



CITY COUNCIL

AGENDA

MONDAY, OCTOBER 26, 2026

Where Life is Sweet

COUNCIL CHAMBERS - 180 NE 2ND ST.

Meetings are always open to the public in-person. Other ways of viewing or participating in live meetings are as follows:

View live meetings on YouTube at: <https://bit.ly/HermistonYouTube>

To participate in live meetings through Zoom, registration is required no later than 8am the day of the meeting by emailing meetings@hermiston.gov and providing participants full name and place of residence. The City Recorder will respond to sender with Zoom meeting details prior to the start of the meeting.

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

1. **CALL COUNCIL/CITY MANAGER WORK SESSION MEETING TO ORDER - 6:00 PM**
 - A. Public Transit/Council of Governments
 - B. Umatilla Electric Cooperative Presentation
2. **ADJOURN WORK SESSION MEETING**
3. **CALL REGULAR MEETING TO ORDER – 7:00 PM**
4. **DECLARATION OF QUORUM**
5. **FLAG SALUTE**
6. **PROCLAMATIONS & RECOGNITIONS**
 - A. Proclamation- 100 Year Anniversary of the Removal of the Black Exclusion Clause from the Oregon Constitution
 - B. Recognition- Hermiston Family Aquatic Center Lifeguard Rescue

- C. Recognition of Willard and Judy Fordice and Renaming the Harkenrider Activity Center Board Room to The Fordice Meeting Hall

7. CITIZEN INPUT ON NON-AGENDA ITEMS

Anyone wishing to bring anything before the council that is not on the agenda is asked to please do the following: 1. Please limit comments to not more than FIVE minutes; 2. State your name and place of residence; 3. Direct your comments to the Chair.

8. CONSENT AGENDA

- A. Committee Vacancy Announcement
- B. Appointment Confirmation of Hailey Beckwith to the Eastern Oregon Trade and Event Center Advisory Committee, Position 3, Representing the Greater Hermiston Hospitality & Tourism Committee- remaining 3-year term ending June 30, 2029.
- C. Appointment Confirmation of Jigish S. Patel to the Recreation Projects Fund Advisory Committee, Position 4, Representing the Greater Hermiston Hospitality & Tourism Committee- 3-year term ending December 31, 2029.
- D. Reappointment Confirmation of Lori Davis to the Budget Committee, Position 5, 3-year term ending December 31, 2029.
- E. Reappointment Confirmation of Dan Burns to the Airport Advisory Committee, Position 1, 3-year term ending October 31, 2029.
- F. Minutes of the October 12th City Council Work Session and Regular Meeting
- G. Minutes of the October 12th Public Infrastructure Committee Meeting

9. ITEMS REMOVED FROM CONSENT AGENDA

10. PUBLIC HEARINGS

- A. TSP Adoption & Code Amendments Chapters 154 & 157 - Hearing has been rescheduled to the November 9th City Council Meeting at 7:00pm

11. ORDINANCES AND RESOLUTIONS

- A. Ordinance No. 2385 – Amend Article V of Chapter 33 titled Initiative and Referendum
- B. Resolution No. 2444 – Amendment to Port of Umatilla IGA for IT Services.
- C. Resolution No. 2445 - Sherman Park Contract Award
- D. Resolution No. 2446- Jennie Ave. (LID 324) Contract Award.
- E. Resolution No. 2447- Validation of Aquatics Center Project

12. OTHER

- A. September 2026 Quarterly Investment Report

B. September 2026 Monthly Financial Report

13. COMMITTEE REPORTS

A. City Committee and Liaison:

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

B. Mayor's Report

C. Council President's Report

D. Council Report

E. Youth Advisory Report

F. Manager's Report

14. ADJOURN

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

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



PROCLAMATION

The 100 Year Anniversary of the Removal of the Black Exclusion Clause from the Oregon Constitution

WHEREAS, Oregon entered the Union in 1859 as the only state admitted with a Black exclusion clause embedded in its Constitution. The constitutional clause was approved by Oregon voters in 1857 and reflected a broader history of exclusionary laws enacted by Oregon's provisional and territorial governments, including earlier Black exclusion laws adopted in 1844 and 1849; and

WHEREAS, these constitutional and statutory exclusion measures were part of a broader pattern of discrimination that created a legal system designed to prevent Black settlement and establish Oregon as a predominantly White state; and

WHEREAS, the human impact of these laws is powerfully illustrated by the case of Jacob Vanderpool, a Black business owner in Oregon City who in 1851 became the only known person formally expelled from Oregon under the 1849 exclusion law after a White competitor lodged a complaint; and

WHEREAS, Jacob Vanderpool's story continues to resonate today, including the fact that his last known publicly recorded act was registering to vote in California in 1886, a powerful testament to his determination to participate in civic life despite the discrimination and exclusion he endured; and

WHEREAS, on November 2, 1926, Oregon voters removed the exclusion clause from the state constitution, with 62.52 percent of votes cast on the amendment in favor of repeal, a significant milestone, though one underscored by the reality that nearly four in ten votes cast on the amendment supported retaining the racist clause;

WHEREAS, this proclamation seeks to openly acknowledge this history and recognize the presence, resilience, and contributions of Black residents and leaders within Hermiston's community, affirming that honoring this truth is vital to building a more inclusive and equitable community; and

WHEREAS, understanding this history is essential for addressing the ongoing impacts of exclusion, fostering community belonging, and guiding the work ahead toward equity, justice, and repair.

NOW, THEREFORE, I, Doug Primmer, Mayor of the City of Hermiston, do hereby proclaim November 2, 2026:

The 100 Year Anniversary of the Removal of the Black Exclusion Clause from the Oregon Constitution

in the City of Hermiston and ask all Hermistonians to reflect on this history and commit to eliminating all forms of racism in our community.

SIGNED this 26th day of October, 2026

Doug Primmer, Mayor



Where Life is Sweet

Members of Committees and Boards
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

HFAC Lifeguard Rescue Recognition

Summary and Background

The Hermiston Family Aquatic Center welcomes more than 80,000 visitors during its operating season, which extends from May through the end of October. During the 10-week public swim season, lifeguard staff averaged one rescue or assist per day. These responses reflect the vigilance, preparation, and attentiveness required of staff as they watch the water and protect patrons. While many of these responses happen without public recognition, each requires staff to remain alert, recognize distress, and act quickly.

On August 6, 2026, lifeguards responded to a patron who experienced a medical emergency while coming down a waterslide. The patron briefly lost consciousness and required rescue from the slide pit area.

Mason recognized the emergency, activated the facility's Emergency Action Plan, and entered the water to assist. Hunter and Daniel responded to support the rescue. Together, they extricated the patron from the water using a backboard and provided emergency care. The patron regained consciousness and made a quick and full recovery.

The team's quick response, coordination, and professional conduct helped bring the patron to safety while maintaining a calm environment for other visitors.

This recognition honors Mason Miracle, Hunter Link, and Daniel Faaeteete for their actions and commitment to patron safety. Their response demonstrates the importance of lifeguard training, preparation, and teamwork, and reflects the readiness of the entire aquatic center staff.

Tie-In to Council Goals

Focus Area - Wellness: A Healthy Community

Fiscal Information

N/A

Alternatives and Recommendation

Alternatives

Recommended Action/Motion: Recognize the three HFAC staff members for their response and service to the community.

Submitted By:

Brandon Artz, Parks & Recreation Director



Where Life is Sweet

Members of Committees and Boards
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

Recognition of Willard and Judy Fordice and Renaming of the Harkenrider Activity Center Board Room

Summary and Background

Willard and Judy Fordice have been part of the Hermiston community for more than six decades. They were married in 1960 and settled in Hermiston in 1964 following Willard's service in the United States Army, which included 13 months in Korea.

In 1994, Willard and Judy began serving the Hermiston Senior Center. Over the following 32 years, they became central to the leadership, operation, and identity of the organization. They regularly volunteered five days each week, supporting the Senior Board, programs, activities, meals, facility operations, finances, and the daily needs of local seniors. Their service was performed entirely on a volunteer basis.

Willard served for many years as president of the Hermiston Senior Center Board. In addition to his board leadership, he drove the Senior Bus, delivered meals, and transported seniors to activities and events.

Judy also served in leadership roles with the Senior Board and fulfilled many of the responsibilities associated with overseeing the daily operation of the Senior Center. Together, Willard and Judy were actively involved in nearly every aspect of the Senior Board and Senior Center operations.

Much of their volunteer service was performed as a team. Their individual strengths complemented one another, and their shared commitment provided the Senior Center with consistency, stability, and personal care for more than three decades.

In 2018, Willard and Judy played an important role in transitioning senior programs into the Harkenrider Activity Center. Their leadership, knowledge, and longstanding relationships helped seniors adjust to the new facility while preserving the friendships, programs, and sense of belonging that had developed over many years.

Honoring Their Service

The Parks and Recreation Advisory Committee has unanimously recommended renaming the Board Room at the Harkenrider Activity Center as the **Fordice Meeting Hall**. The proposed name recognizes Willard and Judy's extraordinary volunteer service, their leadership of the

Hermiston Senior Center Board, their assistance with the transition into the Harkenrider Activity Center, and their lasting impact on Hermiston's senior community.

Naming the room in their honor will provide a permanent reminder of their legacy and the difference that dedicated volunteer service can make within a community.

Tie-In to Council Goals

Focus Area - Wellness: A Healthy Community

Fiscal Information

Minor costs associated with permanent room signage and a commemorative plaque will be covered through the Parks and Recreation Department's existing budget.

Alternatives and Recommendation

Alternatives

The City Council may approve the proposed name, select a different name, send the naming recommendation back to the Parks & Recreation Advisory Committee or decline to rename the room.

Recommended Action/Motion:

Staff and the Parks and Recreation Advisory Committee recommend that the City Council approve renaming the Board Room at the Harkenrider Senior Activity Center as the Fordice Meeting Hall.

Submitted By:

Brandon Artz, Parks & Recreation Director



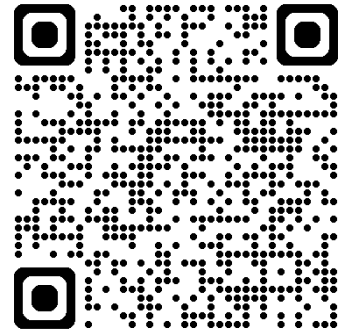
PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

1. [Eastern Oregon Trade & Event Center](#) (Advertised 09/24/2026)
 - o Position 7, Representing the Community At-Large, remainder of a 3-year term ending June 30, 2028
2. [Faith-Based Advisory Committee](#) (Advertised 08/20/2026)
 - o Position 1 & 2, with a 3-year term ending December 31, 2029
3. [Parks & Recreation Advisory Committee](#) (Advertised 08/20/2026)
 - o Position 7, with a 3-year term ending October 31, 2029

Deadline to apply for Committees: Open Until Filled

Applications and more information about these and all other City Committee's, Board's, and Commission's can be found on the City's website at: <https://hermiston.or.us/volunteer> or by using the QR Code. Have questions or are interested in applying? Reach out to Lilly Alarcon-Strong at: City Hall, 180 NE 2nd Street, Hermiston, at lalarcon-strong@hermiston.gov, or at 541-567-5004.



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



CITY COUNCIL

Work Session Meeting Minutes October 12, 2026

Mayor Primmer called the City Council work session meeting to order at 6:00pm. Present were Councilors Hayward, Myers, McCarthy, Duron (arrived at 6:36pm), and Kelso. Councilors Roberts and Barron were excused, and Councilor Linton was absent. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Richard Tovey, Finance Director Ignacio Palacios, Police Chief Jason Edmiston, Planning Director Clint Spencer, Assistant Planner Heather La Beau, and City Recorder Lilly Alarcon-Strong.

Housing Code Updates

Winterbrook Associate Planner Keava Campbell and Planning Director Clint Spencer presented information (attached) regarding Legislative Changes to Oregon Administrative Rules and Revised Statutes and explained how these changes will impact the City.

After presenters addressed questions from the Council, the Council agreed that they would prefer to wait to implement these changes until the City reaches the required implementation population of 25,000 as well as agreed to the recommendations regarding only allowing ADUs on single-unit development lots, removing multi-unit (5+ unit) apartments as a conditional use in R—and allow in R-3, and remove boarding and rooming houses-allowing SROs to cover them.

(Councilor Duron arrived at 6:36pm)

Planning Director Spencer stated final review will be presented to the City Council at a later date for adoption before implementation.

Adjournment

Mayor Primmer ended the work session at 6:42pm and stated the City Council would convene for their regular council meeting after a short recess.

Hermiston Code Update

City Council Work Session

City of Hermiston, Oregon
Monday, October 12, 2026



Funded by the DLCD 2025-2027 Planning Assistance Grant Program

WORK SESSION OVERVIEW

Agenda



- | | |
|--------|---|
| 5 min | Project Overview |
| 15 min | Statutory Requirements |
| 30 min | PC Recommendations and Policy Decisions |

City Council Work Session – October 12, 2026 – Hermiston, Oregon

PROJECT OVERVIEW

What's this Code Update About?

Amendments to the Hermiston Municipal Code (HMC) to comply with State Law changes addressing housing need.



Process

1. Review Legislative Changes to Oregon Administrative Rules (OAR) and Revised Statutes (ORS)
2. Assess Hermiston Municipal Code
3. Draft and Finalize Code Updates
4. Adopt

City Council Work Session – October 12, 2026 – Hermiston, Oregon

Regulatory Compliance

City Council Work Session – October 12, 2026 – Hermiston, Oregon

REGULATORY COMPLIANCE

Regulatory Compliance Changes for Hermiston

- **SB 1537, SB 974, HB 4037** – Require more application types to be limited land use or similar administrative review.
- **HB 2138, HB 4063** – Require middle housing types and SROs, reduce development barriers such as required traffic studies, and expedite middle housing land divisions.
- **HB 3395** – Allows affordable housing on commercial lands; requires SROs and duplexes in all residential zones.
- **HB 3560** – Expands where family child care homes and child care centers are allowed.
- **HB 2347, HB 4064** – Bars stricter standards for manufactured dwellings than site-built homes; updates definitions.

City Council Work Session – October 12, 2026 – Hermiston, Oregon

REGULATORY COMPLIANCE

Overarching Changes

Across Chapters 154 and 157

- **Administrative review** – Staff decision only for most residential-related applications; all tentative subdivisions and partitions, replats; some nonconforming uses in new streamlined section.
- **Clear and objective standards** – a code path for residential applications without discretion: can each standard be answered “met” or “not met”?
- **Middle housing** – duplexes, triplexes, quadplexes, cottage clusters, and townhouses. Medium cities must allow duplexes in all residential zones; large cities must allow all types.



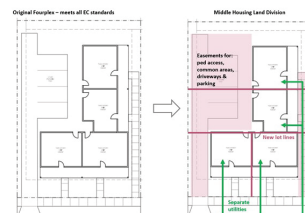
City Council Work Session – October 12, 2026 – Hermiston, Oregon

REGULATORY COMPLIANCE – CHAPTER 154 LAND DIVISIONS

Chapter 154: Land Divisions

HMC 154.73 [new] and 154.74 [new]

- Rename chapter “Land Divisions”; staff decides preliminary plats and replats.
- Discretionary standards revised to be clear and objective.
- **Expedited Land Divisions** – 63-day staff review of residential applications meeting a density or affordability threshold.
- **Middle Housing Land Divisions** – simplified, expedited process so each middle housing unit sits on its own lot.



Source: City of Eugene, 2025

City Council Work Session – October 12, 2026 – Hermiston, Oregon

REGULATORY COMPLIANCE – CHAPTER 157 ZONING

Chapter 157: Housing Types

HMC 157.025–157.029, 157.136, 157.145, 157.153, 157.155, 157.156

- **Middle housing** – all types allowed in residential zones; new supplemental provisions; limited traffic impact consideration.
- **ADUs and SROs** – allowed in all residential zones; no ADU parking; new SRO standards.
- **Bonus units** – affordability and accessibility bonuses of 1–2 units on middle housing; adopt DLCDC’s model code module.
- **Manufactured housing** – matched standards to site-built homes; parks allowed in R-2 and above.



Source: City of Hermiston

City Council Work Session – October 12, 2026 – Hermiston, Oregon

Chapter 157: Other Uses

HMC 157.002, 157.040, 157.041, 157.055, 157.157, 157.158

- **Residential Uses on Commercial lands** – two definitions of affordable housing on commercial lands and commercial-to-residential conversions allowed.
- **Emergency Shelter Siting** – move temporary shelter requirements into a new section compliant with housing law; City Council reviews at a public hearing, court has final decision.
- **Family Child Care Homes** – allowed in all residential and commercial zones; centers also in Light Industrial.
- **Clean-up** – amend nonconforming uses; replace “family” with “unit.”



Source: Restore Oregon (2024)

City Council Work Session – October 12, 2026 – Hermiston, Oregon

PC Recommendations and Policy Decisions

City Council Work Session – October 12, 2026 – Hermiston, Oregon

Planning Commission Discussion Topics

- Large City Requirements
- Residential and Commercial Allowances
- Residential Dimensional Standards
- Residential Design Standards

City Council Work Session – October 12, 2026 – Hermiston, Oregon

Large Cities Requirements

HMC 157.025 through 157.029

- Hermiston Population: 20,300 (PSU Population Estimate)
- State requirements “kick in” at 25,000 (Large City).
- Council committed to proactively implementing Large City requirements at beginning of grant.
- Planning Commission suggests a middle ground:
 - All middle housing in R-3, R-4, and RR.
 - Only duplexes (required) in R-1 and R-2.

Additional Large Cities Requirements

- Allow all middle housing types in all residential zones.
- Allow middle housing land divisions for all middle housing types.
- Allow bonus units for middle housing types.

City Council Work Session – October 12, 2026 – Hermiston, Oregon

PLANNING COMMISSION RECOMMENDATIONS

Other Allowed Uses – Residential Zones

HMC 157.136, HMC 157.026, and 157.027

- ADUs are only allowed on single-unit development lots.
- Conditional uses are discretionary, so housing cannot be a conditional use.
 - Remove multi-unit (5+ unit) apartments as a conditional use in R-2; allow in R-3.
- Remove boarding and rooming houses; SROs cover them.



Source: Google Streetview (2025)



Source: Tower Apartments

City Council Work Session – October 12, 2026 – Hermiston, Oregon

PLANNING COMMISSION RECOMMENDATIONS

Allowed Uses – Commercial Zones

HMC 157.040 through HMC 157.043

- Residential uses can't be conditional. Allow market-rate apartments in C-1, not C-2.
 - Allow all middle housing types in NCO.
 - Subject to R-3 dimensional/parking standards.
- Prohibit ground-floor storefront residential in C-1 and DCO on arterial and major collector streets per the TSP.



Source: City of Hermiston

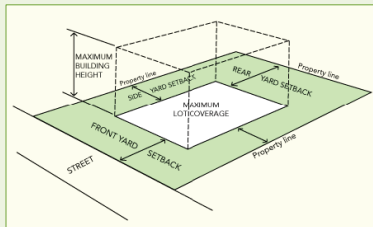
City Council Work Session – October 12, 2026 – Hermiston, Oregon

PLANNING COMMISSION RECOMMENDATIONS

Residential Dimensional Standards

HMC 157.025 through 157.029

- Replace the scaled rear setback (+1 ft of setback per ft of height above 15 ft) with 10 ft up to 20 ft height and 20 ft setback above.
- Keep existing multi-unit minimum lot sizes.
- Keep existing maximum lot coverage.



Source: City of Walnut Creek

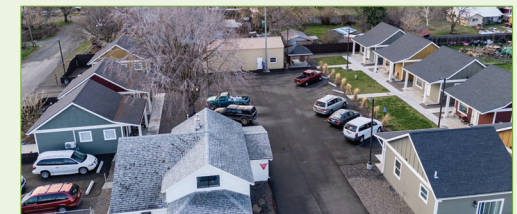
City Council Work Session – October 12, 2026 – Hermiston, Oregon

PLANNING COMMISSION RECOMMENDATIONS

Residential Design Standards

HMC 157.154 [new] and HMC 157.155 [new]

- Largely maintain lenient design standards, but:
 - Regulate windows and doors for plexes, townhouses, and multi-unit.
 - Additional cottage cluster standards to retain key cottage characteristics.



Source: Age+, 1000 Friends of Oregon

City Council Work Session – October 12, 2026 – Hermiston, Oregon

THANK YOU!

City Council Work Session

City of Hermiston, Oregon
Wednesday, October 12, 2024



Funded by the DLCD 2025-2027 Planning Assistance Grant Program



CITY COUNCIL

Regular Meeting Minutes

October 12, 2026

Mayor Primmer called the regular meeting to order at 7:00pm. Present were Councilors Hayward, Myers, McCarthy, Duron, and Kelso. Councilors Roberts and Barron were excused, and Councilor Linton was absent. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Richard Tovey, Finance Director Ignacio Palacios, Police Chief Jason Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Assistant Planner Heather La Beau, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Citizen Input on Non-Agenda Items

None given.

Consent Agenda Items

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

- A. Committee Vacancy Announcement 1
- B. Appointment Recommendation of Hailey Beckwith to the Eastern Oregon Trade and Event Center Advisory Committee, Position 3, Representing the Greater Hermiston Hospitality & Tourism Committee- remaining 3-year term ending June 30, 2029.
- C. Appointment Recommendation of Jigish S. Patel to the Recreation Projects Fund Advisory Committee, Position 4, Representing the Greater Hermiston Hospitality & Tourism Committee- 3-year term ending December 31, 2029.
- D. Reappointment Recommendation of Lori Davis to the Budget Committee, Position 5, 3-year term ending December 31, 2029.
- E. Reappointment Recommendation of Dan Burns to the Airport Advisory Committee, Position 1, 3-year term ending October 31, 2029.
- F. Minutes of the September 28th, Regular Meeting of the City Council

Motion carried unanimously with Councilors Hayward, Myers, McCarthy, Duron, and Kelso voting in favor.

Items Removed from the Consent Agenda

No items were removed.

Public Hearing- Rezone: Celski Hermiston, LLC - 1320 & 1340 NE 4th St 4N2802CD TL 400 & 600 (Ordinance No. 2387) – Hearing no declarations of conflict of interest or ex parte contact from the Council, Planning Director Spencer read the hearing guidelines aloud and Mayor Primmer opened the hearing at 7:05pm.

Planning Director Spencer presented his report as provided in the agenda packet and additional information (attached) stating Celski Hermiston, LLC has submitted an application to amend the zoning map for land located at 1340 NE 4th Street. Current zoning for the two parcels is Outlying Commercial (C-2) and the applicant proposes to add the Neighborhood Commercial Overlay (NCO) to both parcels to facilitate multi-family housing.

There were no proponents, opponents, or neutral parties who wished to speak and Mayor Primmer closed the hearing at 7:08pm.

After staff answered questions from the Council and Council comment, Councilor Kelso moved and Councilor Myers seconded to approve the Findings of Fact as prepared in the agenda packet.



CITY COUNCIL

Regular Meeting Minutes

October 12, 2026

Mayor Primmer announced that this item would be presented again during Ordinance No. 2387 for final adoption and asked the Council to consider moving Ordinance No. 2387 from 10. B to 10. A. The Council agreed.

Ordinance No. 2387- Rezone: Celski Hermiston, LLC - 1320 & 1340 NE 4th St 4N2802CD TL 400 & 600

Mayor Primmer announced that this item was presented during the Public Hearing which had now been closed, and as such, no other evidence or public testimony would be received.

After City Attorney Tovey read the ordinance by title only, Councilor McCarthy moved and Councilor Hayward seconded to adopt Ordinance No. 2387 at a single meeting and become effective 30-days after adoption by the City Council. Motion carried unanimously with Councilors Hayward, Myers, McCarthy, Duron, and Kelso voting in favor.

Ordinance No. 2385- Amend Article V of Chapter 33 Titled Initiative and Referendum- SECOND MEETING

Mayor Primmer announced that this item was presented at the September 28th meeting and held its first reading.

After City Attorney Tovey read the ordinance by title only, for a second meeting, Councilor Hayward moved and Councilor Myers seconded to adopt Ordinance No. 2385 and become effective 30-days after adoption by the City Council. Councilors Hayward, Myers, Duron, and Kelso voted in favor, and Councilor McCarthy voting against. City Attorney Tovey stated the motion failed 4-1 as at least 5 Councilors must vote in favor to pass an ordinance. Councilor Kelso moved and Councilor McCarthy seconded to have this Ordinance be reconsidered at the next City Council meeting, which was approved unanimously with Councilors Hayward, Myers, McCarthy, Duron, and Kelso voting in favor.

2026 Quarterly Council Goal Setting Update

City Manager Smith presented information (attached) and provided in the agenda packet regarding updates on the 2026 Council Goals.

After staff answered questions from the Council, Mayor Primmer stated no Council action is being requested as this was presented as informational only.

Committee Reports

Parks and Recreation Advisory Committee: Councilors Duron and Myers spoke regarding the Senior Boards new leadership and encouraged the community to eat lunch provided by the Senior Board at the Harkenrider Activity Center, provided the meal calendar (attached), and asked that those wanting to eat lunch please call the Senior Board by 10:30am that day so they can prepare enough meals; recognized Willard and Judy Fordice for 32-years of service as the Senior Boards Directors; and spoke regarding the many youth and adult activities being provided by the department to include: Treats on Main, 3K Haunted Huddle, Horizon Park Dedication, and more; Tree Revitalization on November 3rd where 70 trees will be planted by volunteers at EOTEC, and the new Funland Park fencing.

Hispanic Advisory Committee: Councilor Kelso congratulated the Committee on a great Hispanic Heritage Month Celebration on Saturday, October 3rd at the Community Center, stating the event had great entertainment, food, and attendance.

EOTEC Advisory Committee: Councilor Kelso stated the Committee held its strategic plan meeting and was very informative with a great facilitator.



CITY COUNCIL

Regular Meeting Minutes October 12, 2026

Public Infrastructure Committee: Mayor Primmer stated the Committee received updates regarding Gettman Road, CIP, the roundabout at Punkin Center and HWY 395, as well as new sewer rates for hotels that will be fairer for their consumption.

Mayor's Report

Mayor Primmer spoke regarding:

- Many upcoming events that took place/are taking place in the City to include: Stepping Stones Alliance Fundraising Gala and Land of Frights at EOTEC
- LOC Annual Conference that will be taking place this week
- New EOTEC RV Park

Council President's Report

Council President McCarthy encouraged the public to attend the 4th Annual Chamber of Commerce Volunteer Fair event at EOTEC on Wednesday.

Council Reports

Councilor Kelso thanked the Parks and Recreation Department for completing the fencing at Funland Park, stating it is noticeable and safer for kids and encouraged the public to attend the Dia de los Muertos event at Hermiston High School.

Youth Advisory Report

None present.

City Manager's Report

City Attorney Tovey announced the Title of Ordinance No. 2387 was incorrect as read earlier in the meeting and the correct title needed to be read into the record. City Attorney then read the correct title of Ordinance No. 2387 into the record.

City Manager Smith spoke regarding:

- Nine Youth Advisory Committee members and Mr. Davis will be attending the LOC Conference
- Announced Socorro "Coco" Pacheco has accepted the new Library Director position and will start January 6, 2027 to accommodate her family's transition and move from California
- Asked for a volunteer to shoot a short video for the website's "Ask Hermiston" answering various questions received and a question asking if the City thinks a hotdog is a taco. Councilor McCarthy volunteered.

Adjourn

There was no other business and Mayor Primmer adjourned the regular City Council meeting at 7:41pm.

SIGNED:

Doug Primmer, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder



Celski Hermiston LLC Rezone Request

October 12, 2026



Project Location




Hermiston City Council Goal Update

October 2026



Where Life is Sweet



Goal Areas



- Growing + Prosperous
- Safe + Healthy
- Sustainable
- Connected + Engaged



What is the process?



City Council Goal
Setting
January 2026

City Council Adopted Goal
Setting Report
March 2026

Goal Setting Quarterly
Updates
July 2026
October 2026

Goal
Area

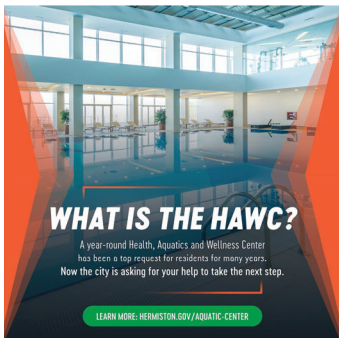
Growing + Prosperous



- Pursue additional retail investments and educate on retail efforts and processes
- Recent Presentation from Retail Strategies along with Downtown Strategies work
- Explore/evaluate strategies to increase tourism and entertainment in Hermiston
- Held a stakeholder meeting with the EOTEC Advisory Committee meeting

Goal
Area

Safe + Healthy



- Complete feasibility and possible next steps for HAWC
- Report and recommendations scheduled for October 26 City Council Meeting
- Implement red light photo enforcement along Hwy 395
 - Final RFP being drafted

Goal
Area

Sustainable



- Conduct public engagement to identify use scenarios, evaluate all options, and finalize plan for Carnegie Building
- Historic Register Application, finalizing operational agreement
- Finalize records digitization
- Records clerk actively reviewing and scanning physical records

Goal
Area

Connected + Engaged



- Finalize charter review
- Proposed Changes on November 2026 Ballot



***Any
questions?***

- Full list of tasks in packet

Hermiston Senior Center Menu for OCTOBER 2026

255 NE 2nd Street Phone: 541-567-3582

Meals on Wheels: Delivered Tuesdays & Thursdays - Call before 10am

Take Out Meal available by calling before 11am & pick up 11:30am-noon

Meals Prices		<u>Meals served in-house at noon call & let us know you're coming!</u>		
Age 10 and Under FREE		MEALS ARE SUBJECT TO CHANGE!		
All others: \$ 5.00		Thank you for your support!!		
Meals on Wheels: \$ 5.00		Remember we are still collecting Bottles & Cans!		
			Thurs. 1 Meatloaf / Mashed Potato & Gravy Pea Salad & Dessert	Fri. 2
Mon. 5	Tues. 6 Kielbasa Peppers & Potatoes / Fruit Bread Stick / Dessert	Wed. 7	Thurs. 8 Baked Fish Potato Salad Fruit & Dessert	Fri. 9
Mon. 12	Tues. 13 Tamale Pie Spanish Rice Vegetable & Dessert	Wed. 14	Thurs. 15 Ham & Split Pea Soup Rolls / Fruit / Jello & Dessert	Fri. 16
Mon. 19	Tues. 20 Chicken & Biscuit Casserole / Coleslaw Fruit & Dessert	Wed. 21	Thurs. 22 Pork Loin / Fried Potatoes / Green Beans Dessert	Fri. 23
Mon. 26	Tues. 27 Ham & Pea Fettuccine Green Salad / Dessert	Wed. 28	Thurs. 29 Chicken Tenders Jo Jos / Fruit & Dessert	Fri. 30



Where Life is Sweet

Public Infrastructure Committee Meeting Minutes

October 12, 2026

Mayor Primmer called the meeting to order at 5:00 p.m. Council Representative McCarthy arrived at 5:13PM. City staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, Wastewater Superintendent Bill Schmittle, Water Superintendent Roy Bicknell, Streets Superintendent Roberto Herrera, Finance Director Ignacio Palacios, Planning Assistant Heather La Beau, and Administrative Assistant Chantel Waldo. Also present were Anderson Perry engineers Joshua Lott and Alan Davis.

Throughout the project updates, Assistant City Manager Morgan used Google Earth to illustrate the locations of the projects being discussed.

E Highland Water Line and View Drive Booster

Assistant City Manager Morgan reported that design work on the E. Highland Water Line and View Drive Booster Pump Station projects has been paused. Both are long-planned replacements included in the upcoming budget; however, staff are preserving cash while awaiting the outcome of the City's PFAS grant application. Morgan stated that neither project requires immediate action and both may be reconsidered in the next fiscal year depending on funding availability.

Ott Road Realignment and Airport Runway Extension

Assistant City Manager Morgan reported that the City acquired approximately 140 acres to facilitate relocating Ott Road outside the airport runway protection zone. The City has a ten year obligation associated with approximately \$2 million in FAA funding used for the property acquisition. Environmental and cultural work has been completed for the anticipated road alignment, which is intended to preserve as much agricultural land as practical.

The FAA's capital improvement plan schedules runway resurfacing for federal fiscal year 2030. Staff hope to coordinate that work, estimated at \$3 million, with a proposed 500 foot runway extension estimated at \$5 million. The combined planning estimate is approximately \$8 million, with an anticipated FAA contribution of approximately \$2.7 million. Morgan noted that the road relocation estimate may be reduced as design advances.

Mayor Primmer asked about the runway protection zone, future extension limitations, and the expected closure period. Morgan explained that the extension would accommodate additional operations by aircraft already capable of using the airport, particularly under conditions affecting takeoff performance. The extension is likely the last practical expansion without relocating major infrastructure. Runway resurfacing may require approximately four to six weeks of closure, although construction could continue for several months with measures to accommodate smaller aircraft where feasible.

FCS Group: Utility Rate Analysis

Assistant City Manager Morgan reported that FCS Group has been engaged to conduct a utility rate analysis. The City's last significant rate restructuring occurred in 2018–2019, when distinctions between residential and commercial customer classes were largely removed. The study will examine whether rates appropriately reflect the cost of service for different customer classes and whether one class is subsidizing another, including the costs associated with data center water use and wastewater discharge. The analysis is expected to take approximately five to six months, and no immediate Council action is anticipated.



Where Life is Sweet

Public Infrastructure Committee Meeting Minutes

October 12, 2026

FCS Group: Feedville Transportation Impact Zone SDC

Assistant City Manager Morgan stated that FCS Group will also develop a transportation system development charge (SDC) methodology for the Feedville Road corridor. Approximately 800 acres south of Feedville Road were recently annexed with a hyperscale data center overlay, and additional development is anticipated. Rather than requiring each development to construct isolated roadway improvements along its frontage, staff are considering a corridor-wide impact zone that would collect transportation SDCs as development occurs. Funds could then be used for coordinated reconstruction and improvements when sufficient revenue is available.

2027 CIP Update

Assistant City Manager Morgan reported that staff are updating the City's rolling five-year Capital Improvement Plan (CIP), which is reviewed on a two-year cycle. Departments have been asked to identify additional projects and update cost estimates for existing projects. Staff anticipate presenting the 2027 CIP update in January, around the same time as the annual consumer price index adjustment to utility rates.

Hotel/Motel Sewer Rates

Assistant City Manager Morgan discussed the existing sewer rate structure for hotels and motels, which assesses a monthly base charge for every room regardless of occupancy. At approximately \$42 per room, a 100-room hotel would pay about \$4,200 in monthly base charges before usage charges. Morgan explained that the structure may not accurately reflect hotel and motel impacts on the wastewater system.

Staff are considering an annual adjustment based on each property's occupancy during the previous calendar year, calculated using transient lodging tax and tourism promotion assessment records. Under the proposal, a 100-room hotel with 55% annual occupancy would be assessed as a 55 base charge for the following year. Annual rather than monthly or quarterly adjustments would reduce the administrative burden. Mayor Primmer expressed support for the approach as a potentially more equitable method. Morgan noted that staff will continue working with the Finance Department before bringing a proposal forward.

395/Punkin Center Water Line

Assistant City Manager Morgan reported that ODOT is planning a roundabout at Highway 395 and Punkin Center Road. Although the City does not currently anticipate extending a water main through the intersection, staff are coordinating with ODOT to install an inactive, valved water main during roundabout construction. The estimated City cost is \$250,000 to \$300,000. Installing the line now would avoid the cost and disruption of cutting through the completed roundabout if future development requires a water connection.

Mayor Primmer asked whether other utilities should be installed at the same time. Morgan stated that a sewer extension through the intersection is not currently anticipated due to topography and that ODOT is addressing stormwater needs as part of its project.

Geer/Harper Intersection

Assistant City Manager Morgan reported that work at the Geer/Harper intersection is nearing completion, and River Road has reopened to two-way traffic. Remaining work at the intersection is expected to be completed soon. The railroad crossing itself will remain closed into the spring while the railroad completes



Where Life is Sweet

Public Infrastructure Committee Meeting Minutes

October 12, 2026

its design and the crossing improvements, including crossing arms, are constructed. Mayor Primmer noted that the schedule had been understood depending on the railroad's work.

Orchard Ave Water Main

Assistant City Manager Morgan reported that the Orchard Avenue water main replacement between SW 7th and SW 11th Streets is progressing well, with additional related work near SW 9th Street and Highway 207. Based on lessons learned from previous water main replacement projects, the City expanded the scope to grind and resurface the full roadway rather than patch only the utility trench. Missing sidewalk segments along Orchard Avenue are also being installed, particularly because of the street's proximity to an elementary school. The project is anticipated to be completed within the next one to two months.

Evelyn Ave. Sewer

Assistant City Manager Morgan reported that the Evelyn Avenue sewer project is substantially complete. The project addresses a longstanding sewer capacity bottleneck serving the southeast industrial and airport area. It is the third phase of improvements identified to increase capacity along the corridor and is approaching final closeout.

NW 2nd & Dogwood LID

Assistant City Manager Morgan reported that the N.W. 2nd Street Local Improvement District (LID) and the city funded Dogwood Avenue improvements are nearing completion. The work includes paving and sidewalks, with remaining utility adjustments before the roadway opens to traffic. The improvements will provide an alternate route as ODOT installs traffic delineators along Elm Avenue near Highway 395 that will restrict certain left turns.

Morgan stated that final LID costs will be reconciled after project closeout, and the resulting assessments for adjoining properties are expected to be presented to City Council this winter. Current costs are expected to be close to the original estimates.

Jennie Ave. LID

Assistant City Manager Morgan reported that the Jennie Avenue LID will extend roadway improvements from the existing dead end toward 10th Street, including paving, sidewalk, and drainage features sufficient to accommodate two-way traffic. The project has been advertised for bids, with bids expected to open soon. Staff anticipate seeking a contract award later in the fall and beginning construction in early 2027.

Gettman Road Extension (GRATE Phase 2)

Assistant City Manager Morgan reported that the Gettman Road Extension, GRATE Phase 2, remains dependent on securing the final right-of-way parcels. Most of the property needed has been acquired, but negotiations continue for two parcels. A trial related to the remaining acquisitions is scheduled for the second week of December. Once the City controls the full right of way, staff intend to proceed with final design and subsequent construction. The extension is intended to connect Gettman Road with Highway 395 at Port Drive.

SE 10th Bridge (GRATE Phase 3)

Assistant City Manager Morgan reported that GRATE Phase 3 will replace the existing one-lane bridge over the canal at SE 10th Street with a two-lane bridge. Design is nearly complete, with bidding and contract



Where Life is Sweet

Public Infrastructure Committee Meeting Minutes

October 12, 2026

award anticipated in November or December. Construction is planned for the winter while the canal is out of service, with completion anticipated before irrigation water returns in the spring. The new bridge will connect to the existing two-lane pavement; additional improvements along SE 10th Street may be needed in future phases. Each lot in the new development to the southeast of the bridge was assessed \$500 to help fund this project.

ASR Update

Assistant City Manager Morgan reported that the Aquifer Storage and Recovery (ASR) project has been injecting water into the aquifer since May at approximately 1,300 gallons per minute. Approximately 260 million gallons had been injected as of the meeting. Staff are working toward an initial target of approximately 400 million gallons, potentially reaching that amount before the end of March target. Additional water quality testing will follow, with plans to inject approximately 800 million more gallons for future recovery.

Morgan explained that the stored water will help meet seasonal demand and improve water supply reliability. ASR Phase 2 will include above ground storage and delivery infrastructure necessary to provide water at the rates customers require. This phase is entering design and is estimated to cost \$10 million to \$15 million, funded by the data center developers requesting improvements.

OR 207 Sewer Main

Assistant City Manager Morgan reported that the OR 207 sewer main project, described during the presentation as the Feedville Road and 11th Street sewer main, is nearing advertisement for bids. The project will install a sanitary sewer connection along the corridor and tie into the existing system near 11th Street. Staff anticipate awarding a contract during the winter and beginning construction in 2027.

RWTP UV Project

Assistant City Manager Morgan reported that the Recycled Water Treatment Plant ultraviolet (UV) project is progressing. The project will replace chlorine disinfection with UV treatment to reduce chlorine byproducts discharged to the Umatilla River or irrigation canal. A contract has been awarded for some equipment, and design work is underway for the site improvements and structures needed to accommodate the equipment. Construction is expected to proceed over the next several years. In response to Mayor Primmer's question, Morgan confirmed that the City did not receive a grant for the project.

PFAS

Assistant City Manager Morgan reported that the City has submitted its state grant application for PFAS-related projects and is awaiting the results. State officials recently indicated that applications were still being scored. Morgan stated that the amount of funding awarded remains uncertain and will significantly affect the City's ability to schedule and fund other capital improvements, including projects currently on hold.

Public Comment

None given.

Adjourn

Mayor Primmer adjourned the meeting at 5:50 p.m.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

Ordinance No. 2385 – Amend Article V of Chapter 33 titled Initiative and Referendum

Summary and Background

The City Council met on September 28, 2026 and on October 12, 2026, and was asked to consider a proposed ordinance that amends Article V of Chapter 33 of the Hermiston Municipal Code to establish a residency requirement for persons filing initiative or referendum petitions for City measures. The amendment clarifies that a person filing such a petition must be a resident of the City of Hermiston.

Oregon Constitution, Article IV, section 1(5), reserves the initiative and referendum powers to the qualified voters of each municipality as to all local, special, and municipal legislation.

Section 33.60 of the Hermiston Municipal Code provides that, except as otherwise provided in Chapter 33, the general laws of the State of Oregon concerning initiative and referendum apply to any initiative or referendum of a City measure.

ORS 250.265 through 250.346 establish the procedures for initiative and referendum petitions relating to city measures. Under ORS 250.265, before circulating a petition to initiate or refer a city measure, the petitioner must file a prospective petition with the city elections officer. The statute designates chief petitioners but does not specify residency or other qualifications for the person filing the prospective petition.

Currently the only additional requirement related to initiatives and referendums is HMC 33.62 which establishes certain filing deadlines and procedures for initiative petitions.

Chapter 33 does not expressly identify who is qualified to file an initiative or referendum for a City measure. ORS 250.005(2) defines "elector" as "an individual qualified to vote under section 2, Article II, Oregon Constitution.

Requiring a person filing an initiative petition or referendum petition for a City measure to be a resident of the City of Hermiston promotes local accountability and ensures that those seeking to place measures on the City ballot have a direct stake in the outcome of such measures. It will ensure that local legislation is initiated and referred by members of the community who will be governed by the resulting enactments and who are directly affected by City policies. The

proposed resident requirement will apply only to the person filing the prospective petition with the City elections officer, not to petition circulators or signers.

At the September 28 meeting, the city council heard from staff, asked questions, and provided comments regarding the amendment. The council was not unanimous in a roll call vote to approve the proposed ordinance at a single meeting. The council did vote unanimously to move the proposed ordinance to a second meeting for possible approval at the next meeting.

The City Council met on October 12, 2026, with five council members and the Mayor present for a second meeting to approve Ordinance No 2385. The motion was made to approve the ordinance and the council voted 4-1 in favor, but for an ordinance to pass under the city charter rules, 5 councilors must vote in favor to approve so the ordinance failed. A motion was called to reconsider approval of the ordinance and the councilors present voted unanimously to reconsider at the next meeting.

Tie-In to Council Goals

N/A

Fiscal Information

N/A

Alternatives and Recommendation

Alternatives

1. Adopt Ordinance No. 2385
2. Amend Ordinance No. 2385
3. Reject Ordinance No. 2385

Recommended Action/Motion

Motion to approve Ordinance No. 2385 as presented

Submitted By:

Richard Tovey

Byron Smith

ORDINANCE NO. 2385**AN ORDINANCE AMENDING ARTICLE V “INITIATIVE AND REFERENDUM” OF CHAPTER 33 OF THE HERMISTON MUNICIPAL CODE**

WHEREAS, Article V of Chapter 33 of the Hermiston Municipal Code is titled Initiative and Referendum; and

WHEREAS, §33.60 of the Hermiston Municipal Code provides that, except as provided in Chapter 33, the general laws of the state concerning initiative and referendum apply to any initiative or referendum of a city measure; and

WHEREAS, Chapter 33 further establishes filing deadlines for initiative petitions but nothing regarding who may file an initiative or referendum of a city measure; and

WHEREAS, the City Council finds it necessary to define the qualifications of a petitioner to file an initiative petition or referendum of a city measure; and

WHEREAS, the City Council finds that requiring a person filing an initiative or referendum for a city measure to be a resident of the City of Hermiston promotes local accountability and is in the best interest of the City. Now therefore,

THE CITY OF HERMISTON ORDAINS AS FOLLOWS:

(New language is in red and underlined and repealed language has a line through it.)

Section 1. Article V of Chapter 33 of the Hermiston Municipal Code is amended as follows:**ARTICLE V INITIATIVE AND REFERENDUM****§ 33.60 ADOPTION OF STATE LAW.**

Except as provided in this chapter, the general laws and administrative rules of the state concerning initiative and referendum shall apply to any initiative or referendum of a city measure.

§ 33.61 FILING DEADLINE FOR INITIATIVE PETITIONS.

The date the first signature of an initiative petition is affixed shall be no later than 90 days after the issuance of the ballot title for the measure, and the initiative petition shall be filed with the City Recorder for certification and approval no later than 180 days after the date the first signature on the petition has been affixed.

§ 33.62 CHIEF PETITIONERS FOR INITIATIVE, REFERENDUM TO BE ELECTORS OF THE CITY OF HERMISTON

No petition for initiative or referendum filed with the city shall be valid unless all Chief Petitioners are qualified electors under state law and reside within the city at the time of filing

and remain qualified electors and a resident of the city through the entire initiative or referendum process, including the election.

Section 2. All other provisions of the Hermiston Municipal Code remain unchanged and in full effect.

Section 3. The City Recorder is hereby authorized to correct any scrivener's errors and to conform the revisions to the Hermiston Municipal Code with appropriate numbering.

Section 4. This ordinance shall take effect on the 30th day after its adoption.

ADOPTED by the Common Council this 26th day of October 2026.

SIGNED by the Mayor this 26th day of October 2026.

Doug Primmer, MAYOR

ATTEST:

Heather KP La Beau, DEPUTY CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

Adoption of Resolution No. 2444 –Amendment to IGA for IT services with the Port of Umatilla.

Summary and Background

The Port of Umatilla entered into an IGA with the City July 1, 2025 with the term ending in 2028 and have asked to amend the IGA to change from an as needed service model to a dedicated hours per month model.

Tie-In to Council Goals

N/A

Fiscal Information

\$1040 monthly for approximately 8 hours of service per month at \$130/hour.

Alternatives and Recommendation

Alternatives

1. Adopt Resolution No. 2444 and attached Amended IGA.
2. Adopt Resolution No. 2444 and attached Amended IGA with minor modifications.
3. Direct staff to make major changes to Resolution No. 2436 and/or the attached Amended IGA and return at a later date.

Recommended Action/Motion

Adopt Resolution No. 2444 and attached Amended IGA without modification.

Submitted By:

Richard Tovey

Byron Smith

RESOLUTION NO. 2444**A RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT WITH THE PORT OF UMATILLA FOR THE CITY OF HERMISTON TO PROVIDE INFORMATION TECHNOLOGY SERVICES AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY**

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

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

WHEREAS, the City and the Port of Umatilla (“Port”) entered into an intergovernmental agreement for IT services commencing on July 1, 2025, with the term ending June 30, 2028, have proposed to amend the section titled “Consideration” of the Agreement by changing from an as needed model to a paying for hours per month service model; and

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

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

1. That the First Amendment to the Intergovernmental Agreement for Ongoing Information Technology Services between the City of Hermiston and the Port of Umatilla is hereby approved.
2. That the City Manager is authorized to sign the First Amendment to the Intergovernmental Agreement for Ongoing Information Technology Services.
3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 26th day of October 2026.

SIGNED by the Mayor this 26th day of October 2026.

Doug Primmer, MAYOR

ATTEST:

Heather KP La Beau, DEPUTY CITY RECORDER

FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT FOR ONGOING INFORMATION TECHNOLOGY SERVICES – PORT OF UMATILLA

This First Amendment to Intergovernmental Agreement for Ongoing Information Technology Services (“Amendment”) is made and entered into as of the last date signed below, (“Effective Date”) by and between the City of Hermiston (“COH”) and the Port of Umatilla (“PORT”).

RECITALS

This Amendment is made with reference to the following facts and circumstances:

- A. COH and PORT are parties to that certain Intergovernmental Agreement between the City of Hermiston and the Port of Umatilla for Ongoing Information Technology Services originally commencing on July 1, 2025, and expiring on June 30, 2028 (the “Agreement”).
- B. In the original Intergovernmental Agreement, PORT agreed to pay by the hour for as needed IT services and now wishes to receive approximately 8 hours of IT service per month.
- C. The section titled “Consideration” describes the amount that PORT will be charged monthly for IT service performed by COH.
- D. The parties wish to amend, pursuant to Section 17 of the Agreement, the Section titled “Consideration” of the Agreement to modify the compensation and billing structure for IT services provided by COH to PORT.

TERMS AND CONDITIONS

Now therefore, in consideration of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree that the above recitals are made a part of this Amendment and otherwise do hereby agree as follows:

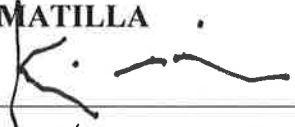
1. Consideration. The Section titled “Consideration” of the Agreement is hereby amended and restated in its entirety as follows:

Consideration. PORT agrees to pay COH \$1040 per month for approximately 8 hours of IT service per month at \$130/hour beginning October 1, 2026. The fees referred in this section of this Agreement shall increase by three (3) % per year on July 1 of each year in which this Agreement is in effect, beginning July 1, 2027. PORT will pay for devices and any other materials required to perform the services under this Agreement, and if COH purchases those materials for PORT, PORT agrees to reimburse COH for those costs. COH agrees to notify PORT prior to purchasing anything over \$500 and to provide adequate documentation and invoice PORT for the cost.

2. Miscellaneous. As expressly amended and modified by this Amendment, the terms and provisions of the Agreement are hereby ratified and affirmed in their entirety. This Amendment may be amended only by an agreement in writing, signed by the City of Hermiston and the Port of Umatilla. This Amendment shall be governed by and construed in accordance with the laws of Oregon, and without regard to any principles of conflict of laws. This Amendment may be signed in any number of Counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Any such Counterpart may be executed by facsimile or electronic transmission. This Amendment constitutes the entire agreement with respect to the amendment of the Agreement, and all prior or contemporaneous agreements or communications between the parties on this matter are superseded in entirety by this Amendment.

IN WITNESS WHEREOF, the City of Hermiston and the Port of Umatilla, by their respective duly authorized representatives, have executed this Amendment on the date shown below.

PORT OF UMATILLA

Signature: 

Title: General Manager

Name (print): Kim B. Puzey

Date: 10/15/26

CITY OF HERMISTON

Signature: _____

Title: _____

Name (print): _____

Date: _____



Where Life is Sweet

Members of Committees and Boards
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

Resolution 2445 - Sherman Park Contract Award

Summary and Background

The City of Hermiston received funding through the Oregon Parks and Recreation Department's Local Government Grant Program to develop Sherman Park, identified as Cimmaron Park in the original grant agreement. The approved project includes playground equipment, sidewalks, landscaping, irrigation and other improvements necessary to develop the property into a new public park.

Construction bids were opened on August 18, 2026, with three bids received. Silver Creek Contracting LLC submitted the lowest bid at \$451,288.22. This exceeded the Landscape Architect's estimate of \$290,000 and the City's available construction budget.

City staff and Anderson Perry & Associates worked with Silver Creek Contracting to value engineer the project and identify portions of the work that could be purchased separately or completed outside the primary construction contract. Silver Creek accepted the proposed changes, reducing its contract amount by \$204,068.03 to **\$247,220.19**.

The City will purchase the playground equipment separately and contract for its installation. Following completion of the contract documents, the City anticipates beginning construction with the goal of opening Sherman Park in late Spring 2027.

Tie-In to Council Goals

City Facilities: Public facilities that meet the community needs of today and the future
 Wellness: A Healthy Community

Fiscal Information

The Local Government Grant Program agreement establishes the following project funding:

- OPRD LGGP grant funding: \$302,736, or 60% of eligible project costs
- City of Hermiston match: \$201,824, or 40%
- Total approved project cost: \$504,560

The City's required match consists of \$182,000 in land-acquisition value and \$19,824 in City budgeted funds. Grant funds are provided on a reimbursement basis at 60% of eligible project expenses, up to the maximum grant award of \$302,736.

Silver Creek Contracting LLC's original bid was \$451,288.22. Following value engineering and scope negotiations, the proposed contract award is **\$247,220.19**, representing a reduction of \$204,068.03.

The Silver Creek contract covers the primary site-development work, including demolition and site preparation, grading, concrete walkways and curbing, selected landscaping and irrigation, utilities, fencing, signage, playground base preparation and erosion control. Playground equipment and installation, sod, the picnic shelter, benches, receptacles, the drinking fountain and other selected amenities will be purchased or completed separately by the City. These items remain part of the overall Sherman Park project but are not included in the Silver Creek contract.

Alternatives and Recommendation

Alternatives

1. Approve Resolution 2445
2. Reject Resolution 2445

Recommended Action/Motion:

Motion to approve Resolution 2445

Submitted By:

Brandon Artz, Parks & Recreation Director

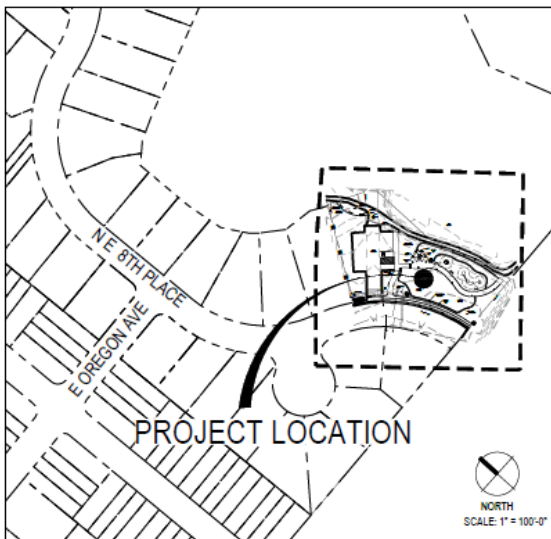
SHERMAN PARK

HERMISTON, OREGON

PROJECT DESCRIPTION

HERMISTON PARKS & RECREATION DISTRICT PROJECT LOCATED NORTH EAST OF DOWNTOWN HERMISTON, OREGON. THE PROJECT WORK INVOLVES, BUT IS NOT LIMITED TO: EROSION CONTROL; ACCESS DRIVE AND STREET FRONT PEDESTRIAN WALKS, ON-SITE PARKING, PARK SIGNAGE AND WAYFINDING, GATES AND FENCING, GAZEBO STRUCTURE, PICNIC TABLES AND BENCHES, SHADE STRUCTURES, PLAYGROUND EQUIPMENT; AND NEW PLANTING AND IRRIGATION.

KEY MAP



CONCEPT PLAN



RESOLUTION NO. 2445**A RESOLUTION AWARDING A CONTRACT FOR THE SHERMAN PARK PROJECT
AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON
BEHALF OF THE CITY**

WHEREAS, the City of Hermiston (“City”) desires to develop Sherman Park as a new public park that will include playground equipment, sidewalks, landscaping, irrigation, site furnishings, utilities and other supporting improvements; and

WHEREAS, notice was published and three bids were received, with Silver Creek Contracting LLC being the lowest responsive and responsible bidder at \$451,288.22; and

WHEREAS, the original bid exceeded the City’s available construction budget, and the City and Silver Creek Contracting LLC subsequently negotiated changes to the project scope and contract price, resulting in a revised contract amount of \$247,220.19; and

WHEREAS, the City has funds available for this project, including funding through the Oregon Parks and Recreation Department’s Local Government Grant Program and required City matching funds.

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

1. That the contract for the Sherman Park Project is awarded to Silver Creek Contracting LLC in the amount of \$247,220.19.
2. That the City Manager be, and is, hereby authorized to execute and deliver a contract for the Sherman Park Project to Silver Creek Contracting 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 26th day of October 2026.

SIGNED by the Mayor this 26th day of October 2026.

Doug Primmer, MAYOR

ATTEST:

Heather KP La Beau, DEPUTY CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

Resolution 2446: Jennie Ave. (LID 324) Contract Award.

Summary

This resolution will authorize staff to award a contract to construct the Jennie Avenue (LID324) project.

Background

City Council approved Ordinance 2383 on August 24th, which created Local Improvement District (LID) 324. LID 324 will develop approximately a half mile of new roadway by extending Jennie Avenue between NE 8th Place and NE 10th Street. The roadway will be constructed as a typical local street to the centerline of the right of way, as well as an additional 11' of paving on the north side of the right of way to accommodate two-way traffic.

Tie-In to Council Goals

City Facilities: Public facilities that meet the community needs of today and the future

Fiscal Information

Bids were opened on October 20 as follows:

Bolen Construction LLC	\$692,835.00
Culbert Construction, Inc.	\$723,744.00
Wickwire Contracting LLC	\$773,250.00
Premier Excavation, Inc.	\$787,987.75
Humbert Asphalt, Inc.	\$795,387.50
Crestline Construction	\$801,175.00
Corridor Contractors	\$802,637.50
Silver Creek Contracting LLC	\$809,302.49
C&E Trenching LLC	\$859,790.00
<i>Engineer's Estimate</i>	<i>\$890,000.00</i>

This project will be primarily paid for by the benefitting properties within the LID, with the City of Hermiston taxpayers contributing a portion to be determined by City Council upon final completion of the roadway.

The Preliminary Engineering Report relied upon in formation of the LID originally estimated the construction cost to be \$862,000, along with a 20% contingency of \$172,000 for a total of \$1,034,000. Given the nature of preliminary engineering estimates, a 20% contingency is standard practice. Upon awarding a final contract price, it is typical to revise the contingency budget figure down to 10% of the contracted amount. Therefore, it is now estimated that the construction cost, with a 10% allowance for unforeseen changes in conditions, will total \$762,000. This translates to an expected cost savings of \$272,000. Given that the entire project cost (design, construction, contingency, oversight, etc.) in the PER was \$1,206,000, it is currently estimated that the final total costs to the LID stakeholders will come in approximately 20% to 30% below the original estimates which were published during LID formation.

Finally, it is important to note that approval of Resolution 2446 only awards the construction contract. It does not assign, or apportion, assessments to any of the benefitting properties. The final assignment and levying of charges will be done some time in mid-2027 after the project has been completed and all final costs have been tabulated and reconciled.

Alternatives and Recommendation

Alternatives

1. Approve Resolution 2446
2. Reject Resolution 2446
3. Table Resolution 2446

Recommended Action/Motion

Approve Resolution 2446

Submitted By:

Mark Morgan

ANDERSON PERRY & ASSOCIATES, INC. 243 E. MAIN STREET HERMISTON, OREGON 97838		BID TABULATION City of Hermiston, Oregon E. Jennie Avenue Local Improvement District Roadway Improvements		BID OPENING October 20, 2026 11:00 a.m. Local Time	
BIDDER	TOTAL BID PRICE	First-Tier Form? (Y or N)			
Bolen Construction LLC	\$692,835.00	Y			
Culbert Construction, Inc.	\$723,744.00	Y			
Wickwire Contracting LLC	\$773,250.00	Y			
Premier Excavation, Inc.	\$787,987.75	Y			
Humbert Asphalt, Inc.	\$795,387.50	Y			
Crestline Construction	\$801,175.00	Y			
Corridor Contractors	\$802,637.50	N			
Silver Creek Contracting LLC	\$809,302.49	N			
C&E Trenching LLC	\$859,790.00	N			
Engineer's Estimate	\$890,000.00				

NOTE: Bid information is preliminary and is under review.

RESOLUTION NO. 2446**A RESOLUTION AWARDED A CONTRACT FOR THE LOCAL IMPROVEMENT DISTRICT NO. 324 PROJECT CONSTRUCTION AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY**

WHEREAS, the City of Hermiston (“City”) desires to complete E Jennie Avenue and has instituted Local Improvement District No. 324 (the “Project”); and

WHEREAS, the Project shall consist of approximately 2307 linear feet of street improvement, to include including 5-foot sidewalk on the south side, an infiltration swale, a ribbon curb, one 6-foot parking lane on the south side, and two 11-foot travel lanes (a half-street improvement plus 10 feet of additional paving to allow for two-way traffic; and

WHEREAS, the Project has been designed and a request for bids was issued; and

WHEREAS, notice was published, and bids were received from multiple bidders with Bolen Construction LLC being the lowest responsive and responsible bidder at \$692,835.00; and

WHEREAS, the City has funds available for the Project.

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

1. That the contract for the construction of the Local Improvement District No. 324 project is awarded to Bolen Construction LLC.
2. That City Manager be, and is, hereby authorized to execute and deliver a contract for the construction of the Local Improvement District No. 324 project to Bolen Construction 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 26th day of October 2026.

SIGNED by the Mayor this 26th day of October 2026.

Doug Primmer, MAYOR

ATTEST:

Heather KP La Beau, DEPUTY CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 26, 2026

Title/Subject

Resolution No. 2447 Validation of Aquatics Center Project

Summary and Background

Since the 2016 Livable Hermiston planning effort, an indoor aquatic/recreation facility has been identified as a community priority. It has been a City Council goal for many years. The City's Parks, Recreation and Open Space plan and the Hermiston 2040 Community Action Plan each identified this type of project as a priority.

The City Council's 2025 goal setting process, the Council directed staff to make a final effort to determine the feasibility of this potential project. Staff has been working with potential regional partners and with other knowledgeable partners to determine construction and operating costs.

Tie-In to Council Goals

Action 2.1 of the 2026 Goal Setting Report

Fiscal Information

Between \$850,000 and \$1,000,000 to complete the validation process. This amount could be paid from our existing enterprise zone revenues and will be a portion of the overall project cost.

Alternatives and Recommendation

Alternatives:

1. Approval of Resolution No. 2447
2. Direct staff to pause work on the Hermiston Aquatic Wellness Center.

Recommendation:

Approval of Resolution No. 2447

Submitted By:

Byron D. Smith

RESOLUTION NO. 2447**A RESOLUTION AUTHORIZING THE INITIATION OF A VALIDATION PROCESS TO BETTER UNDERSTAND THE CAPITAL AND OPERATING COSTS OF AN INDOOR AQUATIC AND WELLNESS CENTER.**

WHEREAS, in 2016 the Livable Hermiston Committee identified an indoor aquatic facility as a community priority; and

WHEREAS, in 2018 and 2019 the City Council initially identified an indoor aquatic facility as an official council goal; and

WHEREAS, in 2018 a community task force developed an initial project scope and estimated cost; and

WHEREAS, in 2020 the Parks, Recreation, and Open Space planning process showed that 60% of respondents selected “indoor aquatics/swimming” as the #1 priority; and

WHEREAS, in 2022 the Hermiston 2040 Community Action Plan identifies indoor recreation and aquatic center as the #1 goal; and

WHEREAS, in 2024 and 2025 a regional multi-industry task force organized by City Manager Smith met five times to determine the viability of an indoor aquatic/recreation facility; and

WHEREAS, in 2026 public feedback was sought and received related to community interest in an indoor aquatic/recreation facility.

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

1. That it is expedient and necessary to conduct a final validation process to determine the feasibility of constructing an indoor aquatic/recreation facility.
2. That the city manager shall make, and is hereby instructed to follow a process as outlined in the attached slide show presentation and prepare a report outlining the findings and making a recommendation on the feasibility of constructing an indoor aquatic/recreation facility.
3. That this resolution is effective immediately upon its passage.

PASSED by the Common Council this 26th day of October 2026.

SIGNED by the Mayor this 26th day of October 2026.

Doug Primmer, MAYOR

ATTEST:

Heather KP La Beau, DEPUTY CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 26, 2026

Title/Subject

September 2026 Quarterly Investment Report

Summary and Background

This is a quarterly summary of the investment activity of city funds.

Tie-In to Council Goals

Fiscal Prudence

Fiscal Information

See Report

Alternatives and Recommendation

Alternatives

NONE

Recommended Action/Motion

Recommend/Request acceptance of the September 2026 Quarterly Investment Report as presented.

Submitted By:

Ignacio Palacios, Finance Director

Byron D. Smith, City Manager

Investment Report

Quarter Ended

September 30, 2026



Where Life is Sweet

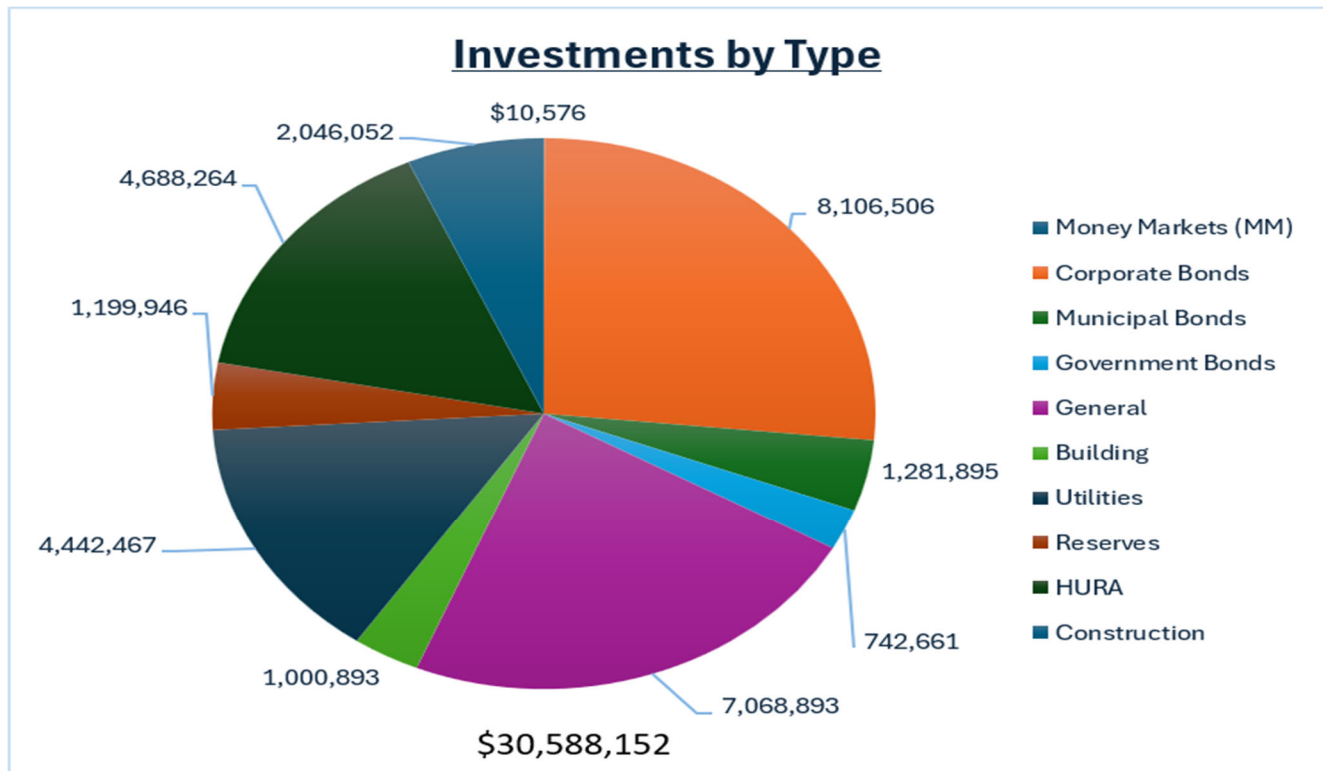
Investment Report

The investment report provided presents a summary of the City's investments quarterly. The primary purpose of this report is to summarize the City's investments with activity for the past quarter. The summary includes the beginning and ending balances and transactions that occurred affecting the city's investments.

FY 2026-2027 Quarterly Investment Report						
City of Hermiston						
Quarter Ending September 30, 2026						
Investment Type	Beginning	Change	Net Gain (Loss) or Interest	Fees	Ending	% of Portfolio
Money Markets (MM)	\$ 64,063	\$ (53,680)	\$ 224	\$ (31)	\$ 10,576	0.0%
Corporate Bonds	8,023,985	(7,887)	92,921	(2,513)	8,106,506	26.5%
Municipal Bonds	1,332,452	(60,730)	10,613	(440)	1,281,895	4.2%
Government Bonds	747,940	(5,090)	-	(189)	742,661	2.4%
General	6,990,706	-	78,187	-	7,068,893	23.1%
Building	-	1,000,000	893	-	1,000,893	3.3%
Utilities	4,397,908	-	44,559	-	4,442,467	14.5%
Reserves	1,187,910	-	12,036	-	1,199,946	3.9%
HURA	4,691,010	(50,000)	47,254	-	4,688,264	15.3%
Construction	7,518,163	(5,500,000)	27,889	-	2,046,052	6.7%
Total Investments	\$ 34,954,137	\$ (4,677,387)	\$ 314,576	\$ (3,173)	\$ 30,588,152	100.0%

Investment Summaries

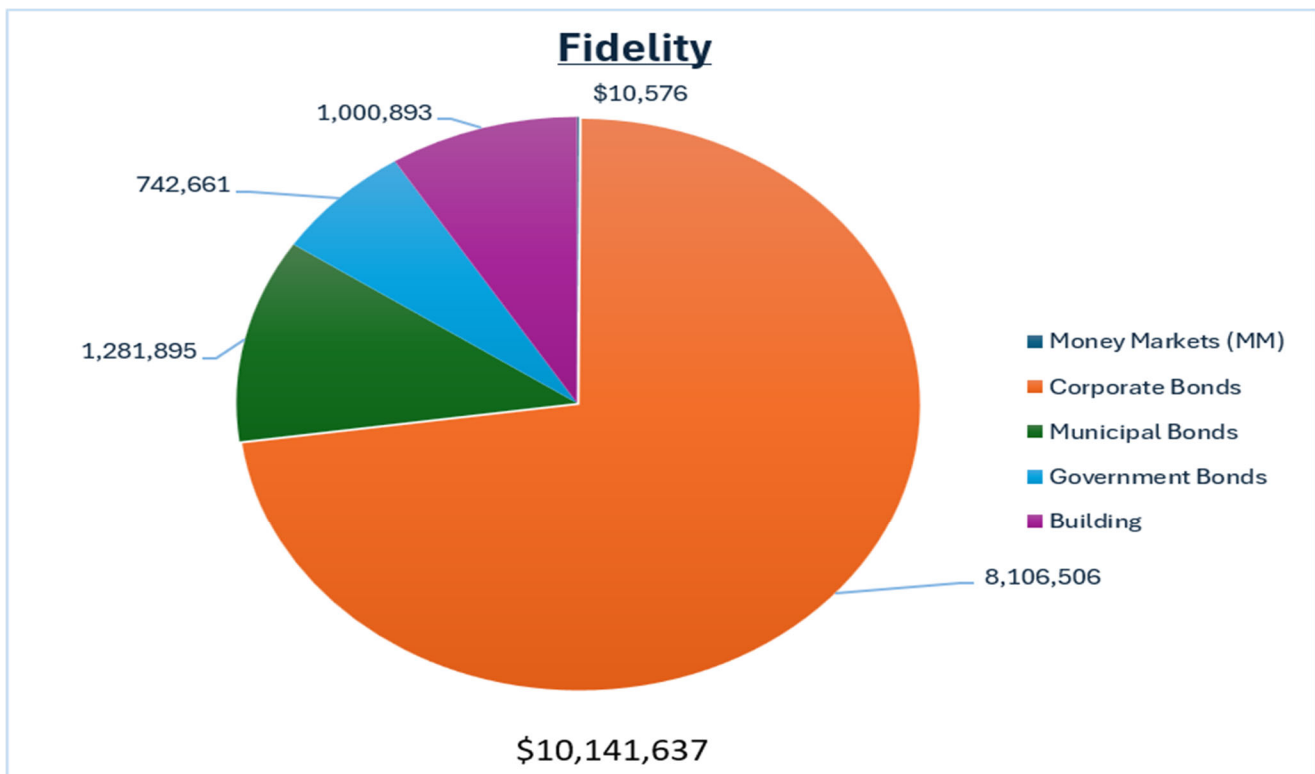
Total investments ending September 30, 2026, were approximately \$30.6 million, including \$20.5 million held in the Local Government Investment Pool (LGIP) and \$10.1 million in Fidelity investments.



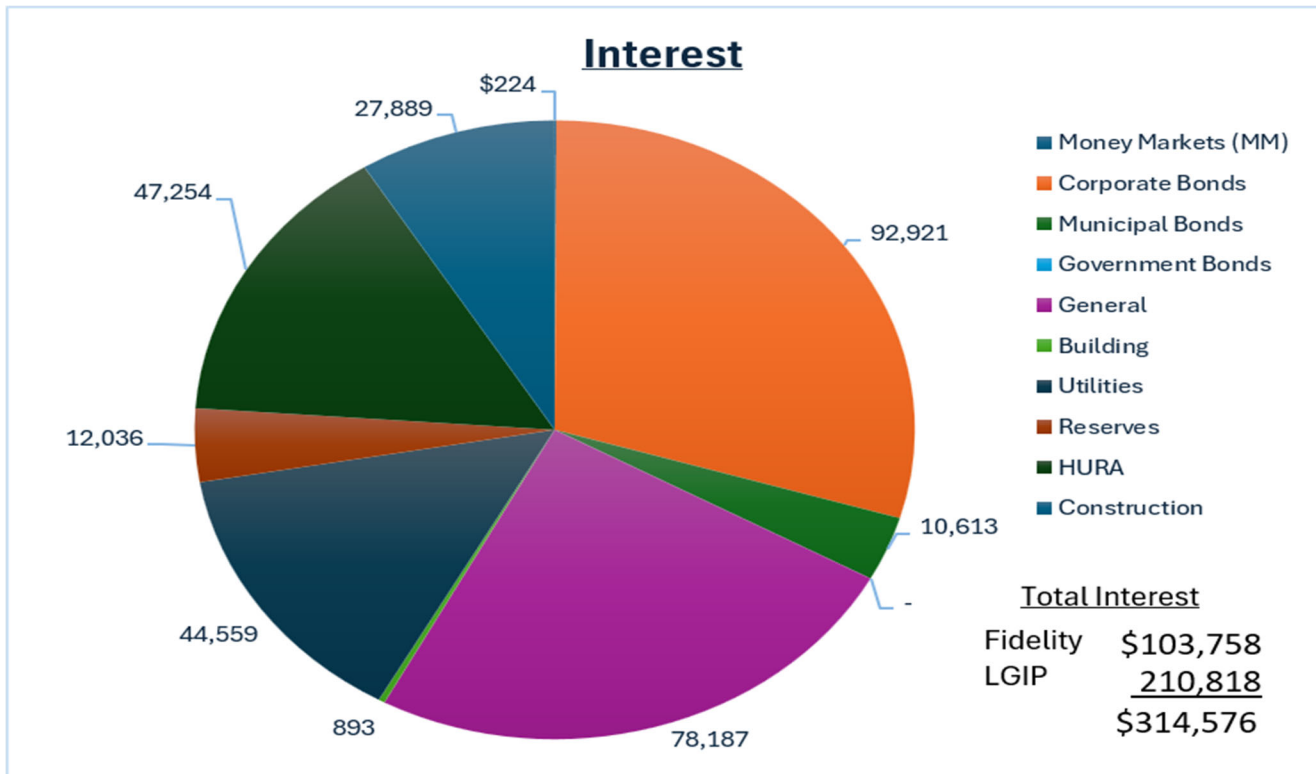
LGIP change is due to net of cashflow 'invested' in short term investments and funds redemptions for various cashflow needs (construction projects, city obligations, etc.).



Fidelity investments follow the city's adopted investment policy and reflect balances held for future returns.



Interest earnings for the totaled \$315k (Fidelity - \$104k and LGIP - \$211k, respectively). Total average interest earned totaled 1.0% of total investments held.





Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 26, 2026

Title/Subject

September 2026 Monthly 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

See Report

Alternatives and Recommendation

Alternatives

NONE

Recommended Action/Motion

Recommend/Request acceptance of the September 2026 Financial Report as presented.

Submitted By:

Ignacio Palacios, Finance Director

Byron D. Smith, City Manager

September 2026 Financial Report



Department of Finance
September 2026
(Unaudited)

FY2026-2027 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

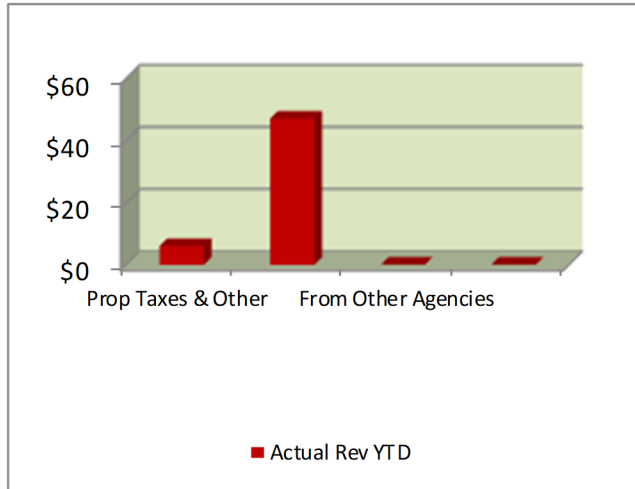
For the Month Ending September 30, 2026

Resources

by Category

Through September 30, 2026

(in \$1,000)



	Annual Bud't Rev	Actual Rev YTD	% Var
Prop Taxes & Other	\$ 364	6	2%
Miscellaneous	\$ 75	47	100%
From Other Agencies	\$ 348	-	0%
Cash Fwd	\$ 5,695	-	0%
Total	\$ 6,482	\$ 53	1%

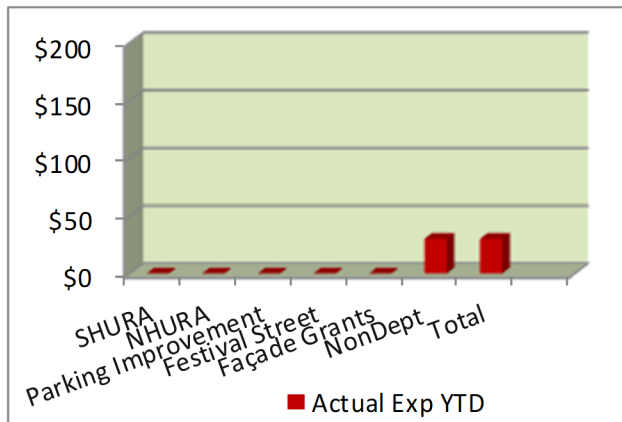
Note: Variance is calculated as % of revenue YTD

Expenditures

by Category

Through September 30, 2026

(in \$1,000)



	Annual Bud't Exp	Actual Exp YTD	% Var
SHURA	\$ 2	-	0%
NHURA	\$ 5,815	-	0%
Parking Improvement	\$ 3	-	0%
Festival Street	\$ 3	-	0%
Façade Grants	\$ 60	-	0%
NonDept	\$ 599	30	5%
Total	\$ 6,482	\$ 30	0%

Note: variance is calculated as % of expenses YTD.

The FY2026-27 budget for the Urban Renewal Agency is \$6,482,100. This includes \$44,000 in HURA general fund for materials and services, \$5,815,000 for the NHURA project and debt service, \$3,000 for parking improvements, \$3,000 for Festival Street, \$3,000 for landscape improvement, \$60,000 for façade grants, \$552,000 in nondepartmental and \$2,100 in SHURA held in contingency.

Hermiston Urban Renewal Agency (HURA)
HURA Capital Projects Report
For the Month Ending September 30, 2026

	Ending Sep 30	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
North First Street Improvement Project	\$ 5,200,000	\$ -	\$ 5,200,000	\$ 1,198,621	0.00%

North First Street Improvement Project (\$5,200,000)

The project will build a new street connecting N. First Street and NE4th Street, extending between NE Aspen Drive and the Home Depot access drive.

Current Update: Engineering design is progressing. ODOT is reviewing the street approach design. The Bureau of Reclamation is reviewing the ditch crossing and easement width reduction.

FY2026-2027 Monthly Financial Report

City of Hermiston, Oregon

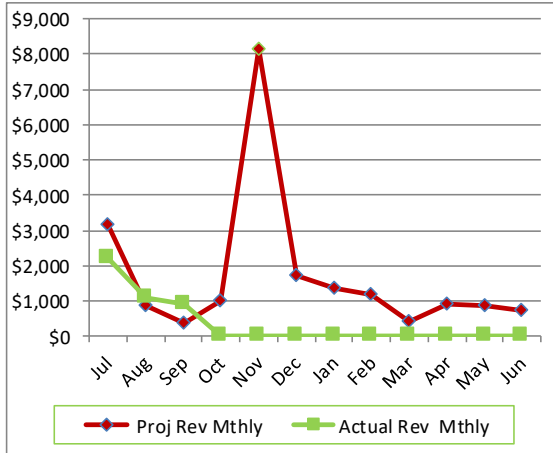
General Fund Resources

For the Month Ending September 30, 2026

General Fund Resources Summary

Through September 30, 2026

(in \$1,000)



	Proj Rev Mthly	Rev Proj Mthly	Actual Rev Mthly	Var Fav/ (Unfav)	% Var
Jul	\$ 3,157	\$ 3,157	\$ 2,233	\$ (923)	-29%
Aug	\$ 874	\$ 874	\$ 1,098	\$ 224	26%
Sep	\$ 352	\$ 352	\$ 927	\$ 575	163%
Oct	\$ 1,004	\$ 1,004	\$ -		
Nov	\$ 8,129	\$ 8,129	\$ -		
Dec	\$ 1,705	\$ 1,705	\$ -		
Jan	\$ 1,371	\$ 1,371	\$ -		
Feb	\$ 1,191	\$ 1,191	\$ -		
Mar	\$ 396	\$ 396	\$ -		
Apr	\$ 927	\$ 927	\$ -		
May	\$ 883	\$ 883	\$ -		
Jun	\$ 731	\$ 731	\$ -		
Total YTD	20,721	20,721	4,259	(124)	-0.6%
Cash Fwd	2,600	-	-	-	0%
Total	\$ 23,321	\$ 20,721	\$ 4,259	(124)	-0.6%

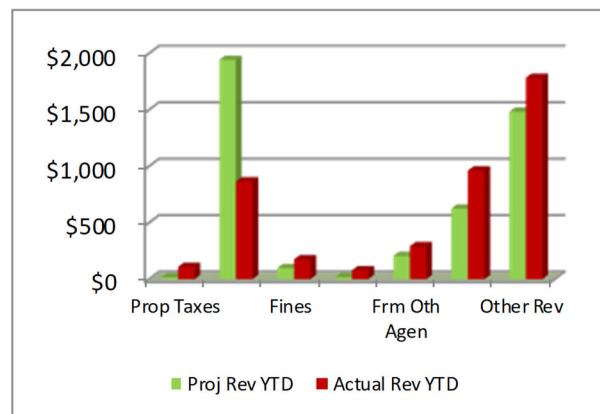
Estimated General Fund revenues for the 2026-27 fiscal year are **\$23,320,700**. Projected year-to-date revenues were **\$4,383,085** compared to actual revenues of **\$4,258,924**, an unfavorable variance of **\$124,161 or 2.8%**.

General Fund - All Resources

Through September 30, 2026

by Category

(in \$1,000)



	Annual Bud't Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 8,442	\$ 17	\$ 107	\$ 91	547%
Lic & Fran	\$ 4,125	\$ 1,942	\$ 864	\$ (1,077)	-55%
Fines	\$ 450	\$ 97	\$ 175	\$ 78	80%
Interest Rev	\$ 100	\$ 18	\$ 78	\$ 60	331%
Frms Oth Agen	\$ 966	\$ 204	\$ 290	\$ 86	42%
Svc Chgs	\$ 3,143	\$ 623	\$ 962	\$ 339	54%
Other Rev	\$ 3,495	\$ 1,482	\$ 1,782	\$ 300	20%
Cash Fwd	\$ 2,600	\$ -	\$ -		
Total	\$23,321	\$ 4,383	\$ 4,259	\$ (124)	-2.8%

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

FY2026-2027 Monthly Financial Report

City of Hermiston, Oregon

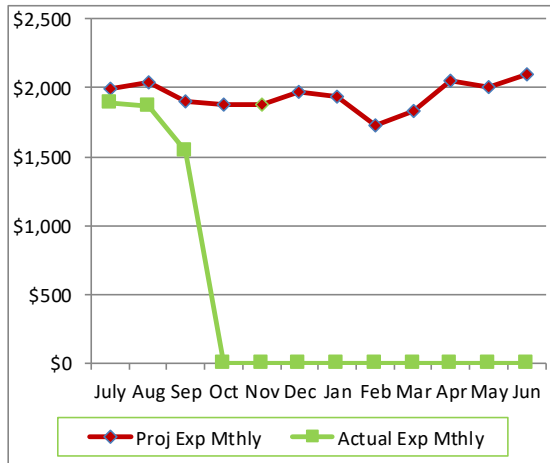
General Fund Expenditures

For the Month Ending September 30, 2026

General Fund Expenditure Summary

Through September 30, 2026

(in \$1,000)



	Proj Exp Mthly	Proj Exp	Actual Exp Mthly	Var Fav/ (Unfav)	% Var
July	\$ 1,995	\$ 1,995	\$ 1,887	\$ 109	5%
Aug	\$ 2,036	\$ 2,036	\$ 1,862	\$ 174	9%
Sep	\$ 1,905	\$ 1,905	\$ 1,539	\$ 366	19%
Oct	\$ 1,874	\$ 1,874	\$ -		
Nov	\$ 1,878	\$ 1,878	\$ -		
Dec	\$ 1,976	\$ 1,976	\$ -		
Jan	\$ 1,939	\$ 1,939	\$ -		
Feb	\$ 1,725	\$ 1,725	\$ -		
Mar	\$ 1,833	\$ 1,833	\$ -		
Apr	\$ 2,051	\$ 2,051	\$ -		
May	\$ 2,008	\$ 2,008	\$ -		
Jun	\$ 2,099	\$ 2,099	\$ -		
Total YTD	23,321	23,321	5,287	649	2.8%
Contngcy		-	-	-	0%
Total	\$ 23,321	\$ 23,321	\$ 5,287	\$ 649	2.8%

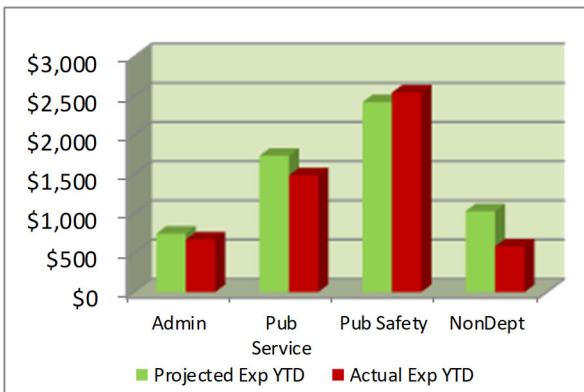
Projected General Fund year-to-date expenditures were **\$23,320,700** and **\$5,936,333** through month-to-date. The actual expenditure was **\$5,287,337**, which is **\$648,996** less than projected YTD for a **variance of 10.9%**.

General Fund Expenditures

by Consolidated Department

Through September 30, 2026

(in \$1,000)



	Annual Bud't Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 3,049	745	670	75	10%
Pub Service	5,462	1,739	1,489	249	14%
Pub Safety	10,689	2,422	2,547	(125)	-5%
NonDept	4,122	1,030	581	449	44%
Unapp	-	-	-	-	0%
Total	\$23,321	\$ 5,936	\$ 5,287	\$ 649	10.9%

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

FY 2026-2027 Monthly Financial Report

General Fund Expenditure Detail

For the Month Ending September 30, 2026

General Fund Expenditures by Department

	Annual Budgeted			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	70,300	15,791	12,392	3,398	22%
City Manager/Legal	1,484,800	371,200	349,661	21,539	6%
City Planning	488,900	122,225	97,150	25,075	21%
Finance	1,004,550	236,193	210,805	25,388	11%
Total Administration	3,048,550	745,409	670,008	75,401	10%
Transportation	466,000	103,301	99,501	3,800	4%
Airport	440,150	139,885	160,214	(20,329)	-15%
Parks	946,150	289,089	267,288	21,801	8%
Parks/Utility Landscaping	119,350	37,480	37,816	(336)	-1%
Pool	743,350	430,148	328,992	101,155	24%
Municipal Buildings	176,670	44,168	45,632	(1,464)	-3%
Library	1,225,850	323,846	243,578	80,268	25%
Recreation	885,600	261,039	215,324	45,715	18%
Community Center	294,550	68,731	60,775	7,956	12%
Harkenrider Center	164,130	40,840	30,319	10,521	26%
Total Public Services	5,461,800	1,738,526	1,489,439	249,087	14%
Court	785,500	200,577	185,540	15,036	7%
Police Operations	9,903,150	2,221,397	2,360,962	(139,565)	-6%
Total Public Safety	10,688,650	2,421,974	2,546,502	(124,529)	-5%
Non-Departmental	4,121,700	1,030,425	581,387	449,038	44%
Unappropriated	0	0	0	0	0%
Total Non-Dept	4,121,700	1,030,425	581,387	449,038	44%
Total	23,320,700	5,936,333	5,287,337	648,997	10.9%

For September, FY2027

Total Administration is \$75,401 less than YTD projected. **Total Public Services** are \$249,087 less than YTD projected. **Public Safety** is \$124,529 more than YTD projected. **Non-Departmental** is \$449,038 less than YTD projected.

FY2026-2027 Monthly Financial Report

Fund Balance - General Fund

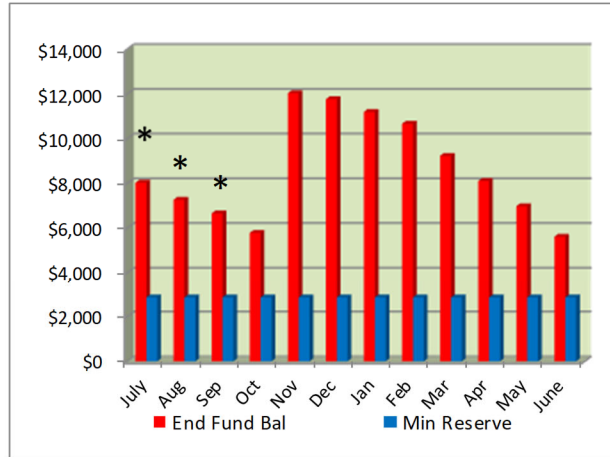
For the Month Ending September 30, 2026

General Fund

Through September 30, 2026

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$2,855,100

Last Year Minium Reserve was \$2,942,250

	Other	Begin Fund Bal	Revenue	Expense	End Fund Bal	ACT/PROJ Fund Bal
July	\$ 2,922	\$ 4,757	\$ 2,233	\$ (1,887)	\$ 8,026	ACT*
Aug	\$ -	\$ 8,026	\$ 1,098	\$ (1,862)	\$ 7,263	ACT*
Sep	\$ -	\$ 7,263	\$ 927	\$ (1,539)	\$ 6,651	ACT*
Oct	\$ -	\$ 6,651	\$ 1,004	\$ (1,874)	\$ 5,780	PROJ*
Nov	\$ -	\$ 5,780	\$ 8,129	\$ (1,878)	\$ 12,031	PROJ*
Dec	\$ -	\$ 12,031	\$ 1,705	\$ (1,976)	\$ 11,760	PROJ*
Jan	\$ -	\$ 11,760	\$ 1,371	\$ (1,939)	\$ 11,192	PROJ*
Feb	\$ -	\$ 11,192	\$ 1,191	\$ (1,725)	\$ 10,657	PROJ*
Mar	\$ -	\$ 10,657	\$ 396	\$ (1,833)	\$ 9,221	PROJ*
Apr	\$ -	\$ 9,221	\$ 927	\$ (2,051)	\$ 8,097	PROJ*
May	\$ -	\$ 8,097	\$ 883	\$ (2,008)	\$ 6,972	PROJ*
June	\$ -	\$ 6,972	\$ 731	\$ (2,099)	\$ 5,604	PROJ*
Total	\$ 2,922	\$ 4,757	\$ 20,597	\$ 22,672	\$ 5,604	

The General Fund balance at the end of September 2026 is approximately **\$6,651,000** which is **2.3295 times** the current Minimum Reserve requirement of **\$2,855,100**.

FY2026-2027 Monthly Financial Report

Special Revenue Funds Report

For the Month Ending September 30, 2026

Special Revenue Funds Resources & Requirements

	2026-27 Annual Budget	Actual YTD	Remaining Budget
02 Bonded Debt Fund			
Resources	1,292,500	321,701	970,799
Expenditures	1,281,500	667	1,280,833
Unappropriated Balance	11,000	N/A	N/A
05 Transient Room Tax (TRT)			
Resources	1,625,000	422,400	1,202,600
Expenditures	1,625,000	384,219	1,240,781
Unappropriated Balance	-	N/A	N/A
08 Reserve Fund			
Resources	28,485,878	3,841,052	24,644,826
Expenditures	28,485,878	1,938,899	26,546,979
Unappropriated Balance	-	N/A	N/A
11 Miscellaneous Special Revenue			
Resources	158,000	-	158,000
Expenditures	158,000	-	158,000
Unappropriated Balance	-	N/A	N/A
19 Christmas Express Special Revenue			
Resources	61,000	-	61,000
Expenditures	61,000	1,915	59,085
Unappropriated Balance	-	N/A	N/A
20 Law Enforcement Special Revenue			
Resources	69,000	-	69,000
Expenditures	-	-	-
Unappropriated Balance	69,000	N/A	N/A
23 Enterprise Zone Project Fund			
Resources	10,030,300	500,000	9,530,300
Expenditures	10,030,300	521,742	9,508,558
Unappropriated Balance	-	N/A	N/A
24 Building Inspections			
Resources	6,145,000	551,379	5,593,621
Expenditures	6,145,000	284,162	5,860,838
Unappropriated Balance	-	N/A	N/A
25 EOTEC Operations			
Resources	6,636,000	131,385	6,504,615
Expenditures	6,636,000	1,997,820	4,638,180
Unappropriated Balance	-	N/A	N/A
26 IT Services			
Resources	1,680,259	471,235	1,209,024
Expenditures	1,680,259	455,093	1,225,166
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 expenditure 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 expenditure does not typically follow a predictable pattern so budget variances are not calculated for them.

FY 2026-2027 Monthly Financial Report

Eastern Oregon Trade and Event Center (EOTEC) Fund

For the Month Ending September 30, 2026

EOTEC Fund

	2026-2027		Actual YTD	Variance	
	Annual Budget	Projected YTD*		Fav/(Unfav)	% Variance
Events	367,000	91,750	30,385	(61,365)	-67%
TRT/TPA	304,000	76,000	76,000	0	0%
Misc.	5,965,000	1,491,250	25,000	(1,466,250)	-98%
Total Revenues	6,636,000	1,659,000	131,385	(1,527,615)	-92%
Personnel	589,760	147,440	146,946	494	0%
Materials and Services	408,800	102,200	113,349	(11,149)	-11%
Capital	5,556,040	1,389,010	1,696,825	(307,815)	-22%
Transfers	81,400	20,350	40,700	(20,350)	-100%
Total Expenses	6,636,000	1,659,000	1,997,820	(338,820)	-20%

This fund is projected on the straight-line, 3/12th revenue or expense per month.

Projected revenues to date are **\$1,659,000** and actual year-to-date revenues are **\$131,385** or an **unfavorable variance of 92%**.

Projected expenditures to date are **\$1,659,000** and actual year-to-date expenditures are **\$1,997,820** or an **unfavorable variance of 20%**.

FY2026-2027 Monthly Financial Report

Utility and Street Funds Report

For the Month Ending September 30, 2026

Utility and Street Funds Report

Resources & Expenditures

	2026-2027			Variance	
	Annual Budget	Projected YTD	Actual YTD	Fav/(Unfav)	% Variance
04 Street Fund					
Resources	2,935,887	493,472	449,379	(44,093)	-9%
Expenditures	2,635,887	658,972	407,039	251,933	38%
Contingency	300,000	N/A	N/A	N/A	N/A
06 Utility Fund					
Resources	19,767,212	3,416,489	4,370,411	953,922	28%
Expenditures	18,792,212	4,698,053	3,950,976	747,077	16%
Contingency	975,000	N/A	N/A	N/A	N/A
13 HES Fund					
Resources	13,933,000	2,983,250	2,999,778	16,528	1%
Expenditures	12,524,915	3,131,229	2,359,357	771,872	25%
Contingency	1,408,085	N/A	N/A	N/A	N/A
15 Regional Water Fund					
Resources	3,760,000	740,000	756,552	16,552	2%
Expenditures	3,610,000	902,500	821,904	80,596	9%
Contingency	150,000	N/A	N/A	N/A	N/A

All four of these funds are projected on a straight line, 3/12th of budgeted expense or revenue per month.

Revenues for the Street Fund are **\$44,093 less** than projected. Expenditures are **\$251,933 less** than projected.

Revenues in the Utility Funds are **\$953,922 more** than projected. Expenditures are **\$747,077 less** than projection.

The HES Fund revenue is **\$16,528 more** than projected. Expenditures are **\$771,872 less** than projected.

The Regional Water Fund revenues are **\$16,552 more** than projected. Expenditure is **\$80,596 less** than projected.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2026

	2026-27 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 1,700,000	\$ 247,572	\$ 1,700,000	\$ 542,447	31.91%
Gettman Road Extension ROA	400,000	9,498	650,000	513,513	79.00%
SE 10th Street Bridge Upgrades	500,000	17,920	600,000	108,117	18.02%
Dogwood Street	425,000	-	425,000	-	0.00%
RWS Backup Generators	400,000	180,194	400,000	397,661	99.42%
AWS System Expansion - RWS	3,000,000	25,436	34,449,400	30,733,784	89.21%
Orchard Water Line Replacement	1,700,000	342,638	1,700,000	464,604	27.33%
Well #6 Reservoir Painting	115,000	-	115,000	-	0.00%
E Highland Avenue Line Replacement	1,410,000	4,000	1,410,000	4,000	0.28%
View Dr Booster Upgrade	1,020,000	-	1,020,000	-	0.00%
Well #6 Chlorination	700,000	228,874	1,000,000	427,238	42.72%
Well #4 Control System	530,000	-	530,000	172,405	32.53%
Lift Station #5 Rebuild	150,000	-	150,000	-	0.00%
E. Evelyn Avenue Gravity SL Replacement	350,000	259,609	830,000	325,133	39.17%
Lift Station #7 Rebuild	950,000	1,259	950,000	84,250	8.87%
RW Treatment Plant UV Improvement	1,500,000	17,146	1,500,000	17,146	1.14%
E. Theater Lane Lift Station	950,000	-	950,000	-	0.00%
AWS Cooling Discharge	5,500,000	10,000	5,500,000	748,598	13.61%
LID 323 - NW 2nd Street Paving	550,000	338,873	580,000	395,298	68.15%
LID 324 - E. Jennie Ave	1,270,000	1,686	1,270,000	1,686	0.13%
Total	\$ 23,120,000	\$ 1,684,704	\$ 55,729,400	\$ 34,935,879	62.69%

Geer & Harper Re-alignment (\$1,700,000)

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: Paving occurred in September in preparation for reopening N 1st and Geer/Harper for traffic. UPRR continues work on crossing design for construction in the Spring.

Gettman Road Extension ROA (\$650,000)

Gettman Road Extension right of way acquisition project.

Current Update: Acquisition has closed on approximately 76% of the proposed Right of Way. Negotiations continue the remaining 24%.

SE 10th Street Bridge Improvements (\$600,000)

Replaces and widens the bridge across the 'A' Line Canal.

Current Update: Design proceeding, with construction planned on a timeline inverse from normal, with SE 10th requiring closure and bridge replacement over the winter of '26-'27 to accommodate when water is not in the canal.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2026

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Total	\$ 23,120,000	\$ 1,684,704	\$ 55,729,400	\$ 34,935,879	62.69%

Dogwood Street (\$425,000)

The existing gravel roadway will be replaced with a fully developed street, including curb/gutters/sidewalk.

Current Update: Paving occurred in October in preparation for reopening to traffic in October.

RWS Backup Generators (\$5,000,000)

To provide backup power supply to the regional water system.

Current Update: Delivery of those long-lead-time items is not anticipated until Winter 26/27, with installation work anticipated to be coordinated around planned outages by the system users throughout 2027.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

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Total	\$ 23,120,000	\$ 1,684,704	\$ 55,729,400	\$ 34,935,879	62.69%

AWS System Expansion- RWS (\$29,449,400)

Amazon Web Services is paying to extend the City-owned 16" water main in Feedville Road approximately 7,000 feet to connect 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 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. Additionally, this will construct an aquifer and associated storage system.

Current Update: ASR Testing Complete. The initial round of recharge began at a rate of 1,350 gallons per minute, putting the project on track to recharge between 400 million and 500 million gallons by April. For reference, this is equal to about 1/3 of the entire city's water usage for an entire year.

Orchard Water Line Replacement (\$1,700,000)

Replaces 3,200 feet of water main line along W. Orchard Ave. between S.W. 7th St. and S.W. 11th St., and along SW. 9th St. between W. Orchard Ave. and W. Juniper Ave.

Current Update: Construction continued on schedule in September in preparation for paving in October.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2026

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Well #6 Reservoir Painting (\$115,000)

Sandblasting, priming, and painting all exterior surfaces to maintain useful life of the reservoir.

Current Updates

No substantial work started.

E. Highland Avenue Line Replacement (\$1,410,000)

Replaces existing water main and tees, valves and service lines on E. Highland between S.E. 6th and S.E 10th streets.

Current Updates

Design work has been taken through 60% design and paused. The project will be put on hold until more is known about grant funding for upcoming PFAS projects.

View Drive Booster Upgrade (\$1,020,000)

Reconstructs the pump station in an aboveground structure to provide sufficient room for operation and maintenance. Pumps will be resized to meet future demands for service in the area, along with installation of new pumps, valves, controls, and electrical systems.

Current Updates

The project has been put on hold until more is known about grant funding for upcoming PFAS projects.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2026

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Well # 6 Chlorination (\$1,000,000)

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: Work continued on schedule throughout October.

Well #4 Control System (\$530,000)

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

Contractor has re-mobilized, and work will progress through the Fall.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

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Lift Station #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.

E. Evelyn Avenue Gravity Sewer Line Replacement (\$480,000)

Multiple deficiencies exist in the pipe segments, including structural failures, sagging, root intrusions, and separated joints that cause blockages hindering sewer flow and require the City to clean this line monthly. Newly installed pipe will save maintenance costs and drastically reduce the likelihood of blockages, mitigating the potential for sewage backing up into local residences.

Current Update: Project reached substantial completion, with the roadway reopened to traffic, and final punch list items being finalized.

Lift Station #7 Rebuild (\$950,000)

Upgrade to electrical and control systems, replaces duplex pumps and mechanical pumps, rails, and valves and planned safety improvements to surrounding sidewalk.

Current Update: Delays in some material acquisition by the contractor is likely to push actual construction in to the Winter/Spring.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

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Recycled Water Treatment Plant UV Upgrades (\$1,500,000)

Replaces existing gas chlorine treatment equipment at the Recycled Water Treatment Plant with an ultra-violet light process.

Current Updates

Contract awarded for equipment. Long lead-times will place the bulk of installation costs in 2027/28.

East Theater Lane Lift Station (\$950,000)

E Theater Lane will construct a new sewer lift station near E Theater and NE 14th to facilitate efficient development of future housing development.

Current Update: Design is in process.

AWS Cooling Discharge (\$5,500,000)

Amazon Web Services is partnering with the City to design a temporary 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 Highway 207.

Current Update: Design is nearing completion. Bid opening anticipated in Fall.

FY2026-27 Monthly Financial Report

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2026

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Total	\$ 23,120,000	\$ 1,684,704	\$ 55,729,400	\$ 34,935,879	62.69%

NW 2nd Street Paving (\$580,000)

Northwest 2nd street paving of existing gravel street from West Elm street to West Cherry Avenue to include grading, storm drainage, asphalt, centerline stripes, and crosswalk.

Current Update: Paving occurred in October in preparation for reopening to traffic in October.

E. Jennie Avenue (\$1,270,000)

Construction of E Jennie Ave between NE 8th and NE 10th through a Local Improvement District.

Current Update: Design complete. Project advertised. Contract award is anticipated in October, with construction anticipated in the first half of 2027.

**FY2026-27 Monthly Financial Report
City of Hermiston, Oregon
Other City Capital Projects Report
For the Month Ending September 30, 2026**

	2026-27 Budget	FY-TD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Urban Tree Project (Grant)	575,000	31,649	1,000,000	444,177	44.42%
Sherman Park Project	50,000	-	420,000	23,939	5.70%
Total	\$ 625,000	\$ 31,649	\$ 1,420,000	\$ 468,116	32.97%

Urban Tree Project Grant (1,000,000)

Federal grant for purpose of urban tree projects for tree planting throughout Hermiston

Current Update: We are pausing work on this project pending a better forecast of the federal budget. Preparing an estimate and bid package for a possible tree planting project on main street if federal budget moves forward.

Sherman Park Project (\$420,000)

Cimmaron Park is to be built on land purchased from and donated by the developer. The park will include a nature trail and a natural playground system. The City was recently awarded a state grant for a large portion of this project. This project will develop a 0.61-acre park featuring a playground, gazebo, pathways, and landscaping. The park will be adjacent to the existing 8.61-acre Cimmaron Recreation Area, which includes a trail encircling the wetlands.

Current Update: Scope reductions are in negotiations due to bids exceeding budget - contract should be coming in the next few weeks.