISTON, OREGON

a _____

By: _____

Name: _____

Title: _____

Date: _____

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

SELLER:

AMAZON DATA SERVICES, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____
Date: _____

ESCROW HOLDER'S ACKNOWLEDGEMENT

The undersigned hereby executes this Agreement to evidence its receipt of a fully executed copy of this Agreement and its agreement to act as Escrow Holder in accordance with the terms of this Agreement. Escrow Holder agrees to act as "the person responsible for closing" the purchase and sale transaction contemplated in this Agreement within the meaning of Section 6045(e) of the Internal Revenue Code of 1986, as amended, and to file all forms and returns required thereby.

_____,
a _____

By: _____
Name: _____
Title: _____

"Escrow Holder"

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

Parcel 2 as shown on the Partition Plat No. 2023-11, as recorded August 16, 2023 as Document Number 2023-0005626 in the Office of County Records of Umatilla County, Oregon.

LESS AND EXCEPT all right, title, and interest in and to those irrigation water right appurtenant to such land as evidenced by the two following water rights documents:

1. State of Oregon County of Umatilla Certificate of Water Right #87368 issued in the name of Ivan Cook, dated January 5, 2012, and recorded in the Oregon State Record of Water Right Certificates, and numbered 87368; and
2. Water Resources Department of the State of Oregon Transfer Application Transfer T-11254, Umatilla County, related to State of Oregon Certificate of Water Rights Certificate #79889, which transfer was approved with Final Order Approving an Additional Point of Appropriation and Change in Place of Use by the Oregon Water Resources Department on January 5, 2012, by Special Order, and recorded in Special Order Volume 85, Page 859-862, of the Oregon Water Resources Records;

EXHIBIT B

INTENTIONALLY DELETED

EXHIBIT C
DESCRIPTION OF DUE DILIGENCE PACKAGE

NONE

EXHIBIT D
DECLARATION OF USE RESTRICTION
[Attached]

DECLARATION OF USE RESTRICTION

THIS DECLARATION OF USE RESTRICTION (this "**Declaration**") is made as of the _____ day of _____, _____, by **AMAZON DATA SERVICES, INC.**, a Delaware corporation ("**Amazon**"), and the **CITY OF HERMISTON, OREGON**, _____ ("**City**").

RECITALS

A. Amazon owns (i) that certain real property consisting of approximately 151.62 acres of land in Umatilla County, Oregon, as more particularly described on **Exhibit A** attached hereto (the "**Benefitted Property**"), and (ii) City owns that certain real property consisting of approximately 44.42 acres of land in Umatilla County, Oregon, as more particularly described on **Exhibit B** attached hereto (the "**Burdened Property**").

B. Amazon and City have entered into that certain Purchase Agreement as of the date hereof, whereby Amazon has agreed to sell to City, and City has agreed to purchase from Amazon, the Burdened Property, upon the terms, covenants and conditions set forth in the Purchase Agreement.

C. Pursuant to the Purchase Agreement, Amazon and City have agreed that upon City's acquisition of the Burdened Property from Amazon, the Burdened Property shall be subject to the Use Restriction (as defined herein).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Recitals. The Recitals are incorporated herein and made a part hereof.
2. Use Restriction. City covenants and agrees that no portion of the Burdened Property will be leased, used for or occupied as the following which are collectively referred to herein as the "**Use Restriction**":
 - (a) (a) Any residence, dwelling, duplex, planned unit development, house, home, hotel, motel, hospital, sleeping facility, day care home, assisted living facility, nursing home, caretaker facility, nursery, or other structure, permanent, manufactured, mobile, trailer, any temporary dwelling unit, or otherwise, which permits its occupants, guests or invitees to sleep therein;
 - (b) Any educational facility including, without limitation the following: preschool, primary school, elementary school, junior or senior high schools, colleges or universities;
 - (c) Any library or museum;
 - (d) Any auditorium, exhibition hall or other public assembly room;
 - (e) Any recreational vehicle park;
 - (f) Any indoor or outdoor shooting range, archery range, other gun-related or similar facility where any type of fire-arm or other weapon may be discharged;

(g) Any use that emits an obnoxious odor (excluding normal cooking odors associated with a restaurant or residence with proper ventilation), fume, dust, vapor, noise or sound which is not mitigated on-site or properly vented and can be heard or smelled outside of the Property or from another property;

(h) Any noxious, dangerous or offensive trade or business use;

(i) Any distilling, refining, smelting, or mining operation; and

(j) Any dumping, disposing, incineration, or reduction of garbage.

3. Binding Effect. The Use Restriction encumbers the Burdened Property for the benefit of the Benefitted Property, from and after the date hereof. The covenant and restriction created by this Declaration will encumber and run with title to all portions of the Burdened Property, as applicable, and will be binding upon, and enforceable against, all persons having any right, title, or any interest in any portion of the Burdened Property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.

4. Breach. Any breach of the Use Restriction will entitle the owner of the Benefitted Property (the “Beneficiary”) to injunctive relief and any other appropriate relief as may be available at law or in equity.

5. Memorandum. Concurrently with the execution of this Declaration, City will also execute a memorandum of this Declaration in the form attached hereto as Exhibit C (the “Memorandum”). After the execution of this Declaration, the Beneficiary, at its sole expense and sole option, may record the executed Memorandum.

6. Modifications and Termination. This Declaration may not be modified, waived, amended or terminated except by a written instrument executed by City and the Beneficiary, or their respective successors or assigns.

7. Headings Not Controlling. Headings used in this Declaration are for reference purposes only and will not be deemed a part of this Declaration. Invalidation of any of the provisions contained in this Declaration, or of the application thereof to any person or entity by judgment or court order, will in no way affect any other provisions hereof or the application thereof to any other person or entity and the same will remain in full force and effect.

8. Governing Law. This Declaration will be governed by and construed in accordance with the laws of the State of Oregon without regard to its conflict of laws principles.

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Amazon and City have executed this Declaration as of the date first above written.

AMAZON:

AMAZON DATA SERVICES, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

CITY:

CITY OF HERMISTON, OREGON,
a _____

By: _____
Name: _____
Title: _____

EXHIBIT A

DESCRIPTION OF BENEFITTED PROPERTY

Parcel 1 as shown on the Partition Plat No. 2023-11, as recorded August 16, 2023 as Document Number 2023-0005626 in the Office of County Records of Umatilla County, Oregon.

LESS AND EXCEPT all right, title, and interest in and to those irrigation water right appurtenant to such land as evidenced by the two following water rights documents:

1. State of Oregon County of Umatilla Certificate of Water Right #87368 issued in the name of Ivan Cook, dated January 5, 2012, and recorded in the Oregon State Record of Water Right Certificates, and numbered 87368; and
2. Water Resources Department of the State of Oregon Transfer Application Transfer T-11254, Umatilla County, related to State of Oregon Certificate of Water Rights Certificate #79889, which transfer was approved with Final Order Approving an Additional Point of Appropriation and Change in Place of Use by the Oregon Water Resources Department on January 5, 2012, by Special Order, and recorded in Special Order Volume 85, Page 859-862, of the Oregon Water Resources Records;

EXHIBIT B

DESCRIPTION OF BURDENED PROPERTY

Parcel 2 as shown on the Partition Plat No. 2023-11, as recorded August 16, 2023 as Document Number 2023-0005626 in the Office of County Records of Umatilla County, Oregon.

LESS AND EXCEPT all right, title, and interest in and to those irrigation water right appurtenant to such land as evidenced by the two following water rights documents:

1. State of Oregon County of Umatilla Certificate of Water Right #87368 issued in the name of Ivan Cook, dated January 5, 2012, and recorded in the Oregon State Record of Water Right Certificates, and numbered 87368; and
2. Water Resources Department of the State of Oregon Transfer Application Transfer T-11254, Umatilla County, related to State of Oregon Certificate of Water Rights Certificate #79889, which transfer was approved with Final Order Approving an Additional Point of Appropriation and Change in Place of Use by the Oregon Water Resources Department on January 5, 2012, by Special Order, and recorded in Special Order Volume 85, Page 859-862, of the Oregon Water Resources Records;

EXHIBIT C

MEMORANDUM OF RESTRICTIVE COVENANT

[attached]

Prepared by and after recording return to:

4400 MacArthur Blvd., Suite 200
Newport Beach, CA 92660
Attn: Valerie Rapp
(949) 477-3646 Direct
Valerie.Rapp@fnf.com

(Above Space for Recorder’s Use)

MEMORANDUM OF DECLARATION OF USE RESTRICTION

THIS MEMORANDUM OF DECLARATION OF USE RESTRICTION (this "**Memorandum**") is made as of the _____ day of _____, 2023, by **CITY OF HERMISTON, OREGON**, _____ having an address of _____ ("**Declarant**") with respect to the Declaration of Use Restriction of even date herewith (the "**Declaration**"), for the benefit of the real property identified on **Exhibit A** attached hereto and incorporated herein (the "**Benefitted Property**"), for purposes of memorializing and recording certain terms thereof, and to give record notice of the Declaration and the rights and restrictions created thereby. The summarized terms provided herein are not intended to fully or completely set forth the provisions of the Declaration, for an understanding of which reference must be made to the document, and nothing in this Memorandum shall have the effect of in any way modifying, supplementing or abridging the Declaration or any of its provisions as the same now or may hereafter be in force and effect.

RECITALS

A. Declarant owns that certain real property consisting of approximately 44.42 acres of land in Umatilla County, Oregon, as more particularly described on **Exhibit B** attached hereto (the "**Burdened Property**").

1. **Recitals.** The Recitals are incorporated herein and made a part hereof.

2. **Use Restriction.** Upon certain terms and conditions set forth in the Declaration, Declarant covenants and agrees that no portion of the Burdened Property will be leased, used for or occupied as the following which are collectively referred to herein as the "**Use Restriction**":

(a) (a) Any residence, dwelling, duplex, planned unit development, house, home, hotel, motel, hospital, sleeping facility, day care home, assisted living facility, nursing home, caretaker facility, nursery, or other structure, permanent, manufactured, mobile, trailer, any temporary dwelling unit, or otherwise, which permits its occupants, guests or invitees to sleep therein;

(b) Any educational facility including, without limitation the following: preschool, primary school, elementary school, junior or senior high schools, colleges or universities;

(c) Any library or museum;

- (d) Any auditorium, exhibition hall or other public assembly room;
- (e) Any recreational vehicle park;
- (f) Any indoor or outdoor shooting range, archery range, other gun-related or similar facility where any type of fire-arm or other weapon may be discharged;
- (g) Any use that emits an obnoxious odor (excluding normal cooking odors associated with a restaurant or residence with proper ventilation), fume, dust, vapor, noise or sound which is not mitigated on-site or properly vented and can be heard or smelled outside of the Property or from another property;
- (h) Any noxious, dangerous or offensive trade or business use;
- (i) Any distilling, refining, smelting, or mining operation; and
- (j) Any dumping, disposing, incineration, or reduction of garbage.

3. Binding Effect. The Use Restriction encumbers the Burdened Property for the benefit of the Benefitted Property, from and after the date hereof. The covenants and restrictions created by this Memorandum will encumber and run with title to all portions of the Burdened Property, as applicable, and will be binding upon, and enforceable against, all persons having any right, title, or any interest in any portion of the Burdened Property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.

4. Breach. Any breach of the Use Restriction will entitle the owner of the Benefitted Property (the “**Beneficiary**”) to injunctive relief and any other appropriate relief as may be available at law or in equity.

5. Modifications and Termination. This Memorandum may not be modified, waived, amended or terminated except by a written instrument executed by Declarant and the approved by the Beneficiary, or their respective successors or assigns.

6. Headings Not Controlling. Headings used in this Memorandum are for reference purposes only and will not be deemed a part of this Memorandum. Invalidation of any of the provisions contained in this Memorandum, or of the application thereof to any person or entity by judgment or court order, will in no way affect any other provisions hereof or the application thereof to any other person or entity and the same will remain in full force and effect.

7. Governing Law. This Memorandum will be governed by and construed in accordance with the laws of the State of Oregon without regard to its conflict of laws principles.

8. Memorandum. This Memorandum is executed in accordance with the terms of the Declaration for the purposes of giving notice of the existence thereof and of memorializing and recording certain terms thereof, and to give record notice of the Use Restriction encumbering the Burdened Property. The summarized terms provided herein are not intended to fully or completely set forth the provisions of the Declaration, for an understanding of which reference must be made to the Declaration, and nothing in this Memorandum will have the effect of in any way modifying, supplementing or abridging the Declaration or any of its provisions as the same now or may hereafter be in force and effect. In addition to those terms referred to hereinabove, the Declaration contains numerous other terms, covenants and conditions, and notice is hereby given that reference should be made to the Declaration directly with respect to the details of such

terms, covenants and conditions. The Declaration is deemed to be a material part of this Memorandum as though set forth at length herein. In the event of any conflict between the provisions of this Memorandum and the Agreement, the provisions of the Declaration shall control over this Memorandum.

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Declarant has executed this Declaration as of the date first written above.

DECLARANT:

_____,
an _____ limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____ :

: SS.

COUNTY OF _____ :

On this _____ day of _____, 2023 before me, a Notary Public of the State of _____, personally appeared _____, the _____ of City LLC, an Oregon limited liability company, a party to the foregoing instrument, and acknowledged that, being authorized to do so, he/she executed the foregoing instrument for the purposes therein contained by signing his/her name as such officer on behalf of such company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
My commission expires:

EXHIBIT A

DESCRIPTION OF BENEFITTED PROPERTY

Parcel 1 as shown on the Partition Plat No. 2023-11, as recorded August 16, 2023 as Document Number 2023-0005626 in the Office of County Records of Umatilla County, Oregon.

LESS AND EXCEPT all right, title, and interest in and to those irrigation water right appurtenant to such land as evidenced by the two following water rights documents:

1. State of Oregon County of Umatilla Certificate of Water Right #87368 issued in the name of Ivan Cook, dated January 5, 2012, and recorded in the Oregon State Record of Water Right Certificates, and numbered 87368; and
2. Water Resources Department of the State of Oregon Transfer Application Transfer T-11254, Umatilla County, related to State of Oregon Certificate of Water Rights Certificate #79889, which transfer was approved with Final Order Approving an Additional Point of Appropriation and Change in Place of Use by the Oregon Water Resources Department on January 5, 2012, by Special Order, and recorded in Special Order Volume 85, Page 859-862, of the Oregon Water Resources Records;

EXHIBIT B

DESCRIPTION OF BURDENED PROPERTY

Parcel 2 as shown on the Partition Plat No. 2023-11, as recorded August 16, 2023 as Document Number 2023-0005626 in the Office of County Records of Umatilla County, Oregon.

LESS AND EXCEPT all right, title, and interest in and to those irrigation water right appurtenant to such land as evidenced by the two following water rights documents:

1. State of Oregon County of Umatilla Certificate of Water Right #87368 issued in the name of Ivan Cook, dated January 5, 2012, and recorded in the Oregon State Record of Water Right Certificates, and numbered 87368; and
2. Water Resources Department of the State of Oregon Transfer Application Transfer T-11254, Umatilla County, related to State of Oregon Certificate of Water Rights Certificate #79889, which transfer was approved with Final Order Approving an Additional Point of Appropriation and Change in Place of Use by the Oregon Water Resources Department on January 5, 2012, by Special Order, and recorded in Special Order Volume 85, Page 859-862, of the Oregon Water Resources Records;



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of December 11, 2023

Title/Subject

Resolution 2301- Return of A Misdemeanor Prosecution to Hermiston Municipal Court

Summary and Background

The final discussions and then decision from the City Council sending prosecution of all A Misdemeanors to the Circuit Court took place in April of 2014. There had been a lot of discussion with the District Attorney and Circuit Court officials leading up to that decision. Initially the decision was for a 20-month trial period. The City reevaluated after the 20 months and decided to leave that decision unchanged.

During the past 9+ years, the City has been increasing the efficiency of the Municipal Court through implementation of a new case management system and other process improvement efforts. All of this leads to a time where the Court is ready to have A Misdemeanor prosecution return to the Municipal Court.

Tie-In to Council Goals

Over the past several years, the City Council has had various goals related to this idea of A Misdemeanor prosecution.

2020

Take back adjudication of A Misdemeanors

2022

Explore options for providing mental health support services at Municipal Court.

2023

Develop a plan, gather data, and explore partnerships for a community court program.

Fiscal Information

N/A

Alternatives and Recommendation

Alternatives

1. Approve Resolution 2301.

- 2. Modify Resolution 2301.
- 3. Reject Resolution 2301.

Recommended Action/Motion

Adopt Resolution 2301 as presented.

Submitted By:

Byron D. Smith

RESOLUTION NO. 2301

A RESOLUTION RETURNING THE PROSECUTION OF A MISDEMEANORS TO THE HERMISTON MUNICIPAL COURT

WHEREAS, the City of Hermiston (“City”) operates a municipal court; and

WHEREAS, in 2014, the Hermiston Municipal Court suspended and transferred prosecution of A Misdemeanor crimes to the Umatilla County District Attorney’s Office; and

WHEREAS, the Hermiston Municipal Court has improved operations and become more efficient; and

WHEREAS, returning A Misdemeanor prosecution to the Hermiston Municipal Court should improve overall efficiency to the regional criminal justice system.

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

1. That Hermiston Municipal Court will again process and prosecute A Misdemeanor crimes.
2. That this resolution is effective January 1, 2024.

PASSED by the Common Council this 11th day of December 2023.

SIGNED by the Mayor this 11th day of December 2023.

Doug Primmer, COUNCIL PRESIDENT

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of December 11, 2023

Title/Subject

November 2023 Financial Report

Summary and Background

This is the monthly overview of the previous month's financial position reflecting year-to-date activity.

Tie-In to Council Goals

Fiscal Prudence

Fiscal Information

NA

Alternatives and Recommendations

Alternatives

None

Recommended Motion

Request a motion to accept and approve the **November 2023 Financial Report** as presented.

Submitted By:

Mark Krawczyk, Director of Finance

November 2023 Financial Report



Department of Finance
November 2023
(Unaudited)

FY2023-2024 Monthly Financial Report

Section 9, ItemA.

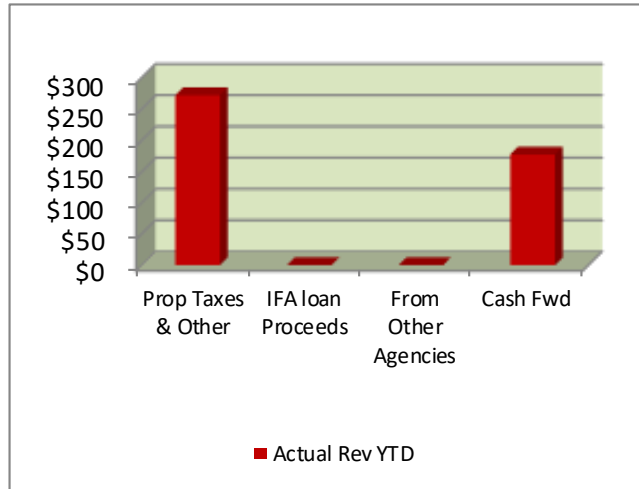
Hermiston Urban Renewal Agency (HURA)

For the Month Ending November 30, 2023

Resources

Through November 30, 2023

by Category



	Annual Proj Rev	Actual Rev YTD	% Var
Prop Taxes & Other	\$ 298	272	91%
IFA loan Proceeds	\$ 496	0	0%
From Other Agencies	\$ 50	0	
Cash Fwd	\$ 177	177	100%
Total	\$ 1,021	\$ 449	44%

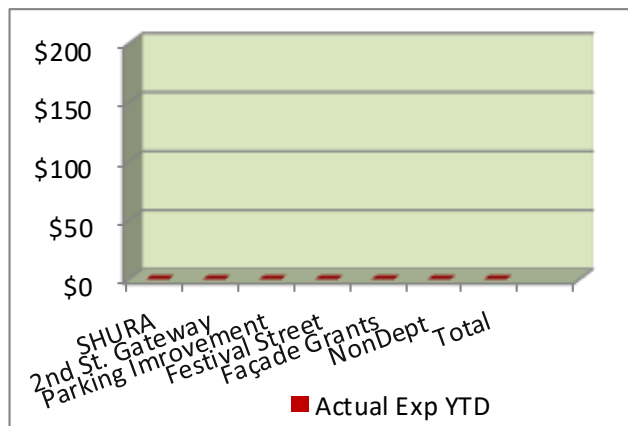
Note: Variance is calculated as % of revenue YTD

Expenditures

Through November 30, 2023

by Character

(in \$1,000)



	Annual Proj Exp	Actual Exp YTD	% Var
SHURA	\$ 496	0	0%
2nd St. Gateway	\$ 360	0	0%
Parking Improvement	\$ 3	0	0%
Festival Street	\$ 3	0	0%
Façade Grants	\$ 20	0	0%
NonDept	\$ 139	0	0%
Total	\$ 1,021	\$ -	0%

Note: variance is calculated as % of expenses YTD.

The FY2023-24 budget for the Urban Renewal Agency is **\$ 1,020,966**. This includes \$496,000 for the beginning of the SHURA project, \$360,000 for construction of the 2nd Street Gateway project, \$3,000 for parking improvements, \$3,000 for the Festival Street, \$20,000 for façade grants, and \$138,966 for Non-Departmental expenses.

FY2023-2024 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

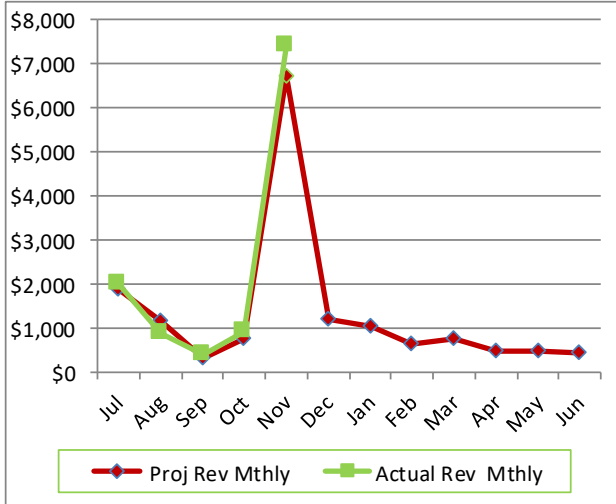
General Fund Resources

For the Month Ending November 30, 2023

General Fund Resources Summary

Through November 30, 2023

(in \$1,000)



	Proj Rev Mthly	Rev Proj Mthly	Actual Rev Mthly	Var Fav/ (Unfav)	% Var
Jul	\$ 1,869	\$ 1,869	\$ 2,011	\$ 142	8%
Aug	\$ 1,174	\$ 1,174	\$ 888	\$ (286)	-24%
Sep	\$ 347	\$ 347	\$ 428	\$ 81	23%
Oct	\$ 754	\$ 754	\$ 927	\$ 173	23%
Nov	\$ 6,720	\$ 6,720	\$ 7,389	\$ 669	0%
Dec	\$ 1,198	\$ 1,198	\$ -	\$ -	0%
Jan	\$ 1,037	\$ 1,037	\$ -	\$ -	0%
Feb	\$ 644	\$ 644	\$ -	\$ -	0%
Mar	\$ 777	\$ 777	\$ -	\$ -	0%
Apr	\$ 499	\$ 499	\$ -	\$ -	0%
May	\$ 472	\$ 472	\$ -	\$ -	0%
Jun	\$ 464	\$ 464	\$ -	\$ -	0%
Total YTD	15,954	15,956	11,643	779	4.9%
Cash Fwd	952	-	-	-	0%
Total	\$ 16,906	\$ 15,956	\$ 11,643	779	4.9%

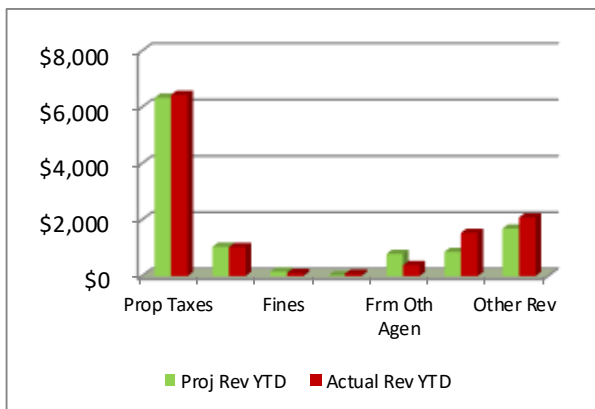
Estimated General Fund revenues for the 2023-24 fiscal year are **\$16,906,000**. Projected revenues for November were **\$6,720,423**, compared to actual revenues of **\$7,389,330**, a positive variance of **\$668,907**.

General Fund - All Resources

Through November 30, 2023

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 7,426	\$ 6,329	\$ 6,436	\$ 107	2%
Lic & Fran	\$ 1,468	\$ 1,037	1,029	(8)	-1%
Fines	\$ 400	\$ 159	103	(56)	-35%
Interest Rev	\$ 70	\$ 24	81	56	234%
Frm Oth Agen	\$ 1,123	\$ 781	384	(397)	-51%
Svc Chgs	\$ 2,180	\$ 852	1,534	682	80%
Other Rev	\$ 3,287	\$ 1,682	2,077	396	24%
Cash Fwd	\$ 952	-	-	-	0%
Total	\$16,906	\$ 10,864	\$ 11,643	\$ 779	7.2%

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

FY2023-2024 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

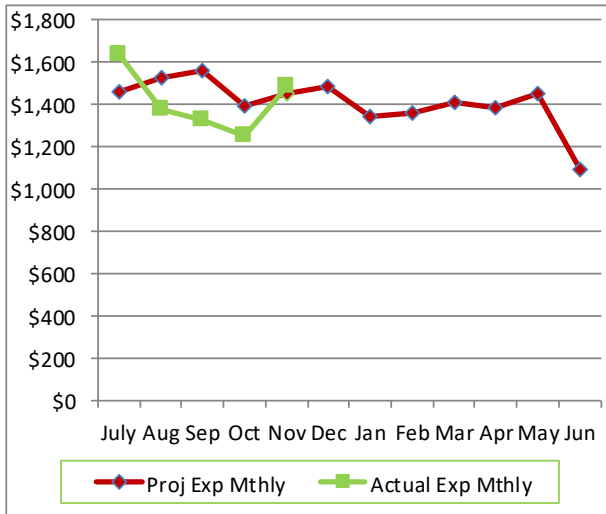
General Fund Expenditures

For the Month Ending November 30, 2023

General Fund Expenditure Summary

Through November 30, 2023

(in \$1,000)



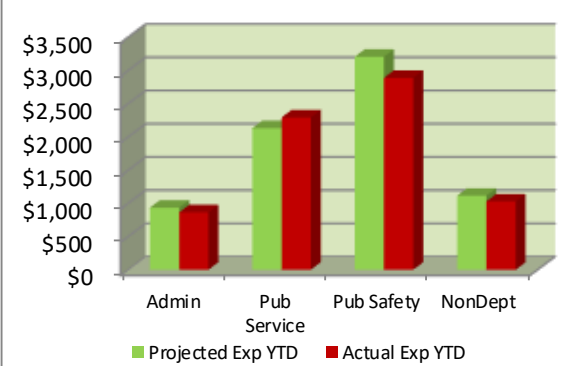
	Proj Exp Mthly	Proj Exp	Actual Exp Mthly	Var Fav/ (Unfav)	% Var
July	\$ 1,460	\$ 1,460	\$ 1,632	\$ (172)	-12%
Aug	\$ 1,524	\$ 1,524	\$ 1,377	\$ 148	10%
Sep	\$ 1,560	\$ 1,560	\$ 1,328	\$ 232	15%
Oct	\$ 1,391	\$ 1,391	\$ 1,249	\$ 142	10%
Nov	\$ 1,451	\$ 1,451	\$ 1,489	\$ (38)	-3%
Dec	\$ 1,483	\$ 1,483			0%
Jan	\$ 1,340	\$ 1,340			0%
Feb	\$ 1,362	\$ 1,362			0%
Mar	\$ 1,409	\$ 1,409			0%
Apr	\$ 1,381	\$ 1,381			0%
May	\$ 1,449	\$ 1,449			0%
Jun	\$ 1,095	\$ 1,095			0%
Total YTD	16,907	16,906	7,075	312	1.8%
Contngcy		-	-	-	0%
Total	\$ 16,907	\$ 16,906	\$ 7,075	\$ 312	1.8%

Projected General Fund monthly expenditures for October were **\$1,391,452**. Actual expenditures were **\$1,249,343**, which is **\$142,109** less than projected YTD for a **positive variance of 10.2%** for the month.

General Fund Expenditures by Consolidated Department

Through November 30, 2023

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 2,221	934	865	69	7%
Pub Service	4,594	2,132	2,293	(162)	-8%
Pub Safety	7,416	3,207	2,888	318	10%
NonDept	2,675	1,115	1,028	87	8%
Unapp	-	-	-	-	0%
Total	\$16,906	\$ 7,387	\$ 7,075	\$ 312	4.2%

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

FY2023-2024 Monthly Financial Report

Section 9, Item A.

General Fund Expenditure Detail YTD

For the Month Ending November 30, 2023

General Fund Expenditures by Department

	Annual Projected			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	0	0	0	0	0%
City Manager/Legal	1,059,519	441,466	434,559	6,907	2%
City Planning	464,191	193,413	148,297	45,116	23%
Finance	697,192	299,352	282,522	16,830	6%
Total Administration	2,220,902	934,232	865,378	68,854	7%
Transportation	472,000	183,029	202,007	(18,978)	-10%
Airport	320,300	127,809	213,316	(85,507)	-67%
Bldg Inspection	571,453	252,339	226,042	26,297	10%
Parks	716,975	341,289	356,932	(15,643)	-5%
Parks/Utility Landscaping	44,115	18,276	9,882	8,394	46%
Pool	553,287	366,921	355,122	11,799	3%
Municipal Buildings	150,790	62,829	60,283	2,546	4%
Library	894,012	375,130	508,054	(132,924)	-35%
Recreation	609,596	299,796	261,013	38,783	13%
Community Center	200,972	80,020	78,995	1,025	1%
Harkenrider Center	60,010	24,414	21,777	2,637	11%
Total Public Services	4,593,510	2,131,853	2,293,423	(161,570)	-8%
Court	733,137	380,190	273,367	106,823	28%
Public Safety Center	43,000	16,548	223,733	(207,185)	-1252%
Police Operations	6,640,440	2,809,917	2,391,285	418,632	15%
Total Public Safety	7,416,577	3,206,655	2,888,385	318,270	10%
Non-Departmental	2,674,921	1,114,550	1,027,942	86,608	8%
Unappropriated	0	0	0	0	0%
Total Non-Dept	2,674,921	1,114,550	1,027,942	86,608	8%
Total	16,905,910	7,387,290	7,075,128	312,162	4.2%

For November FY2024 -

Total Administration is \$68,854 less than YTD projected. **Total Public Services** are \$161,570 more than YTD projected. **Public Safety** is \$318,270 less than YTD projected. **Non-Departmental** is \$86,608 less than YTD projected. The total **General Fund expenses** are \$312,162 less than YTD projected for this month.

FY2023-2024 Monthly Financial Report

Section 9, ItemA.

Fund Balance - General Fund

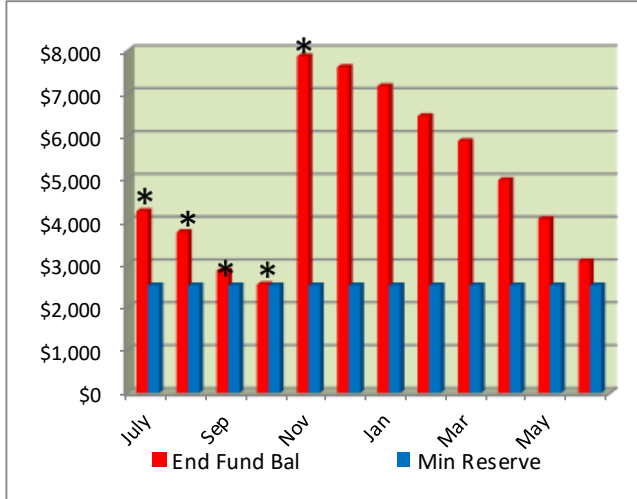
For the Month Ending November 30, 2023

General Fund

Through November 30, 2023

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$2,513,250

	Begin Fund Bal	Revenue	Expense	End Fund Bal	ACT/PROJ Fund Bal
July	\$ 3,867	\$ 2,011	\$ (1,632)	\$ 4,246	ACT*
Aug	\$ 4,246	\$ 888	\$ (1,377)	\$ 3,757	ACT*
Sep	\$ 3,757	\$ 428	\$ (1,328)	\$ 2,857	ACT*
Oct	\$ 2,857	\$ 927	\$ (1,249)	\$ 2,534	ACT*
Nov	\$ 2,534	\$ 6,720	\$ (1,391)	\$ 7,863	ACT*
Dec	\$ 7,863	\$ 1,198	\$ (1,451)	\$ 7,610	PROJ
Jan	\$ 7,610	\$ 1,037	\$ (1,483)	\$ 7,165	PROJ
Feb	\$ 7,165	\$ 644	\$ (1,340)	\$ 6,469	PROJ
Mar	\$ 6,469	\$ 777	\$ (1,362)	\$ 5,884	PROJ
Apr	\$ 5,884	\$ 499	\$ (1,409)	\$ 4,974	PROJ
May	\$ 4,974	\$ 472	\$ (1,381)	\$ 4,064	PROJ
June	\$ 4,064	\$ 464	\$ (1,449)	\$ 3,079	PROJ
Total	\$ 3,867	\$ 16,064	\$ 16,852	\$ 3,079	

The General Fund balance at the end of November FY2024 is approximately **\$7,863,000**, which is **3.12 times** the current Minimum Reserve requirement of **\$2,513,250**.

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

FY2023-2024 Monthly Financial Report

Special Revenue Funds Report

For the Month Ending November 30, 2023

Special Revenue Funds

Resources & Requirements

	2023-24 Annual Budget	Actual YTD	Remaining Budget
02 Bonded Debt Fund			
Resources	626,677	314,613	312,064
Expenditures	527,920	496,009	31,911
Unappropriated Balance	98,757	N/A	N/A
05 Transient Room Tax (TRT)			
Resources	1,144,600	671,983	472,617
Expenditures	1,144,600	572,391	572,209
Unappropriated Balance	-	N/A	N/A
08 Reserve Fund			
Resources	43,494,330	2,851,859	40,642,471
Expenditures	42,399,936	3,977,485	38,422,451
Unappropriated Balance	1,094,394	N/A	N/A
11 Miscellaneous Special Revenue			
Resources	70,000	41,048	28,952
Expenditures	70,000	40,698	29,302
Unappropriated Balance	-	N/A	N/A
19 Christmas Express Special Revenue			
Resources	30,000	7,130	22,870
Expenditures	30,000	-	30,000
Unappropriated Balance	-	N/A	N/A
20 Law Enforcement Special Revenue			
Resources	36,014	5,057	30,957
Expenditures	20,000	-	20,000
Unappropriated Balance	16,014	N/A	N/A
21 Library Special Revenue			
Resources	33,000	5,294	27,706
Expenditures	33,000	995	32,005
Unappropriated Balance	-	N/A	N/A
23 Enterprise Zone Project Fund			
Resources	1,648,699	500,000	1,148,699
Expenditures	888,325	567,700	320,625
Unappropriated Balance	760,374	N/A	N/A
25 EOTEC Operations			
Resources	783,644	480,848	302,796
Expenditures	783,644	419,367	364,277
Unappropriated Balance		N/A	N/A
26 IT Services			
Resources	1,270,034	512,542	757,492
Expenditures	1,270,034	443,149	826,885
Unappropriated Balance		N/A	N/A

Beginning with the 2016-17 fiscal year the City began distinguishing within the funds some part of ending fund balance as contingency and some as reserved for future expenditure. The contingency is included in appropriations while the reserve for future expenditures is unappropriated.

The City uses multiple Special Revenue funds to account for revenues that are restricted to expenditure for particular purposes. They include funds for debt service, economic development, parks and recreation, capital projects, and grants. Since these funds are not operational in nature and used for specific purposes from year-to-year, their expenditures do not typically follow a predictable pattern so budget variances are not calculated for them.

FY2023-2024 Monthly Financial Report

Section 9, Item A.

Utility and Street Funds Report

For the Month Ending November 30, 2023

Utility and Street Funds Report

Resources & Expenditures

	2023-2024			Variance	
	Annual Budget	Projected YTD	Actual YTD	Fav/(Unfav)	% Variance
04 Street Fund					
Resources	2,450,581	871,308	1,358,449	487,142	56%
Expenditures	2,420,581	1,008,575	1,192,793	(184,218)	-18%
Contingency	30,000	N/A	N/A	N/A	N/A
06 Utility Fund					
Resources	13,537,367	4,634,779	5,933,658	1,298,879	28%
Expenditures	11,298,857	4,707,857	4,350,712	357,145	8%
Contingency	2,238,510	N/A	N/A	N/A	N/A
13 HES Fund					
Resources	13,113,053	4,237,081	4,574,736	337,655	8%
Expenditures	10,764,749	4,485,312	4,599,074	(113,762)	-3%
Contingency	2,348,304	N/A	N/A	N/A	N/A
15 Regional Water Fund					
Resources	1,890,428	562,917	706,215	143,298	25%
Expenditures	1,223,306	509,711	411,145	98,566	19%
Contingency	667,122	N/A	N/A	N/A	N/A

All four of these funds are projected on a straight line, 1/12th of budgeted expense or revenue per month.

Revenues for the **Street Fund** are **\$487,142 more** than projected. Expenditures are **\$184,2183** above projected.

Revenues in the **Utility Funds** are **\$1,298,879** above projected. Expenditures are **\$357,145** below projected.

The **HES Fund** revenue is **\$337,655** more than projected. Expenditures are **\$113,762 above** projected.

The **Regional Water Fund** revenues are **\$143,298** above projected. Expenditures are **\$98,566 less** than projected.

FY2023-24 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending November 30, 2023

	2023-2024 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,500,000	\$ 124,105	\$ 1,500,000	\$ 124,105	8.27%
N. 1st Place Reconstruction	\$ 4,175,000	\$ 1,166,007	\$ 4,175,000	\$ 1,586,488	38.00%
Penney Ave Roadway Improvement	\$ 1,000,000	\$ 242,087	\$ 1,000,000	\$ 541,393	54.14%
AWS System Expansion - RWS	\$ 20,949,400	\$ 720,004	\$ 20,949,400	\$ 3,065,723	14.63%
Lead and Copper Program	\$ 400,000	\$ 9,526	\$ 400,000	\$ 9,526	2.38%
Well #5 Water System Improvements	\$ 775,000	\$ 13,993	\$ 775,000	\$ 446,561	57.62%
Well #6 Backup Generator	\$ 380,000	\$ 220,095	\$ 380,000	\$ 290,529	76.46%
N. 1st Place Water Line Replacement	\$ 830,000	\$ 258,932	\$ 830,000	\$ 775,556	93.44%
Well #6 Chlorination	\$ 500,000	\$ 9,000	\$ 500,000	\$ 9,000	1.80%
Well #4 Control System	\$ 410,000	\$ 5,500	\$ 410,000	\$ 5,500	1.34%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Well #5 Wetwell Upgrades	\$ 150,000	\$ 1,075	\$ 150,000	\$ -	0.00%
McDonald's & 395 Sewer Main Replacem	\$ 370,000	\$ 22,156	\$ 370,000	\$ 44,156	11.93%
AWS Cooling Discharge	\$ 805,000	\$ 101,400	\$ 805,000	\$ 349,442	43.41%
Total	\$ 32,344,400	\$ 2,893,880	\$ 33,424,400	\$ 6,898,537	20.64%

Geer & Harper Re-alignment (\$1,500,000)

This intersection needs to be reconstructed to improve traffic/pedestrian access and ensure connectivity to property east of N. 1st Place. The current configuration makes access difficult for large trucks and traffic backs up on Harper Road during busy times during the day.

Current Update: No change in the status of this project. Still waiting for additional right-of-way acquisition.

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

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

Current Update: *The roadway work was completed, and the roadway was opened to traffic in November.*

Penney Ave. Extension (\$1,000,000)

Business Oregon awarded a grant of approximately \$600,000 to cover half of the cost of constructing an extension of Penney Ave. between Kelli Blvd. and US395. Council approved using ARPA funds to cover the local match (half). This project implements the Transportation System Plan by adding an additional connection in to the southern industrial area of the City.

Current Update: This project has been completed and are awaiting final billings.

FY2023-24 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending November 30, 2023

	2023-2024 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,500,000	\$ 124,105	\$ 1,500,000	\$ 124,105	8.27%
N. 1st Place Reconstruction	\$ 4,175,000	\$ 1,166,007	\$ 4,175,000	\$ 1,586,488	38.00%
Penney Ave Roadway Improvement	\$ 1,000,000	\$ 242,087	\$ 1,000,000	\$ 541,393	54.14%
AWS System Expansion - RWS	\$ 20,949,400	\$ 720,004	\$ 20,949,400	\$ 3,065,723	14.63%
Lead and Copper Program	\$ 400,000	\$ 9,526	\$ 400,000	\$ 9,526	2.38%
Well #5 Water System Improvements	\$ 775,000	\$ 13,993	\$ 775,000	\$ 446,561	57.62%
Well #6 Backup Generator	\$ 380,000	\$ 220,095	\$ 380,000	\$ 290,529	76.46%
N. 1st Place Water Line Replacement	\$ 830,000	\$ 258,932	\$ 830,000	\$ 775,556	93.44%
Well #6 Chlorination	\$ 500,000	\$ 9,000	\$ 500,000	\$ 9,000	1.80%
Well #4 Control System	\$ 410,000	\$ 5,500	\$ 410,000	\$ 5,500	1.34%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Well #5 Wetwell Upgrades	\$ 150,000	\$ 1,075	\$ 150,000	\$ -	0.00%
McDonald's & 395 Sewer Main Replacem	\$ 370,000	\$ 22,156	\$ 370,000	\$ 44,156	11.93%
AWS Cooling Discharge	\$ 805,000	\$ 101,400	\$ 805,000	\$ 349,442	43.41%
Total	\$ 32,344,400	\$ 2,893,880	\$ 33,424,400	\$ 6,898,537	20.64%

AWS System Expansion- RWS (\$20,949,400)

Amazon Web Services is paying to extend the City-owned 16" water main in Feedville Road approximately 7,000 feet to connect up with the City's other existing water infrastructure in Kelli Blvd. This project will also upgrade various pumps and motors in the Regional Water System, and also chlorinate and perform the necessary functions to convert the line to carry potable water. AWS is also paying the City to design a second, permanent, 24" non-potable water main in Feedville Road.

Current Update: The construction work associated with Phase 2 was awarded in November, with work anticipated to begin in December.

Lead and Copper Program (\$400,000)

New state and federal guidelines require drinking water systems to inventory all connections with lead or copper piping with a physical inspection by October 1, 2024.

Current Update: A contract to test a sample of 350 connections prior to 10/1/2024 was awarded in November. Pre-Construction meetings are scheduled in December, with a schedule for implementation to be determined then.

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FY2023-24 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending November 30, 2023

	2023-2024 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,500,000	\$ 124,105	\$ 1,500,000	\$ 124,105	8.27%
N. 1st Place Reconstruction	\$ 4,175,000	\$ 1,166,007	\$ 4,175,000	\$ 1,586,488	38.00%
Penney Ave Roadway Improvement	\$ 1,000,000	\$ 242,087	\$ 1,000,000	\$ 541,393	54.14%
AWS System Expansion - RWS	\$ 20,949,400	\$ 720,004	\$ 20,949,400	\$ 3,065,723	14.63%
Lead and Copper Program	\$ 400,000	\$ 9,526	\$ 400,000	\$ 9,526	2.38%
Well #5 Water System Improvements	\$ 775,000	\$ 13,993	\$ 775,000	\$ 446,561	57.62%
Well #6 Backup Generator	\$ 380,000	\$ 220,095	\$ 380,000	\$ 290,529	76.46%
N. 1st Place Water Line Replacement	\$ 830,000	\$ 258,932	\$ 830,000	\$ 775,556	93.44%
Well #6 Chlorination	\$ 500,000	\$ 9,000	\$ 500,000	\$ 9,000	1.80%
Well #4 Control System	\$ 410,000	\$ 5,500	\$ 410,000	\$ 5,500	1.34%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Well #5 Wetwell Upgrades	\$ 150,000	\$ 1,075	\$ 150,000	\$ -	0.00%
McDonald's & 395 Sewer Main Replacem	\$ 370,000	\$ 22,156	\$ 370,000	\$ 44,156	11.93%
AWS Cooling Discharge	\$ 805,000	\$ 101,400	\$ 805,000	\$ 349,442	43.41%
Total	\$ 32,344,400	\$ 2,893,880	\$ 33,424,400	\$ 6,898,537	20.64%

Well #5 Water System Improvements \$(775,000)

Well No. 5 has become the city’s primary water source in recent years and provides water to the main pressure zone, which is the baseline for the entire water system. However, the current pumping capacity is less than the water right associated with it. The project will increase pumping capacity to allow the city to use its full water right of 5,000 gallons per minute.

Current Update: Work continued through November.

Well #6 Backup Generator (\$380,000)

Well No. 6 is the primary well and the only well available that could provide minimal water supply to lower pressure zones in the city during a power outage. The current pump was last repaired in 1994, and the backup pump lacks the capacity to service the pressure zone. The pump covers service area including Walmart Distribution Center, Eastern Oregon Higher Education Center, Pioneer Seed, and EOTEC. Preventative maintenance will avoid significant inconvenience and loss of water to area businesses.

Current Update: Generator delivered in September, with contractor working to perform system connections.

North 1st Place Water Line Replacement (\$830,000)

This project will eliminate failing, deteriorating lines which will minimize future repair work. It will also eliminate steel pipes from the 1920’s and will improve public safety by ensuring no lead pipes.

Current Update: The majority of the project has been completed, accepted, and is functioning, with final closeout likely tied to closeout of the N 1st Roadway project.

FY2023-24 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending November 30, 2023

	2023-2024 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,500,000	\$ 124,105	\$ 1,500,000	\$ 124,105	8.27%
N. 1st Place Reconstruction	\$ 4,175,000	\$ 1,166,007	\$ 4,175,000	\$ 1,586,488	38.00%
Penney Ave Roadway Improvement	\$ 1,000,000	\$ 242,087	\$ 1,000,000	\$ 541,393	54.14%
AWS System Expansion - RWS	\$ 20,949,400	\$ 720,004	\$ 20,949,400	\$ 3,065,723	14.63%
Lead and Copper Program	\$ 400,000	\$ 9,526	\$ 400,000	\$ 9,526	2.38%
Well #5 Water System Improvements	\$ 775,000	\$ 13,993	\$ 775,000	\$ 446,561	57.62%
Well #6 Backup Generator	\$ 380,000	\$ 220,095	\$ 380,000	\$ 290,529	76.46%
N. 1st Place Water Line Replacement	\$ 830,000	\$ 258,932	\$ 830,000	\$ 775,556	93.44%
Well #6 Chlorination	\$ 500,000	\$ 9,000	\$ 500,000	\$ 9,000	1.80%
Well #4 Control System	\$ 410,000	\$ 5,500	\$ 410,000	\$ 5,500	1.34%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Well #5 Wetwell Upgrades	\$ 150,000	\$ 1,075	\$ 150,000	\$ -	0.00%
McDonald's & 395 Sewer Main Replacem	\$ 370,000	\$ 22,156	\$ 370,000	\$ 44,156	11.93%
AWS Cooling Discharge	\$ 805,000	\$ 101,400	\$ 805,000	\$ 349,442	43.41%
Total	\$ 32,344,400	\$ 2,893,880	\$ 33,424,400	\$ 6,898,537	20.64%

Well # 6 Chlorination (\$450,000)

The chlorine room at Well No. 6 is 5 feet by 8 feet and too small for its current use and is constructed of fiberglass. It was originally constructed to occasionally store chlorination equipment. It is now in constant use and has been damaged during the exchange of chlorine cylinders. A larger building will allow more efficient operation of the well.

Current Update: Design has begun.

Well #4 Control System (\$390,000)

The 2,500-gallon per minute Well No. 4 pump was designed in the 1960s and is obsolete. The control system is unreliable and inefficient, and the piping system has been dismantled to use for parts in other systems. The station experiences large pressure fluctuations and configuring the pump control valve is challenging. The pump house also needs to be updated to ensure reliability during peak demands.

Current Updates: Design has begun.

Gladys & Main Waterline Replacement (\$1,180,000)

Sections of this water distribution system were installed in the 1920s with steel pipe – some of the oldest pipe in the city water system. This project will eliminate failing, deteriorating and undersized line, reduce repair work, and improve public safety.

Current Update: Major design work has been completed in anticipation of advertising/award in the winter to begin construction in early 2024.

FY2023-24 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending November 30, 2023

	2023-2024 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,500,000	\$ 124,105	\$ 1,500,000	\$ 124,105	8.27%
N. 1st Place Reconstruction	\$ 4,175,000	\$ 1,166,007	\$ 4,175,000	\$ 1,586,488	38.00%
Penney Ave Roadway Improvement	\$ 1,000,000	\$ 242,087	\$ 1,000,000	\$ 541,393	54.14%
AWS System Expansion - RWS	\$ 20,949,400	\$ 720,004	\$ 20,949,400	\$ 3,065,723	14.63%
Lead and Copper Program	\$ 400,000	\$ 9,526	\$ 400,000	\$ 9,526	2.38%
Well #5 Water System Improvements	\$ 775,000	\$ 13,993	\$ 775,000	\$ 446,561	57.62%
Well #6 Backup Generator	\$ 380,000	\$ 220,095	\$ 380,000	\$ 290,529	76.46%
N. 1st Place Water Line Replacement	\$ 830,000	\$ 258,932	\$ 830,000	\$ 775,556	93.44%
Well #6 Chlorination	\$ 500,000	\$ 9,000	\$ 500,000	\$ 9,000	1.80%
Well #4 Control System	\$ 410,000	\$ 5,500	\$ 410,000	\$ 5,500	1.34%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Well #5 Wetwell Upgrades	\$ 150,000	\$ 1,075	\$ 150,000	\$ -	0.00%
McDonald's & 395 Sewer Main Replacem	\$ 370,000	\$ 22,156	\$ 370,000	\$ 44,156	11.93%
AWS Cooling Discharge	\$ 805,000	\$ 101,400	\$ 805,000	\$ 349,442	43.41%
Total	\$ 32,344,400	\$ 2,893,880	\$ 33,424,400	\$ 6,898,537	20.64%

Well #5 Wetwell Upgrades (\$150,000)

Lift Station No. 5 is one of the city’s newer lift stations. There is paint flaking on the pumps and hydrogen sulfide corrosion on interior surfaces from the raw sewage. Without upgrades, the mechanical equipment will need premature replacement.

Current Update: Design will begin soon.

McDonald’s & 395 Sewer Main Replacement (\$375,000)

Segments of this piping have been found to have structural failures in multiple locations and failing joints. These line failures cause pipe blockage and requires monthly cleaning. In addition, pipe failures may be allowing sewage to exfiltrate the surrounding soil. A new sewer line would eliminate current monthly maintenance costs and provide watertight lines to protect existing groundwater resources from contamination.

Current Update: Legal staff continues to work on necessary easement approvals for the final project.

AWS Cooling Discharge (\$805,000)

Amazon Web Services is paying the City to design a discharge solution for their non-contact cooling water which is used to cool their facilities. This solution will require installation of a lift station and approximately 10,600 feet of a new discharge water Main in Feedville and South 1st to discharge into the Hermiston Irrigation District’s A-Line Canal. This work will also require development of a separate NPDES Permit for the new discharge.

Current Update: Bids were opened on the pipelines portion of this project in November.

**FY2023-24 Monthly Financial Report
City of Hermiston, Oregon
Other City Capital Projects Report
For the Month Ending November 30, 2023**

	2023-2024 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Teen Adventure Park	\$ 591,049	\$ 391,562	\$ 591,049	\$ 417,842	70.69%

Teen Adventure Park (\$591,049)

The Teen Adventure Park Phase I will incorporate a 7500 sq/ft skatepark designed for use by teens and the community as a whole. Included in the design is the refurbishment of a restroom facility, bench seating, landscaping, irrigation and ADA accessible parking and pathways. The Teen Adventure Park is funded 50% by the Land and Water Conservation Fund grant through the Oregon Parks and Recreation Department. Location is near Hermiston High School across from the Public Safety Building.

Current Update: CA Skateparks continues to work on the entire site and is about 90% complete. The concrete work has been installed successfully and the restroom has been placed. Final tasks include finishing site pathways, landscaping and backfilling the area. Sidewalk work will be completed in the spring when the asphalt plant reopens. Anticipating a mid-December opening.