HERMISTON CITY COUNCIL

180 NE 2nd Street – Hermiston, OR 97838

Regular Meeting **April 11th, 2016**

A G E N D A

COUNCIL/CITY MANAGER WORK SESSION-6:00PM
Biosolids Handling

1. **CALL MEETING TO ORDER**– 7:00 pm

2. **DECLARATION OF QUORUM**

3. **FLAG SALUTE**

4. **PROCLAMATIONS, PRESENTATIONS & RECOGNITIONS**
   A) Proclamation- Altrusa Water Challenge

   B) Proclamation- Rotary Club

5. **CITIZEN INPUT ON NON-AGENDA ITEMS** (Anyone wishing to bring anything before the council that is not on the agenda is asked to please do the following: 1. Limit discussion to not more than FIVE minutes; 2. State your name and address; 3. Direct your comments to the Mayor.)

6. **CONSENT AGENDA**
   A) Confirm Planning Commission appointments for the unexpired portion of a 3-year term beginning April 11th, 2016 and ending March 31st, 2019.
   Position #1- Tami Rebman; Position #2- Philip Hamm; Position #3- Ben Doherty

   B) Minutes of the March 28th, work session and regular City Council meeting.

   C) Minutes of the January 21st, Community Enhancement Committee meeting

   D) Minutes of the March 1st, Faith-Based Advisory Committee meeting.

   E) Minutes of the March 9th, Airport Advisory Committee meeting.

   F) Minutes of the March 28th, Public Infrastructure Committee meeting.

   Action – Motion to approve consent agenda items. Roll Call

7. **ITEMS REMOVED FROM CONSENT AGENDA**

8. PUBLIC HEARINGS

A) Supplemental Budget Hearing for the 2015-2016 Fiscal year.
A public hearing on a proposed supplemental budget for the City of Hermiston for the fiscal year July 1, 2015 to June 30, 2016 will be held at City Hall, 180 NE 2nd Street, Hermiston, Oregon on April 12, 2016 at 7:00 pm. The purpose of this hearing is to discuss the supplemental budget.

9. RESOLUTIONS & ORDINANCES

A) Resolution No. 2020 –The resolution authorizes additional expenditures in ten funds, reduces expenditures in one fund, authorizes inter-fund transfers between multiple funds, corrects budget errors, establishes reserves for future expenditures, and establishes a new department for Landscaping.
Action - Motion to approve and lay upon the record. Roll Call

B) Resolution No. 2021 - The resolution authorizes an inter-fund loan from the General Fund to the Reserve Fund in the amount of $90,000 for improvements at the Hermiston Aquatic Center.
Action - Motion to approve and lay upon the record. Roll Call

C) Resolution No. 2022 - The resolution establishes one new account in the Reserve Fund and repealing Resolution No. 1991. The account is being established for the West Highland Trail.
Action - Motion to approve and lay upon the record. Roll Call

10. OTHER

A) Consider authorizing staff to pursue additional improvements at the Recycled Water Treatment Plant to address solids handling issues and pursue adequate financing methods.
Motion to approve. Roll Call

B) Consider approving the City's plan of action to address the deficiencies noted in the 2014-15 Audit Report.
Motion to approve. Roll Call

C) Consider approval of an additional 0.5 FTE to help support the EOTEC Authority and be jointly funded by the City and EOTEC.
Motion to approve. Roll Call

D) Consider approval of a ground lease to William Van Ryn at the Hermiston Airport to allow for the construction of a 3,000 square foot private airplane hangar.
Motion to approve. Roll Call

E) Consider accepting the Community Livability Asset Oversight Committee report as presented and direct staff to report back to Council in mid-2017 with a proposal to conduct a professional analysis of the viability of a Youth/Family Activity Center.
Motion to accept. Roll Call

11. COMMITTEE REPORTS

A) City Committees and Liaison: Airport Advisory, Budget, Hispanic Advisory, Library Board, Parks & Recreation, Planning Commission, Recreation Projects Fund, Faith-Based Advisory Committee, Community Enhancement Committee, Public Safety Committee, Public Infrastructure Committee.

B) Mayor's Report –

C) Council Report –

D) Manager's Report –

12. ADJOURNMENT

UPCOMING MEETINGS AND EVENTS

At City Hall unless otherwise specified

Apr 11	6:00 pm	City Council Work Session
Apr 11	7:00pm	City Council Meeting
Apr 13	7:00pm	Planning Commission Meeting
Apr 14	5:30pm	Parks and Recreation Committee Meeting
Apr 18	7:00pm	Hispanic Advisory Committee Meeting
Apr 22	7:00 **am**	EOTEC Meeting (Stafford Hansell Government Center)
Apt 22	5:00pm	Public Safety Committee Meeting
Apr 25	6:00 pm	City Council Work Session
Apr 25	7:00pm	City Council Meeting

HERMISTON CITY COUNCIL

Work Session March 28th, 2016

Mayor Drotzmann called the work session meeting to order at 6:00 pm. Present were Councilors Myers, Gutierrez, Primmer, Hardin, Davis, Beas-Fitzgerald, and Smith. Councilor Kirwan was excused. Staff members in attendance were City Manager Byron Smith, City Attorney Gary Luisi, Assistant City Manager Mark Morgan, Chief Edmiston, Clint Spencer, Bill Schmittle, Ron Sivey, Roy Bicknell, Larry Fetter, and Lilly Alarcon-Strong. News media present was Jade McDowell of the East Oregon and Michael Kane of NE Oregon Now.

Harkenrider Center Design Discussion

Parks and Recreation Director Larry Fetter stated he has presented the design plan to the members of the Senior Center and allowed them the opportunity to include input on the design plan that the Council will see momentarily. Mr. Fetter introduced Krista Appleby from Ascent Architecture to present the Harkenrider Center design plan.

Mrs. Appleby presented the Council with the site plan for the Harkenrider Center which locates the Harkenrider Center on the School District lawn area to not take up parking that the community already uses. Mrs. Appleby displayed where additional parking would be located and stated the parking area located behind the library would be resurfaced for about 92 parking spaces in all compared to the 55 that are currently in place. The street would be vacated, with a circular drive in front of the door for drop-offs and pick-ups. The building would be 8,000 square feet, with a library, great hall, lunch program, deck, restrooms, kitchen, office and front office area, and two smaller break out rooms that can be combined to create one large meeting room. There are also landscaping plans for water retention and outdoor activities for the seniors and a basement that the City could use. Mrs. Appleby asked that the Council please help determine what priorities need to be established for the Center.

There was some concern from the audience that there was not enough handicapped parking as only four are available, breakout rooms would not be large enough for tai chi, and if the seniors would be able to use the basement for tai chi, other activities, and for storage.

Mr. Fetter stated it is uncertain if the City would be able to add a basement as the granting agency will need to determine this; but the unfinished basement would be a future project to be completed by the City, with City funds, and the City would determine what the space would be used for.

Councilor Beas-Fitzgerald asked about how much of an investment would the City need to contribute for the unfinished basement area.

Mrs. Appleby stated about $80.00/sq ft.

City Manager Smith stated the Senior Center components being presented features items that everyone wanted, and this plan may need to change to make sure it fits in the overall budget. This design discussion is intended for the architecture team and the City to hear what the Council's priorities are going forward.

Councilor Hardin recommended that the City move forward with finishing the basement and allowing the seniors to use the space for the first five years, if the City is unable to use it during this time frame.

City Manager Smith stated this could be an option, but first needed to make sure the basement concept is something the Council wanted City staff and the architecture team to move forward with.

Mrs. Appleby stated occupancy for the Great Hall alone is 188 people, and the upstairs breakout rooms are over 300 sq ft each, with a combined total of about 700, and believes this space would be large enough to accommodate tai chi and other activities.

Mr. Fetter stated they have been working with the seniors to try to establish more parking for handicap and seniors, but the Senior Center also provides transportation, so finding close parking is not really an issue; and feels that the parking presented is adequate. Mr. Fetter stated that the circular drive is being designed to accommodate small buses and meet the fire department requirements. It is also being created to accommodate the seniors desire to slow traffic down through the area.

Mrs. Appleby and Mr. Fetter stated the plans can change depending on the budget but there are ways the City can contribute to this factor. The City will be asked to contribute $400,000 to $500,000 for a 6,000 sq ft unfinished basement, this price does not include landscaping, parking, irrigation, and utility work.

City Manager Smith and Mr. Fetter stated the work session was to give the Council and community an update and get ideas on what they would like to see. As of right now, the plan is about 20% complete. The City is asking to hear feedback from the Council on what their priorities are before the architecture team and City staff invests a lot of time and resources going forward on items the Council may not want to see going forward, specifically plans for a potential basement.

Mayor Drotzmann asked when Mrs. Appleby would be able to give the Council another update regarding the facility and costs.

Mrs. Appleby stated May 9th or 23rd.

The Council and audience made recommendations regarding how furniture can be rearranged compared to how they are displayed, ie: pool table placement, seating, etc and discussed features in the building ie: fire place, kitchen, rental kitchen, office space, etc.

Councilor Gutierrez stated he feels if the City has the funds it should invest in the long range goals for the Senior Center and the City and build the basement to the facility.

City Manager Smith stated he does feel the City has the funds for this project.

Mayor Drotzmann thanked the seniors, Mrs. Appleby, and staff for the time and effort they are contributing to this project and stated he is looking forward to more information in the upcoming months.

Mayor Drotzmann ended the work session at 7:02 pm and immediately convened the regular City Council meeting at 7:02 pm.

HERMISTON CITY COUNCIL

Regular Meeting March 28th, 2016

Mayor Drotzmann called the regular meeting to order at 7:02 pm. Present were Councilors Myers, Gutierrez, Primmer, Hardin, Davis, Beas-Fitzgerald, and Smith. Councilor Kirwan was excused. Staff members in attendance were City Manager Byron Smith, City Attorney Gary Luisi, Assistant City Manager Mark Morgan, Chief Edmiston, Sergeant Kelly parsons, Clint Spencer, Amy Palmer, Heather LaBeau, Roy Bicknell, Ron Sivey, Larry Fetter, and Lilly Alarcon-Strong. News media present were Jade McDowell of the East Oregonian

(Councilor Gutierrez exited the meeting at 7:02pm)

Consent Items

Councilor Primmer moved and Councilor Smith seconded to approve all Consent Agenda items, to include:

1. Recommendation of Planning Commission vacancy for the unexpired portion of a 3-year term beginning April 11th, 2016 and ending March 31st, 2019.
   Position #1- Tami Rebman; Position #2- Philip Hamm; Position #3- Ben Doherty
2. Minutes of the March 14th, regular City Council meeting.
3. Minutes of the February 3rd, Airport Advisory Committee meeting.
4. Minutes of the February 11th, Parks and Recreation Committee meeting.
5. Minutes of the February 16th, Hispanic Advisory Committee meeting.

Motion carried unanimously.

(Councilor Gutierrez returned to the meeting at 7:04pm)

EOTEC Monthly Report

Rob Drier from Frew Development gave a construction update regarding the EOTEC site, stating the EOTEC Board has approved bids for Granite Construction for paving and Power Pro for electrical. EOTEC has been working on getting the pump station ready and will be running final tests tomorrow. The barn design schedule is on time and is continuing to move forward with other aspects of the project with the exception of the rodeo design as it is a very complex project. Mr. Drier stated punch list items for the Event Center will be completed this week.

City Manager Smith stated there were issues with the rodeo design element, but the Board has approved another architectural firm to help with the execution of this project. The Grand Opening for EOTEC will be Thursday, April 28th from 3:00 pm to 7:00 pm with more information still to come.

Heather Cannell EOTEC Business Development Manager gave a facilities update regarding EOTEC, stating EOTEC has 8 confirmed booking with the first on May 21st. Mrs. Cannell stated she is constantly giving tours and seeking event shows such as Home and Garden Shows, etc. Mrs. Cannell stated it is difficult to market the facility without the Event Center being completed, but has been using social media and word of mouth to advertise EOTEC; once it has been finished she will begin to market the completed facility.

City Manager Smith stated the League of Cities Regional Meeting will be the first event held at EOTEC.

Mayor Drotzmann encouraged the Council to spread the word about EOTEC rental opportunities and stated the Fund Raising Committee is over 80% complete and is confident they will make EOTEC's goal.

Mayor Drotzmann stated the Community and Region as a whole has been very giving and supporting of the project. Mayor Drotzmann stated he read in the paper there could be a part time person hired for EOTEC and asked for more information.

City Manager Smith stated the City planned on having this information in the next meeting, but if approved, the position would be part time, with EOTEC paying ¼ and the City paying the other ¼. This position would help the finance department with EOTEC and City budget responsibilities.

Install Solar Powered lighted STOP signs and replace existing STOP signs with new STOP signs.
City Manager Smith stated ODOT has offered to install, at no costs to the City, new Solar Powered lighted STOP signs and new stop signs as size and reflectivity standards have changed. These STOP signs will be installed on Orchard Avenue and Highland Avenue.

Councilor Gutierrez moved and Councilor Beas-Fitzgerald seconded to approve the IGA with ODOT to install Solar Powered lighted STOP signs and replace existing STOP signs. Motion carried unanimously.

Harkenrider Center Design Concept
Councilor Primmer moved and Councilor Smith seconded to table the Harkenrider Center design concept approval until an additional update is given. Motion carried unanimously.

February Financial Report
Councilor Davis moved and Councilor Hardin seconded to approve the February Financial Report as prepared and presented by Finance Director Amy Palmer. Motion carried unanimously.

Finance Director Amy Palmer stated she will create a one-time revenue service line item for the cannabis tax.

Mayor Drotzmann thanked City staff for using city funds responsibly and stated the community is blessed to live in a location where there is continued growth, as it allows the City to participate in additional projects, like helping the Senior Center, building an EOTEC site, and other livable resources.

Councilor Myers and Primmer agreed and thanked the Finance Department and Department Heads.

Committee Reports
Hispanic Advisory Committee: Councilor Gutierrez stated Sheriff Candidate Ryan Lehnert spoke to the Committee regarding what he would like to accomplish is elected.

Community Enhancement Committee: Mayor Drotzmann stated the Committee will meet Wednesday at 5:30pm.

Faith-Based Advisory Committee: Councilor Hardin stated the Committee is continuing to work forming the Family Promise initiative and setting guidelines and recruitment of possible new members, and will be helping with the Community Clean Up on April 9th.

Parks and Recreation Director Larry Fetter stated if anyone is interested in volunteering please contact him directly.

Public Safety Committee Meeting: City Manager Smith stated the Committee will meet Friday, April 22nd at 5:00pm.

Public Infrastructure Committee: Councilor Davis stated the Committee met earlier today and discussed the Capital Improvement Plan and the solids problem at the Recycled Water Treatment Plant.

Mayor's Reports

Mayor Drotzmann stated he was a guest at the City of Portland Mayors Table on Friday. Mayor Drotzmann stated Portland Mayor Charlie Hales is a great dynamic and interesting speaker and being invited was a very unique opportunity to represent Hermiston.

Manager's Report

City Manager Smith stated he will be speaking with the Chamber regarding the possibility in participating with the City in the Portland Rose Festival.

Mayor Drotzmann stated he feels honored to have been invited to participate in the largest parade in the state and the Council is in support of participating as well.

The City was also able to pump ¼ of the Port of Umatilla's Water Right, this is the process to certify the full water right. As of now, growers can access a portion of this water right. The City accessed grant funding in the amount of $650,000 to this project for a new pump at the intake station and a large basin that allows the City to flush the system which had not been done in over 25 years.

City Manager Smith stated he will be out of the office for the rest of the week, attending a City Managers Conference, but will be available by phone and Assistant City Manager will be able to assist with any questions the Council may have.

Assistant City Manager Morgan stated the City, with the help of Anderson Perry, has been working on developing a public works Capital Improvement Plan for existing and future projects, maintenance, assets, and etc. This process will allow all of these components to be centralized on one document and allow the City to better plan ahead into the future. This list will initially be shared with Council in June, with a final presentation in August when the Council will be asked to approve the five year CIP. Assistant City Manager Morgan stated although this is a five year plan, the City will review and update the CIP with the Council on a yearly basis.

Mayor Drotzmann praised the Council for listening to the department heads and recognizing that a CIP is important and thanked the City for putting together a plan on how the City will continue to be maintained and improved. Mayor Drotzmann stated this is a phenomenal step in the right direction to make sure City resources are appropriately used to maintain services and infrastructure and is excited about this very important process.

Adjournment

There was no other business, and the meeting was adjourned at 7:55 pm.

SIGNED:

/s/ Dr. David Drotzmann
MAYOR

ATTEST:

/s/Lilly Alarcon-Strong
ASSISTANT CITY RECORDER

PROCLAMATION

Whereas, the City of Hermiston and its Citizens understands the critical need for clean water in many parts of the world as demonstrated in the book *The Long Walk to Water* by Linda Sue Park and believe that access to clean water is an inalienable right; and,

Whereas, the City of Hermiston and its Citizens believe that a reaching out to others in this world and helping to improve their living conditions is one of the fundamental ways we can help to improve this world; and,

Whereas, the Altrusa Club of Hermiston, in partnership with the Hermiston School District, will launch the Altrusa Water Challenge for community members, to be conducted April 16, 2016 until April 30, 2016, to drink water and donate money normally spent on expensive drinks to the water project to fund a well and provide sanitation education.

NOW, THEREFORE, BE IT RESOLVED that I, Mayor Drotzmann, do hereby proclaim that the City of Hermiston encourages its Citizens to read *The Long Walk to Water* and participate in the Altrusa Water Challenge. Engaging in this activity promotes literacy, supports the international need for clean water, and fosters a sense of community by bringing our citizens together through helping others in less fortunate parts of the world. The City of Hermiston hereby extends a heartfelt Thank You to Altrusa Club of Hermiston and the Hermiston School District for bringing this internationally acclaimed project to our city.

SIGNED this 11th day of April, 2016

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Dr. David Drotzmann, Mayor

Date: April 11, 2016

Mayor Drotzmann, City Councilors, City Manager

Memorandum for Record

Subject: Proclamation Recognizing The **Water Challenge** sponsored by Altrusa of Hermiston and the Hermiston School District Library

Department Submitting: Library (Altrusa member)

Summary/Background: - Hermiston Altrusa International and the Hermiston School District Library are sponsoring a Water Challenge from April 16 until April 30. The challenge is to replace your normal beverages with water and donate the money saved to help build a well in a developing nation. The goal is an average of $23.00 for everyone who accepts the water challenge.

Main objective is to raise enough money to make a difference to help children and families live longer more productive lives. Along with providing clean, safe water the project has the additional benefit of freeing up mainly female children to attend school instead of the daily process of hauling poor quality water home.

A kick-off event is being held at McKenzie Park on April 16. A fun obstacle course is being set up for children who attend and people who sign up for the challenge with receive bottled water and other small gifts. Another event will be held April 30 for everyone to turn in their donations.

Just prior to the kick-off event, Kristi Smalley, the HSD Elementary Libraian will be promoting the challenge with an essay contest for 3rd, 4th, and 5th grade students on the imporatance of clean water.

PROCLAMATION

For the Week of April 11 – 15 to be known as

ROTARY CLUB OF HERMISTON WEEK

City of Hermiston, Oregon

Whereas, the Rotary Club of Hermiston was chartered on April 12, 1941; and

Whereas, the Rotary Club of Hermiston has provided humanitarian and community service projects within the City of Hermiston; and

Whereas, the Rotary Club of Hermiston has provided humanitarian and service projects throughout the world; and

Whereas, the Rotary Club of Hermiston collaborates with the City of Hermiston and other service clubs to resolve and address community needs; and

Whereas, the Rotary Club of Hermiston is a continual supporter of the youth of Hermiston; and

Whereas, the Rotary Club of Hermiston promotes the community on an international basis through its involvement in Vocational, Friendship and Youth Exchanges; and

Whereas, the past and current members of the Rotary Club of Hermiston will gather on Friday evening, April 15th to **Celebrate Service** in recognition of their **75 years** of existence.

Now, therefore, be it resolved that I, David Drotzmann, Mayor of the City of Hermiston, do hereby proclaim April 11th – 15th as **Rotary Club of Hermiston Week** throughout the City of Hermiston. The community is better because of the projects and activities the members of the Rotary Club of Hermiston have provided for the past seventy-five years and we appreciate their ongoing interest in serving the needs of the residents of the City of Hermiston.

SIGNED this 11th day of April, 2016

Rotary

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David Drotzmann, Mayor

Community Enhancement Committee

Committee Meeting

Date: 1/21/16
Time: 5:30 p.m.
Location: City of Hermiston, Council Chambers

Committee Members in attendance:
- Phillip Spicer
- Billie Jean Morris

Committee Members excused:
- Karen Zacharias
- Debbie Pedro
- Phillip Spicerkuhn

City Staff in attendance:
- Mark Morgan, Asst. City Mgr
- Larry Fetter, Parks & Rec. Director

City Council Liaisons:
- David Drotzmann, Mayor
- Jackie Myers

Guests:
- Kathy Wamsley, Desert Arts

1. Call to order: Mayor Drotzmann
2. Minutes: None
3. Old Business: Reviewed Public Art Plan Development and Applications
   a. Discussion centered around timeline of the Public Arts Plan. Keeping within the timeline in December 2015, RFQ's were advertised seeking qualified individuals/companies to enter into a contract to provide short-term staffing assistance to city staff to aid in moving forward the Public Art Plan's program of work. In January proposals were received. Members of the committee will meet to discuss the applications.
   b. Applications were reviewed; the committee narrowed it down to two:
      1. Rebecca Couch, Moscow, Idaho
      2. Washington State University, Tri-Cities, WA
   c. The committee asked staff to schedule a conference call with the two applicants for an interview. Mark would notify other members of the committee of the time if they would like to listen to the conference call.

4. New Business:
   a. Larry Fetter asked for direction from committee members regarding what kinds of public art would they like to see, i.e., murals on private buildings, public utility art, entry ways to city, incorporating mural art in the downtown, water features that can be used as a public plaza when the water is off, interpretive panels at the old high school arch. Members of the committee should be prepared to offer ideas at next meeting.
5. Officer/Staff Reports: None
6. Next meeting: March 30, 2016, 5:30 p.m., Hermiston City Hall.
7. Meeting adjourned at 6:30 by Mayor Drotzmann

Minutes submitted by Billie Jean Morris

Present were Pastors James Lafolette, Rod Hardin (arrived 4:26 pm), Terry Cummings, Jeff Snell, and Daniel Maxwell. Staff members in attendance were Larry Fetter and Lilly Alarcon-Strong.

Daniel opened the meeting with prayer at 4:08 pm.

New Business

Parks and Recreation Updates

Parks and Recreation Director Larry Fetter gave the committee updates on the Second Annual Recycling Event that will be held April 9th from 9am to 3pm. Larry stated the County will be contributing $5,000.00 to this event as about 50% of those who participated last year were not City residents. Larry gave the Committee volunteer sign-up sheets for their congregations for the event and asked that they return the sign-up sheets at the next FBAC meeting on April 5th, and will also place the event on justserve.org.

Jeff stated he will be contacting High Performance Signs to make a banner regarding the Recycling event to place on Hwy 395.

Hermiston Branding

Terry stated he is a member of Hermiston's Branding Committee and they have been working on developing a new logo and tag line for Hermiston. With a lot of work, and the help of Focal Point Marketing, they have narrowed it down to two logos and tag lines that will be presented to the Council at the next City Council Meeting on March 14th. After which point the community is highly encouraged to vote for the logo and tag line they feel best represents Hermiston. The community can go to Hermistonbrand.com for updates and to vote.

Handel's Messiah

Jeff stated his church will be participating in Handel's Messiah sing along in March. Jeff invited all who would like to participate to come; he will confirm the date and email it to the Committee.

(Rod arrived 4:26 pm)

Minutes

Rod moved and James seconded to approve minutes from December and February with an amendment to the December minutes, there was no January meeting. Motion carried unanimously.

Budget

Jeff stated he will speak with City Manager Smith regarding the Committee's Budget.

Old Business

School's Backpack Program- Jeff stated Rocky Heights Elementary is the only school that has not been adopted. He will be taking over this assignment from Craig and have more information at the next meeting.

Jeff stated his congregation can take over Rocky Heights if James cannot contact Victory Baptist Church or New Beginnings Church, and asked for a list of the churches and adopted schools.

James stated he will contact Craig to get the list and share it at the next meeting.

FBAC Members and Guidelines
After some discussion, Jeff moved and Rod seconded to release Genero Loredo and Hector Ramirez from their commitment to FBAC. Motion carried unanimously. James moved and Jeff seconded to approve Terry Cummings as an FBAC member, and, with pending approval from City Council, continue to look for additional members who:

1. Are in good standing within the community
2. Are in good standing within the faith-based community
3. Have a recommendation from either their pastor or a faith-based representative

It was also suggested that the Committee "pre-qualify" those who might be interested, and have them attend a meeting before they are asked to be a member and to see if they are interested in being involved.

Family Promise- James stated he has received the $50.00 check from Craig to submit the paperwork for the State of Oregon Non-Profit Corporations. James has reviewed the key qualifications for the Hermiston Family Promise Director from Jenny Galloway and feels that Craig's recommendation of Becky would be a good temporary resource until the Committee can find a permanent director. The Committee felt they should really try to find a permanent director before asking Becky to fill the position temporarily.

Unscheduled Communication
Leadership Hermiston- James stated he would like to invite Fran Rice from Leadership Hermiston to present to the Committee regarding the nine month leadership program sponsored by the Chamber.
There was no other business and Terry adjourned the meeting with prayer at 5:00 pm.

Desert Rose- Daniel stated he has been contacted by Desert Rose Ministries and has suggested that they present the information they want to share to the FBAC. The Committee felt this was a good idea as Desert Rose has also contacted a few other pastors as well. James felt this would be also be a good way to find out what other resources are being offered throughout the community so FBAC is not duplicating or overlapping the same services.

There was no other business and Terry adjourned the meeting with prayer at 5:10 pm.

Hermiston Airport Advisory Committee Minutes
March 9, 2016
4:00 P.M.

Members Present: Mike Martin, Ron Osgood, Ron Linn, Tim Beinert, and Dan Burns.
City Representative: Mark Morgan.
Airport caretakers: Susie Rawe
Absent:
Visitors: Tracy May
Minutes: February minutes were approved on a motion by Dan Burns, and seconded by Ron Linn.
Airport Manager Report: Reviewed.
Financial report: Reviewed. On schedule with our budgeted calendar year. Carpet expense was approximately $9000.00. Additional windsock expense was $7000.00

Old Business:

- **Terminal building carpeting**: The new carpet installation has been completed in the FBO building excluding the floor trim. Nolen Door Company is installing the stained trim in the next couple of weeks.
- **Directional wind sock and lighting:** The completion of a new airfield directional windsock framework, sock, and lighting will be on March 11th.
- **Taxiway project:** Columbia Pacific plans on starting again in early to mid-April with completion to take place no later than June 30th, 2016. Initial plan is for the excavation and fuel tank concrete pad to be poured around first of April. Due to the new geographic runway heading change at completion of the project new runway heading alignment markings along with updated signage will be completed. All FAA notifications and publications will be notified to meet all Federal notification criteria.

New Business:

- **Ground Lease:** The committee has given Mark the go ahead with a ground lease between the City of Hermiston and William Van Ryn for the construction of a privately owned hangar.

- **Hangar Lease for Andrew Kilgore:** Andrew Kilgore has approached the City and requested a ground lease to construct a concrete pad for rinsing out his agricultural spray planes while loading and unloading chemicals. These pads are designed to capture any spilled fluids during these loading procedures to meet DEQ and FAA regulations. It is the committee's recommendation on a motion by Ron Osgood and a second by Ron Linn to move forward with a lease at the standard ground lease rates with the understanding that the facility be designed to meet all regulations as set forth by the governing agencies for this type of operation along with the appropriate insurance policy.
- **City owned Rinsate facility:** Mike Martin has concerns that the current facility is not being utilized nor monitored correctly over a long period of time. It appears to Mike that chemicals have been being disposed of outside the facility which can be harmful to the environment and groundwater system. Further investigation by the committee will be examined to make sure this facility is being utilized correctly.

Meeting adjourned: 5:00pm

Next meeting: April 4, 2016 at 4:00pm
Respectfully submitted by:
Ronald Osgood, Secretary

Public Infrastructure Committee Meeting

March 28th, 2016

Assistant City Manager Mark Morgan called the meeting to order at 5:00 pm. Present were Councilors Smith and Davis, City Manager Byron Smith, Bill Schmittle, Roy Bicknell, Ron Sivey, Chas Hutchins, Brett Moore, and Lilly Alarcon-Strong. Councilor Kirwan was excused.

Street Department

Street Superintendent Ron Sivey stated the street department has been working on storm drain updates and will be crack filling streets through the end of June.

Water Department

Water Superintendent Roy Bicknell stated besides regular maintenance, the water department has been spending a fair amount of time working on the Regional Water System, as well as work on Hwy 395 and McDonald's projects.

Recycled Water Department

Recycled Water Superintendent Bill Schmittle stated like the street and water department, the recycled water department has been spending a fair amount of time working on the Hwy 395 project, regular maintenance, and upcoming budget process. The department recently received the NPDES permit draft from DEQ and has responded with comments; DEQ will review these comments and make changes if possible.

Recycled Water Department Plant Solids

Mr. Schmittle introduced Brett Moore with Anderson Perry. Mr. Moore stated when dealing with wastewater treatment there are two treatment streams: one solids and one liquids. The liquids are treated and placed back into the environment and the solids are treated and placed in ponds for disposal at a later time. 2014 plant improvements were only focused on the liquid stream process as phase one of the plan, phase two would focus on irrigation and solids stream improvements. 210 tons of dry solids are produced annually, treated, and then stored in the pond. Once the pond is full, the pond is cleaned out at $1,000 per ton. The pond is not cleaned annually, and it is estimated that there is 1,000 tons of solids that will need to be disposed of sometime this summer.

Councilor Smith asked if a micro system could work in disposing of solids, and if the City could look into using solids in organic materials that are not used for human consumption.

Mr. Moore stated a micro system could not be used for this process as the micro system would not be able to break down the microorganisms and cell matter left after treatment of the solids from the plant.

Mr. Moore stated he has been working with Mr. Schmittle to try to establish a better way to dispose of solids and has come up with two options:

One, instead of pumping the solids into the storage pond and then disposing of the solids once the pond is full, haul solids on a daily basis to be disposed of. The initially cost of switching to this system would be about $650,000 but will save the City about $147,000 per year as the cost of dry solids disposal would decrease from $1,000 per ton to $300 per ton. The solids costs is not in disposing of them, it's the cost of handling them that is expensive.

Two, find contractors who will use the solids for ground production. Mr. Moore stated the EPA's regulations state that solids cannot contaminate the ground water or the soil beyond a usable condition, but annual production is possible with a 100 acre site or a 400 acre site could be used on a rotational basis with growing restrictions. Mr. Moore stated finding contractors who are willing to take the solids can be difficult, but once they do take and use the solids, they find the solids are very useful in conditioning the soil, retaining water, and contain many nutrients.

City Manager Smith stated this information will be presented to the Council on the April 11th work session to hopefully gain approval to move forward with one of the two options, but regardless, the pond will need to be cleaned. City Manager Smith stated one thing to consider is that phase one of the plant improvements came in under budget, therefore the remaining budget could be used to pay for improvements of phase two and not have to drastically increase rates.

Capital Improvement Plan Development and Outline

Assistant City Manager Mark Morgan stated the City Council, during the goal retreat work session, stated one of the major long range goals is to establish a Capital Improvement Plan for the public works departments. A CIP is a savings and expense plan that is used to plan for long term projects that the city needs to improve or invest in. The plan is usually 5 years out but can be modified depending on the City's changing needs. Mr. Morgan stated a CIP is a realistic way to plan for the future expenses of a city, schedule projects, and give a timeline for each.

Mr. Morgan stated currently, Anderson Perry is working with public works department heads and financing staff to gather the City's capital needs and will have until June to submit the information to City Manager Smith for review. Once the CIP has been reviewed by City Manager Smith, the CIP will be presented to this Committee for final review and then the final draft will be presented to the Council in hopes of approval of the CIP in October with annual updates and review.

There was no other business and the meeting was adjourned at 5:52 pm.

STAFF REPORT For Meeting of April 11, 2016 MAYOR AND MEMBERS OF THE CITY COUNCIL	NO. 2016- **SUBJECT:** 2015-16 Supplemental Budget

Subject
Resolutions related to supplement the 2015-16 annual budget.

Summary and Background
Resolution numbers 2020, 2021 and 2022 are being presented tonight for Council approval.

1. **Resolution 2020** authorizes additional expenditures in ten funds, reduces expenditures in one fund, authorizes inter-fund transfers between multiple funds, corrects budget errors and establishes reserves for future expenditure. It also establishes a new department in the General Fund for Landscaping. The General Fund is being supplemented by $963,379, the Street Fund by $101,900, the Utility Fund by $197,871, the Recreation Special Revenue Fund by $1,070, the Municipal Court Special Revenue Fund by $4,215, the Miscellaneous Special Revenue Fund by $7,500, the Conference Center Fund by $32,570, the Energy Services Fund by $300,000, the Regional Water Fund by $550,000, and the Law enforcement Special Revenue Fund by $6,045. The Reserve Fund budget is being reduced by $68,740. The supplement to the City budget is $2,095,810. New appropriations of $2,064,835 are being requested and $30,975 is being requested for reserve for future expenditure. The resolution includes Exhibit A, which provides additional detail on the requests.
2. **Resolution 2021** authorizes an inter-fund loan from the General Fund to the Reserve Fund in the amount of $90,000 for improvements at the Hermiston Aquatic Center. This is also included in the Supplemental Budget request.
3. **Resolution 2022** establishes one new account in the Reserve Fund. The account is being established for the West Highland Trail. This account is included in the Supplemental Budget request.

Fiscal Information
The supplemental budget request is $2,095,810. The new appropriations request is $2,064,835. The reserve for future expenditure is $30,975.

Alternatives and Recommendation
Alternatives
1. Do not supplement the budget.
2. Supplement the budget for a different amount

Recommendation
I recommend that Resolutions 2020, 2021 and 2022 be adopted.

City of Hermiston

Requested Action/Motion
Motion to adopt resolution 2020.
Motion to adopt resolution 2021.
Motion to adopt resolution 2022.

Reviewed by:

Department Head: Amy Palmer

City Manager Approval

RESOLUTION NO. 2020

WHEREAS, ORS 294.471 permits the governing body of a municipal corporation to adopt a supplemental budget for the fiscal year for which the regular budget has been prepared if an occurrence or condition that was not known at the time the budget was prepared requires a change in financial planning or creates a pressing necessity for prompt action; and

WHEREAS, the conditions requiring a change in financial planning are listed in Exhibit A attached to and made a part of this resolution, now, therefore,

BE IT RESOLVED that due to the conditions listed in Exhibit A that were not known at the time the budget was prepared, the total budget for the City of Hermiston for the fiscal period beginning July 1, 2015 is hereby supplemented in the amount of **$2,095,810.** The amounts for the purposes shown below are hereby appropriated:

Supplementing the Budget

GENERAL FUND

Requirements:

Manager/Planning	4,889
Parks	5,000
Landscaping	38,188
Library	3,500
Recreation	16,799
Public Safety Building	14,280
Police Operations	26,985
Transfer to Reserve Fund	90,000
Capital Outlay	619,223
Non-Departmental	142,015
Total General Fund Requirements	**960,879**

STREET FUND

Requirements:

Personal Services	(27,000)
Materials & Services	47,754
Transfer to the General Fund	1,146
Transfer to Reserve Fund	80,000
Total Street Fund Requirements	**101,900**

UTILITY FUND

Requirements:

Sanitary Sewer	99,067
Water	49,923
Capital Outlay	(7,622)
Transfer to General Fund	56,503
Total Utility Fund Requirements	**197,871**

RESERVE FUND

Requirements:

Materials & Services	303,150
Capital Outlay	(133,150)
Transfer to Utility Fund	(263,000)
Total Reserve Fund Requirements	**(93,000)**

MUNICIPAL COURT SPECIAL REVENUE FUND

Requirements:

Transfer to Law Enforcement Fund	3,145
Transfer to Recreation Special Rev Fund	1,070
Total Municipal Court Fund Requirements	**4,215**

MISCELLANEOUS SPECIAL REVENUE FUND

Requirements:

Transfer to General Fund	2,500
Special Payments	5,000
Total Misc Special Rev Fund Requirements	**7,500**

CONFERENCE CENTER FUND

Requirements:

Materials & Services	8,310
Transfer to Reserve Fund	24,260
Total Conference Center Fund Requirements	**32,570**

HES FUND

Requirements:

Materials & Services	2,500
Capital Outlay	(2,500)
Transfer to General Fund	300,000
Total HES Fund Requirements	**300,000**

REGIONAL WATER FUND

Requirements:

Capital Outlay	550,000
Total Regional Water Fund Requirements	**550,000**

LAW ENFORCEMENT SPECIAL REVENUE FUND

Requirements:

Personnel Services	1,100
Materials & Services	1,800
Total Law Enf Spec Rev Fund Requirements	**2,900**
Total Appropriations	**$2,064,835**

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

PASSED by the Common Council this 11th day of April, 2016
SIGNED by the Mayor this 11th day of April, 2016

_____
MAYOR

ATTEST:

_____
CITY RECORDER

GENERAL FUND

Authorize expenditure in the general fund of $1,450 from cash for postage in the Planning dept, $3,439 from transfers in from the Street and Utility Funds for a plotter in the Planning dept, $3,500 from cash for maintenance at the Library, $14,280 from cash for lighting improvements at the Public Safety Building, $6,080 from cash for increased audit costs, $1,100 from cash for a network switch at City Hall, $13,335 from cash for a contribution to the ARC for a heating and air system, $115,000 from cash for additional engineering costs, $6,500 from cash for consulting to prepare a capital improvement plan, $300,000 from cash and $300,000 from a transfer from the HES fund for an additional contribution of $600,000 to the EOTEC for construction costs, $26,985 from an ODOT grant for overtime to do traffic control on HWY 395, $90,000 from cash for an interfund loan to the Reserve Fund for capital improvements and repairs at the aquatic center, $5,000 from a grant from Umatilla County for the 2016 Recycle Event, $38,188 from a transfer from the Utility Fund for capital outlay, labor and supplies in the newly created Landscaping Department to take over maintenance of Utility owned property, $20,000 from a state grant for the Summer Lunch Program, $16,022 from a transfer from the Utility Fund to purchase an inserter machine, and $2,500 from a transfer from the Misc Special Rev Fund to transfer a vehicle from the Police Dept to the Airport. The City already owns the vehicle so the $2,500 will be reserved for future expenditure.

STREET FUND

Authorize expenditure of $80,000 from cash for transfer to the reserve fund for storm drain improvements, $6,500 from cash for consulting to prepare a capital improvement plan and $15,400 from cash for temporary labor. Transfer $1,146 from office expense line item to Transfer to General Fund line item for purchase of a plotter. Transfer $27,000 from salaries line item to professional services line item for temporary labor.

UTILITY FUND

Authorize expenditure of $3,740 from cash for increased audit and acct svcs in Sewer and Water, $13,000 from cash for consulting to prepare a capital improvement plan in Sewer and Water, $7,875 from cash for additional property insurance, $8,400 from cash to replace lab equipment in Sewer, $20,000 from cash for additional engineering costs, $5,000 from cash for additional IT costs, $2,400 from cash for additional employee physicals and fit tests, $34,418 from cash for pump repairs in Sewer, $11,250 from cash for manhole adjustments on Hwy 395, $5,000 from cash for sewer line relocations, $5,900 from cash for manhole ring and lids on Hwy 395, $38,188 from cash, $2,293 from reduction to office supplies and $16,022 from reduction to capital outlay for transfer of $56,503 to the gen fund for plotter and inserter machines and grounds maintenance on Utility owned property, $10,000 from cash for SCADA repairs in the Water dept, and $32,700 from cash for utility work and relocations on Hwy 395.

RECREATION SPECIAL REVENUE FUND

Authorize reserve of $1,070 for future expenditure from a transfer from the Municipal Court Fund.

RESERVE FUND

Authorize expenditure of $80,000 from transfer from the street fund for storm drain improvements, reduce transfer to utility fund from cash by $263,000 as the amount will be transferred in 2016-17, authorize reserve for future expenditure of $24,260 from transfer from the Conference Center Fund, authorize expenditure of $50,000 from an interfund loan from the General Fund for a solar-power water heater at the aquatic center and expenditure of $40,000 from an interfund loan from the General Fund for repairs to the multi-use pool. Authorize transfer of $39,000 from miscellaneous contractual to capital outlay in the PW Elm Entrance project. Authorize transfer of $182,150 from capital outlay to miscellaneous contractual in the Pioneer Hibred project. Authorize transfer of $10,00 from the Bicycle Trails reserve to the West Highland Trail Reserve. Authorize transfer of $50,000 from capital outlay to miscellaneous contractual in the City Hall Improvements Reserve.

MUNICIPAL COURT SPECIAL REVENUE FUND

Authorize expenditure of $4,215 from fines & penalties for transfer of $3,145 to the law enforcement fund and transfer of $1,070 to the recreation special revenue fund.

MISC SPECIAL REVENUE FUND

Authorize expenditure of $2,500 from cash for transfer to the General Fund for a vehicle for the Airport, authorize expenditure of $5,000 from additional surcharge revenue for remittance of surcharges to the state.

CONFERENCE CENTER FUND
Authorize expenditure of $24,260 from cash for transfer to the Reserve Fund for distribution of net revenue, authorize expenditure of $8,310 from cash for distribution of net revenue to the Chamber of Commerce. Transfer $64,360 from estimated Management Revenue to Transfer from the General Fund.

HES FUND
Authorize expenditure of $300,000 from cash for for transfer to the General Fund for contribution to the EOTEC. Authorize transfer of $2,500 from capital outlay to office supplies for purchase of software.

REGIONAL WATER FUND
Authorize expenditure of $550,000 from Miscellaneous Revenue for Simplot's contribution to water-line extension project.

LAW ENFORCEMENT SPECIAL REVENUE FUND
Authorize expenditure of $1,800 from grants for purchase of AED units and $1,100 from grants for overtime. Authorize reserve for future expenditure of $3,145 from a transfer from the Municipal Court .

Fund No.	Description	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
2	Bonded Debt Fund	3,767,354				3,767,354
3	General Fund	12,715,355			963,379	13,678,734
4	Street Fund	2,017,500			101,900	2,119,400
5	Transient Room Tax Fund	573,335				573,335
6	Utility Fund	8,480,520			197,871	8,678,391
7	Recreation Fund	239,000			1,070	240,070
8	Reserve Fund	7,090,060	2,916,000		(68,740)	9,937,320
10	Muni Court Fund	281,900			4,215	286,115
11	Misc Spec Rev Fund	30,000			7,500	37,500
12	Conference Ctr Fund	249,975			32,570	282,545
13	Energy Services Fund	11,435,765			300,000	11,735,765
15	Regional Water Fund	1,437,800		664,200	550,000	2,652,000
16	RWTP Construction Fund	-				-
18	EOTEC Grant Fund	5,400,000				5,400,000
20	Law Enforcement Fund	71,500			6,045	77,545
21	Library Fund	58,000				58,000
31	Water & Sani Sewer Rev Bonds	1,300,000				1,300,000
32	Sr Center Const Fund	2,073,360				2,073,360
	Total	**57,221,424**	**2,916,000**	**664,200**	**2,095,810**	**62,897,434**

GENERAL FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Taxes & Assessments	5,265,000				5,265,000
Licenses & Franchises	774,200				774,200
Fines & Penalties	582,600				582,600
Interest	109,500				109,500
From Other Agencies	445,000			51,985	496,985
Service Charges	1,262,755				1,262,755
Other	113,100				113,100
Transfers	350,000			360,149	710,149
Cash Forward	3,813,200			551,245	4,364,445
Total Resources	**12,715,355**	**-**	**-**	**963,379**	**13,678,734**
City Council	32,150				32,150
Manager/Planning	402,398			4,889	407,287
Finance	54,964				54,964
Legal	187,700				187,700
Court	251,904				251,904
Transportation	188,375				188,375
Airport	241,640				241,640
Building Inspection	343,262				343,262
Parks	477,440			5,000	482,440
Landscaping	-			38,188	38,188
Pool	389,229				389,229
Municipal Building	12,900				12,900
Library	689,266			3,500	692,766
Recreation	537,300			16,799	554,099
Public Safety Building	92,000			14,280	106,280
Police Operations	4,237,982			26,985	4,264,967
Transfers:	-				-
Bonded Debt Fund	190,750				190,750
Reserve Fund	200,000			90,000	290,000
Conference Center Fund	95,975				95,975
Capital Outlay	12,140			619,223	631,363
Non-Departmental	401,700			142,015	543,715
Unappropriated Ending Fund Bal	-				-
Reserve for Future Expenditure	3,676,280			2,500	3,678,780
Total Requirements	**12,715,355**	**-**	**-**	**963,379**	**13,678,734**

BONDED DEBT FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Taxes & Assessments	261,890				261,890
Transfers	3,205,464				3,205,464
Cash Forward	300,000				300,000
Total Resources	**3,767,354**	-	-	-	**3,767,354**
Debt Service	3,527,354				3,527,354
Unappropriated	240,000				240,000
Total Requirements	**3,767,354**	-	-	-	**3,767,354**

STREET FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
From Other Agencies	1,317,500				1,317,500
Cash Forward	700,000			101,900	801,900
Total Resources	**2,017,500**	-	-	**101,900**	**2,119,400**
Personal Services	561,320			(27,000)	534,320
Materials & Services	149,090			47,754	196,844
Transfers:					
General Fund	-			1,146	1,146
Reserve Fund	638,375			80,000	718,375
Reserve for Future Expenditure	668,715				668,715
Total Requirements	**2,017,500**	-	-	**101,900**	**2,119,400**

TRANSIENT ROOM TAX FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Service Charges	533,335				533,335
Cash on Hand	40,000				40,000
Total Resources	**573,335**	-	-	-	**573,335**
Materials & Services	70,000				70,000
Transfers:					-
General Fund	350,000				350,000
Reserve Fund	100,000				100,000
Reserve for Future Expenditure	53,335				53,335
Total Requirements	**573,335**	-	-	-	**573,335**

UTILITY FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Taxes & Assessments	20,000				20,000
Interest	7,500				7,500
Service Charges	5,110,000				5,110,000
Transfers	527,000				527,000
Cash Forward	2,816,020			197,871	3,013,891
Total Resources	**8,480,520**	-	-	**197,871**	**8,678,391**
Sewer	1,661,066			99,067	1,760,133
Water	1,786,464			49,923	1,836,387
Capital outlay	143,010			(7,622)	135,388
Transfers:					-
Bonded Debt Fund	2,190,765				2,190,765
General Fund	-			56,503	56,503
Reserve Fund	40,000				40,000
Reserve for Future Expenditure	2,659,215				2,659,215
Total Requirements	**8,480,520**	-	-	**197,871**	**8,678,391**

RECREATION FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Transfers	4,000			1,070	5,070
Cash Forward	235,000				235,000
Total Resources	**239,000**	-	-	**1,070**	**240,070**
Capital Outlay	-				-
Transfers:					
Reserve Fund	57,086				57,086
Reserve for Future Expenditures	181,914			1,070	182,984
Total Requirements	**239,000**	-	-	**1,070**	**240,070**

RESERVE FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Interest Earnings	40,000				40,000
From Other Agencies	740,000	2,916,000			3,656,000
Service Charges	45,000				45,000
Transfers	1,101,460			194,260	1,295,720
Cash Forward	5,163,600			(263,000)	4,900,600
Total Resources	**7,090,060**	**2,916,000**	**-**	**(68,740)**	**9,937,320**
Materials & Services	664,977			303,150	968,127
Capital Outlay	2,697,935	2,916,000		(133,150)	5,480,785
Transfers:					-
Utility Fund	790,000			(263,000)	527,000
HES Fund	600,000				600,000
Debt Service	130,000				130,000
Reserve for Future Expenditures	2,207,148			24,260	2,231,408
Total Requirements	**7,090,060**	**2,916,000**	**-**	**(68,740)**	**9,937,320**

MUNICIPAL COURT FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Fines & Penalties	246,900			4,215	251,115
Cash Forward	35,000				35,000
Total Resources	**281,900**	**-**	**-**	**4,215**	**286,115**
Materials & Services	18,500				18,500
Transfers:					-
Recreation Fund	4,000			1,070	5,070
Law Enforcement Fund	12,000			3,145	15,145
Special Payments	212,400				212,400
Reserve for Future Expenditures	35,000				35,000
Total Requirements	**281,900**	**-**	**-**	**4,215**	**286,115**

MISCELLANEOUS FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Service Charges	20,000			5,000	25,000
Cash Forward	10,000			2,500	12,500
Total Resources	**30,000**	**-**	**-**	**7,500**	**37,500**
Materials & Services	10,000				10,000
Transfers:					
General Fund	-			2,500	2,500
Special Payments	20,000			5,000	25,000
Total Requirements	**30,000**	**-**	**-**	**7,500**	**37,500**

CONFERENCE CTR FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Service Charges	154,350			(64,350)	90,000
Other	4,000				4,000
Transfers	31,625			64,350	95,975
Cash Forward	60,000			32,570	92,570
Total Resources	**249,975**	-	-	**32,570**	**282,545**
Materials & Services	190,475			8,310	198,785
Transfers:					-
Reserve Fund	2,000			24,260	26,260
Reserve for Future Expenditures	57,500				57,500
Total Requirements	**249,975**	-	-	**32,570**	**282,545**

HES FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Interest	5,000				5,000
Service Charges	8,180,765				8,180,765
Transfers	600,000				600,000
Cash Forward	2,650,000			300,000	2,950,000
Total Resources	**11,435,765**	-	-	**300,000**	**11,735,765**
Personnel Services	254,050				254,050
Materials & Services	7,111,502			2,500	7,114,002
Capital Outlay	457,500			(2,500)	455,000
Transfers:					-
Bonded Debt Fund	823,950				823,950
General Fund	-			300,000	300,000
Reserve Fund	50,000				50,000
Reserve for Future Expenditures	2,738,763				2,738,763
Total Requirements	**11,435,765**	-	-	**300,000**	**11,735,765**

REGIONAL WATER FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
From Other Agencies	-		664,200		664,200
Service Charges	587,800			550,000	1,137,800
Cash Forward	850,000				850,000
Total Resources	**1,437,800**	-	**664,200**	**550,000**	**2,652,000**
Personnel Services	155,730				155,730
Materials & Services	504,468				504,468
Capital Outlay	-		664,200	550,000	1,214,200
Reserve for Future Expenditures	777,602				777,602
Total Requirements	**1,437,800**	-	**664,200**	**550,000**	**2,652,000**

EOTEC GRANT FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Cash Forward	5,400,000				5,400,000
Total Resources	**5,400,000**	-	-	-	**5,400,000**
Materials & Services	5,400,000				5,400,000
Total Requirements	**5,400,000**	-	-	-	**5,400,000**

LAW ENFORCEMENT FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
From Other Agencies	10,000			2,900	12,900
Misc Revenues	15,000				15,000
Transfers	12,000			3,145	15,145
Cash Forward	34,500				34,500
Total Resources	**71,500**	-	-	**6,045**	**77,545**
Personnel Services	5,000			1,100	6,100
Materials & Services	38,500			1,800	40,300
Reserve for Future Expenditures	28,000			3,145	31,145
Total Requirements	**71,500**	-	-	**6,045**	**77,545**

LIBRARY FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Fines & Penalties	16,000				16,000
From Other Agencies	5,000				5,000
Service Charges	1,000				1,000
Other	4,000				4,000
Cash Forward	32,000				32,000
Total Resources	**58,000**	-	-	-	**58,000**
Materials & Services	28,500				28,500
Capital Outlay	17,500				17,500
Reserve for Future Expenditures	12,000				12,000
Total Requirements	**58,000**	-	-	-	**58,000**

2014 WATER & SEWER BOND FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
Cash Forward	1,300,000				1,300,000
Total Resources	**1,300,000**	-	-	-	**1,300,000**
Capital Outlay	1,300,000				1,300,000
Total Requirements	**1,300,000**	-	-	-	**1,300,000**

SR CTR CONST FUND	2015-16 Adopted Budget	Approp Res 2007	Approp Res 2008	Budget Supp Res 2020	2015-16 Amended Budget
From Other Agencies	2,000,000				2,000,000
Cash Forward	73,360				73,360
Total Resources	**2,073,360**	-	-	-	**2,073,360**
Capital Outlay	2,073,360				2,073,360
Total Requirements	**2,073,360**			-	**2,073,360**

Total Budget	**57,221,424**	**2,916,000**	**664,200**	**2,095,810**	**62,897,434**

Total Appropriations	**43,885,952**	**2,916,000**	**664,200**	**2,064,835**	**49,530,987**

RESOLUTION NO. 2021

A RESOLUTION AUTHORIZING AN INTER-FUND LOAN FROM THE GENERAL FUND (03) TO THE RESERVE FUND (08) IN THE AMOUNT OF $90,000

WHEREAS, ORS 294.468 allows money to be loaned from one fund to another, provided the loan is authorized by an official resolution or ordinance, and

WHEREAS, if the loan is a capital loan it must be repaid in full within 10 years of the date of the loan, and

WHEREAS, the resolution or ordinance must set forth a schedule under which the principal and interest is to be budgeted and repaid, and

WHEREAS, the resolution must also state the rate of interest, and

WHEREAS, the rate of interest may be the current rate of return on monies invested in the Local Government Investment Pool (LGIP) or such other rate as the governing body determines, and

WHEREAS, funds are needed by the Reserve Fund to purchase a solar power heating system at the Hermiston Aquatic Center, a $50,000 capital item, and repair the tiles in the Multi-use Pool, an operating expense, and

WHEREAS, no interest shall be charged on the Interfund loan, now, therefore,

IT IS HEREBY RESOLVED that the Hermiston City Council authorizes an inter-fund loan in the amount of $90,000 at zero percent interest to be made from the General Fund to the Reserve Fund.

IT IS FURTHER RESOLVED that this loan will be repaid by the Reserve Fund from reserves set aside for future expenditure and duly budgeted in the 2016-17 fiscal year .

IT IS FURTHER ESOLVED that this resolution is effective immediately upon its passage.

Dated this 11th day of April 2016. CITY OF HERMISTON

By: _____

MAYOR

ATTEST:

By: _____

CITY RECORDER

RESOLUTION NO. 2022

A RESOLUTION ESTABLISHING RESERVE FUNDS

BE IT RESOLVED that Resolution No. 1991 is hereby repealed and the City of Hermiston does hereby establish the following Reserve Funds:

Office Equipment/Programming
Park Improvements
TRT/Parks Development
Parks – SDC
Victory Square Park
Street Maintenance
Traffic Control – 11th & Elm
Utility Rate Stabilization Acct
Res-Future Exp-Parks SDC
Res-Future Exp-HES Improvements
Res-Future Exp-Sanitary Sewer SDC
Pioneer Hi-Bred Improvements
RWT Plant Improvement
Water Dept Equipment
HES Gas Utility
HCC Maintenance & Repair
City Hall Improvements
Repair/Replace –Regional
West Highland Trail
Res-Future Exp – TRT/Tourism
Res-Future Exp – Utility Rate Stabilization
Airport Improvements
TRT/Tourism
Bicycle Trails
Skate Park
Street Equipment
Street Construction
HES Rate Stabilization Acct
Res-Future Exp-Office Equipment
Res-Future Exp-Water SDC
Res-Future Exp-TRT/Park Development
Public Works – Elm St Entrance
Sanitary Sewer Dept Equipment
Sanitary Sewer – SDC
Utility Construction
HES Improvements
Community Enhancements
South 2nd St Gateway
Sunset Park
Res-Future Exp – HES Rate Stabilization
Res-Future Exp – Street Equipment
Res-Future Exp – Sanitary Sewer Equipment

PASSED by the Common Council this 11th day of April, 2016
SIGNED by the Mayor this 11th day of April, 2016

_____
MAYOR

ATTEST:

_____
CITY RECORDER

STAFF REPORT

For Meeting of April 11, 2016

MAYOR AND MEMBERS OF THE CITY COUNCIL

Agenda Item #

NO. 2016-

SUBJECT: Filing Corrective Action Plan with the Oregon Secretary of State

Subject

Consider approving the City's plan of action to address the deficiencies noted in the 2014-15 Audit Report.

Summary and Background

The Oregon State Legislature passed House Bill 2174 which requires municipal corporations to file with the Secretary of State a plan of action to address any deficiencies noted in their audit report. This applies to modified opinions, management letters communicating significant deficiencies, and violations of laws, rules, and regulations including those identified in the report required by the Minimum Standards for Audits of Oregon Municipal Corporations.

While performing our audit for the fiscal year ended June 30, 2015, our auditors noted one material weakness and one significant deficiency in internal control and several instances of lack of compliance with Local Budget Law. I have prepared an action plan for the City Council to review and approve.

Fiscal Information

None

Alternatives and Recommendation

Alternatives

1. Approve the plan as is with no changes.
2. Do not approve the plan.
3. Recommend changes and approve an amended plan.

Recommendation

I recommend alternative #1. The plan of action was derived from the audit and management's responses which were included in the CAFR.

Requested Action/Motion

Motion to approve the plan as is.

Reviewed by:

Department Head

City Manager Approval

City of Hermiston

City of Hermiston
Administrative Offices
180 NE 2nd Street
Hermiston, OR 97838
Phone: (541) 567-5521 - Fax: (541) 567-5530

April 12, 2016

Oregon Secretary of State
255 Capitol Street NE Suite 500
Salem, Oregon 97310

RE: City of Hermiston Oregon Audit Findings and Management Response per ORS 297.466 and OAR 162-10-000 through 162-10-320

While performing our audit for the fiscal year ended June 30, 2015, our auditors noted one material weakness and one significant deficiency in internal control and several instances of lack of compliance with Local Budget Law. The following information was derived from the audit and includes an update from management.

2015-01 – Material Weakness

Condition and Criteria: The City's controls over the fiscal year-end financial reporting process rely largely on manual adjustments. There were several prior period and current year journal entries required to correct year-end balances and properly report the activity in the City's financial statements and there were corrections noted in our review of the financial statements. Significant adjustments were required to reclassify cash and accounts payable, accrue revenues to the proper period, record additional accounts and retainage payable, adjust capital asset activity and balances, reclassify regional water debt and related accounts to governmental activities, correct the amount reported for accrued interest payable, record prepaid expenses, adjust deferred revenue, correct the reporting of the investment in joint venture, accrue amounts owed for 2014 and 2015 conference center profit split with the Chamber, and to reclassify activity from liability accounts to revenues and expenditures. There were also numerous prior period adjustments and changes in reporting discussed during planning, most of which were worked out prior to the audit.

Effect: Adjustments were required to correct the accounting records and financial reporting for the affected areas and some of the adjustments were material, resulting in a material weakness to be reported.

Cause: Year-end entries are done each year through a manual process, which is typical, but does increase the risk of error. This is a new process with the City and a new consultant is being used to help close the books and draft the financial statements. The prior auditor was heavily involved in recording the year end accruals and capital asset adjustments and the City has not been required to reconcile many of these areas in the past. In addition, there were delays in closing the books and in providing a draft of the financial statements, which limited the amount of time available for secondary review.

Auditor's Recommendation: We recommend that management and their consultant review its year-end journal entry processes to incorporate additional oversight and review of staff work. In addition, we recommend that the process be completed earlier to allow for additional time for secondary review and approval prior to providing information to the auditor.

Management's Response: We agree with the Auditor's recommendation and plan to incorporate a process to review journal entries during the year and to review the work performed by staff during the year. Journal entries will then be reviewed by our consultant as additional oversight prior to the year-end audit. In addition the City will complete processes earlier to allow for additional time for secondary review and approval prior to providing information to the auditor.

Additional Response: The Finance Director already prepares or reviews journal entries that are unusual or non-recurring in nature. However, the Director is now sending certain journal entries that are unusual or non-recurring to be reviewed by the consultant in addition to requesting the auditor to weigh in if there are multiple approaches to recording the transaction. In addition the City has scheduled a meeting with the consultant in late April to begin the planning process for closing the fiscal year 2016. The objective of the meeting is to identify tasks and procedures that the City can begin doing prior to the close of the year. The consultant will provide input and advice on those tasks and procedures.

2015-02 – Significant Deficiency

Condition and Criteria: The prior auditor maintained the depreciation schedules in his tax depreciation system, but the City had added the information into their Caselle accounting system a couple of years ago. The cost basis in Caselle appears to be accurate after several corrections by management and their consultant, but the accumulated depreciation is misstated by one year for most of the assets. For the audit, the consultant used the beginning accumulated depreciation and added in the current year depreciation and other adjustments and the amount reported in the financial statement appears to be stated materially correct. However, the information reported in the detailed depreciation schedules in Caselle does not agree with the audited financial statements and will need to be corrected before next year's audit.

Effect: The subsidiary ledger in the Caselle depreciation module does not agree with the financial statements and will need correction to be able to properly calculate depreciation expense and accumulated depreciation.

Cause: The City has relied on the auditor's depreciation schedule in past audits and the information in the depreciation module had not been corrected. It appears that there may have been a miscalculation of life to date depreciation when the information was entered or the posting of annual depreciation shortly thereafter.

Auditor's Recommendation: We recommend that the City continue to work with the consultant and Caselle to get the accumulated depreciation section corrected in the depreciation module.

Management's response: We agree with the Auditor's recommendation and will work to ensure that accumulated depreciation is corrected and that depreciation is being properly calculated in the Caselle depreciation module.

Additional Response: Caselle will be on-site at the City April 12 – 14, 2016 at which time we are going to work with them to address the issue.

Compliance with Local Budget Law – Expenditures Exceeding Appropriations

Condition and Criteria: Expenditures in the General Fund, Municipal Court Fund, Conference Center

Fund and Regional Water Fund exceeded appropriations for the year ended June 30, 2015.

Cause: City management reviews each fund every month to monitor revenues compared to estimates and expenditures compared to appropriations. The review is intended to identify areas where the actual activity is not in synch with the budget estimates. The City typically does one budget amendment per fiscal year to address items that were not identified during budget development. In the case of the above-mentioned funds activity occurred later in the fiscal year after the budget amendment so expenditures occurred that were not planned.

Management's Plan of Action: City management will increase its efforts to ensure all funds and departments stay within budgeted expenditures.

Compliance with Local Budget Law – Budget Errors

Condition and Criteria: During the auditor's review of the 2014-15 and 2015-16 inter-fund transfers, they found budget errors where the budgeted resources did not equal the budgeted requirements. Interfund activity budgets are required to balance by Oregon budget law, so estimated resources and requirements are not distorted. Actual amounts balanced between funds. In addition, the resolution adopting the budget is different than the amount reported in the budget document for General Fund transfer to reserve, capital outlay, and non-departmental. The City is in the process of preparing a correcting resolution to agree to the departments, but the appropriation balanced in total.

Cause: The City uses Microsoft Excel to develop its budget and publishes it in Microsoft Word. Currently there is no automated linkage in the budget spreadsheet between Transfers-In and Transfers-Out. Errors are normally caught as proofing of the budget is done.

Management's Plan of Action: The City is including corrections for the budget errors in its 2015-16 Budget Supplement. In addition the City has developed and is using a separate Excel spreadsheet just for Transfers-In and Transfers-Out to facilitate the proofing of these budget components. The process is working well.

Compliance – Bond Disclosures

Condition and Criteria: Following the close of the 2013-14 fiscal year the City failed to file its CAFR on the Electronic Municipal Market Access (EMMA) website so it did not make their bond disclosures on time and some of the disclosures did not include all of the required information. The City worked with bond counsel and filed the notice regarding their failure to provide annual financial information to correct the deficiency.

Cause: The City did not have a reminder or tickler system in place to ensure the filing on EMMA occurred timely.

Management's Plan of Action: The City set up a reminder system and filed its 2014-15 CAFR and other required bond disclosure before the deadline.

Amy Palmer
Finance Director, City of Hermiston

cc: Byron Smith
Dickey and Tremper, LLP

STAFF REPORT For Meeting of April 11, 2016 MAYOR AND MEMBERS OF THE CITY COUNCIL	Agenda Item # NO. 2016- **SUBJECT:** Additional Position to Help Support EOTEC

Subject

Consider authorizing an additional 0.5 FTE to help support the EOTEC Authority with EOTEC providing 50% of the funding for it.

Summary and Background

The City of Hermiston and Umatilla County are parties to an intergovernmental agreement dated March 15, 2012 to jointly operate and support the EOTEC facility. Regarding the structure and operation of the Board article III, section A, number 6(a)iii states that "The Secretary-Treasurer shall be responsible for keeping the books, records and funds of the Authority unless otherwise provided for by the Board of Directors or this Agreement." Regarding the contribution of funds article III, section A, Number 7 states "If any funds are necessary for the operation or expenses of the Authority, Umatilla County and the City of Hermiston shall equally contribute those funds. However, no party shall have any obligation to make any contribution whatsoever unless both parties agree to the contributions."

During the first two years of the Authority's existence County Commissioner Dennis Doherty was the Secretary-Treasurer and he oversaw the formation of the budget and kept the books, records and funds of the Authority with support of Commissioner Doherty's secretary, Umatilla County Budget Officer, Bob Heffner, and Umatilla County Finance Director, Robert Pahl. However, in the spring of 2014 these functions were transferred to the City of Hermiston. Lilly Alarcon-Strong prepares the agenda, public notices and meeting minutes and Barb McMahon and I take care of the finances, accounting and budget.

Since then, activity related to the EOTEC has increased significantly and keeping up with the additional duties for the EOTEC and the City of Hermiston has become problematic.

Fiscal Information

Approximately 358 hours per year are spent on budget and accounting tasks and 60 hours per year are spent on recorder duties for a total of about $23,500 in salaries and wages supporting the EOTEC (see attached document). This equates to about 0.2 of an FTE. As the EOTEC begins operations and becomes fully functional the amount of time spent managing the finances and budget is likely to grow. In addition the Authority has interim financing planned which will increase the amount of time I will need to spend on EOTEC.

Alternatives and Recommendation

Alternatives

1. Continue as is and make no changes.
2. Transition the duties to the EOTEC Authority.
3. Return some or all of the duties to the County.
4. Authorize a 0.5 FTE to be jointly funded by the City and EOTEC.

Recommendation

I recommend alternative #4. The City of Hermiston is itself growing in population and projects and even without EOTEC duties I am being stretched thin. It is not feasible to make no changes at all. Nor do I believe it would be cost-effective for the Authority to create a position or number of positions to perform the duties the City is currently doing for them. In addition, the City staff understands the operations of EOTEC and can do them more efficiently than working with an outside contractor.

Requested Action/Motion

Authorize the City Manager to hire a 0.50 position to assist the finance department in providing financial support to the EOTEC Authority with one-half of the funding provided by EOTEC.

Reviewed by:

Department Head

City Manager Approval

Estimate of Staff Time/Salaries & Wages Spent on EOTEC

Budget & Accounting Tasks	Staff(s)	Frequency	Hours/Yr	Fully Loaded Rate/hr	Total Salaries
Perform Budget Officer Duties Coordinate and participate in budget meetings; prepare budget message; prepare and publish budget notifications; compile budget document; present budget to EOTEC Board	Amy Palmer	Annually	80	$72.41	$5,792.80
Publish Proposed Budget	Amy Palmer / Barb McMahon	Annually	20 20	72.41 32.54	1,448.20 650.80
Publish Adopted Budget	Amy Palmer / Barb McMahon	Annually	5 5	72.41 32.54	362.05 162.70
Accounts Payable/GL Duties Code invoices and process for payment; prepare disbursement requests; prepare checks; perform bank reconciliation; enter journal entries	Barb McMahon	Monthly	96	32.54	3,123.84
Monthly Financial Duties Review and approve disbursement requests; prepare journal entries; monitor cash and process cash transfers; review bank reconciliation; prepare monthly financial packets for Board	Amy Palmer	Monthly	96	72.41	6,951.36
Present Financial Reports	Amy Palmer	Monthly	12	72.41	868.92
Annual Financial Reports Assist with prep of annual financial report; review financial report	Amy Palmer	Annually	16	72.41	1,158.56
Annual Audit Reply to Auditor Inquiries	Amy Palmer / Barb McMahon	Annually	4 4	72.41 32.54	289.64 130.16
TOTAL			**358**		**$20,939.03**
Assistant Recorder Tasks	**Staff**	**Frequency**	**Hours/Yr**	**Fully Loaded Rate/hr**	**Total Salaries**
Recorder Duties Prepare agendas; attend meetings; prepare and route minutes; post meeting notices; track board terms	Lilly Alarcon-Strong	Monthly	60	42.84	2,570.40
TOTAL			**60**		**2,570.40**
GRAND TOTAL			**418**		**$23,509.43**

Estimate of Cost for Additional Half-time FTE

Scenario 1	Num of Hrs	Pay Rate	Total Cost
Express Employment provided personnel	1,040	19.50	20,280
EOTEC's portion (not to exceed $12,000/yr)			(10,140)
Total cost to City			10,140

STAFF REPORT For Meeting of April 11, 2016 MAYOR AND MEMBERS OF THE CITY COUNCIL	Agenda Item # NO. 2016- **SUBJECT:** Airport Ground Lease VanRyn

Subject
Approve a ground lease at the Hermiston Airport to allow for the construction of a 3,000 square foot private airplane hangar.

Summary and Background
William Van Ryn is seeking a standard 20-year lease for 3,000 square feet of ground at the airport in order to build a hangar for his airplane. The location is in conformance with the approved Airport Layout Plan for future hangar space. The Airport Board unanimously recommended approval of the ground lease at its meeting on March 9, 2016.

Fiscal Information
The current ground lease rates at the airport are $0.15/square foot. This lease will increase annual lease revenue at the airport by $450 per year for the first five years. All airport lease rates are re-negotiated after the first five years.

Alternatives and Recommendation
Alternatives

1. Approve the ground lease.
2. Deny the ground lease.

Recommendation
This will be a good addition to the airport's hangar-stock. Recommend approval.

Requested Action/Motion
Motion to approve the ground lease.

Department Head- Mark Morgan, Assistant City Manager

City Attorney- Gary Luisi, City Attorney

City Manager Approval- Byron Smith, City Manager

City of Hermiston

HERMISTON MUNICIPAL AIRPORT
Ground Lease

The City of Hermiston (City) entered into this agreement with William Van Ryn (tenant), as follows:

1. Premises: City leases to Tenant and Tenant takes the space described in Exhibit A.

2. Term: The term of this lease is 20 years from April 14, 2016 to April 14, 2036.

3. Deadline for Improvements: The intention of this ground lease is to facilitate the construction and operation of an approximately 3,000 square foot hangar building. This agreement shall automatically terminate on January 1, 2018 if the hangar building is not fully completed and occupied by then.

4. Rent: As of April 14, 2016, the annual rent is $0.15 per square foot, or $450, which shall be paid at City Hall on or before the first day of January each year. Rent for the period between the effective date of this lease and January 1, 2017 shall be pro-rated and is due to the City within 10 days of the effective date of this lease. The rent is subject to adjustment as negotiated every five years, with the next adjustment to be negotiated in January, 2021.

5. First Refusal: At the end of the term this lease is terminated. If, in the City's sole discretion, the premises are to be offered for sale or lease, Tenant or successors in interest shall be allowed the right to match the best acceptable offer. The right must be exercised and executed with 60 days of notice by City.

6. Option to Renew: Upon the keeping of all the terms of this agreement, Tenant shall have the option of renewing this lease for one additional ten-year term if City receives a written request for renewal from Tenant no earlier than 5 years before the expiration of the lease, and no later than six months before the expiration of the lease. The renewal shall be on terms to be agreed; however, any changes shall be consistent with this lease.

7. Title to Improvements: Upon expiration or termination for cause or otherwise of the lease or any extensions, title to all structures and improvements shall be vested in Tenant. For this reason it is expressly agreed by Tenant that the structures will be removed and the property cleared within 90 days of any termination date.

8. Alterations: Tenant will make no alterations in or additions to said premise or building, including painting, without first obtaining the written consent of the City in order that an overall plan may be followed.

9. Conformance with Law: Tenant will not use or permit in premises anything that would violate any City or State or Federal law, code ordinance, or administrative rule.

10. Taxes and Assessments: If by reason of this lease the real property occupied by Tenant becomes taxable under the laws of the State of Oregon, the obligation to pay the taxes shall be added to the rental obligation of Tenant. The amount to be included in a written notice given Tenant once each year. At present under Oregon law the land is exempt from property taxation.

11. Use of Premises: Tenant agrees that the premises shall be used for the storage of aircraft. Items of personal property used in the business may be stored temporarily when such storage in no way interferes with the normal storage area of the aircraft inside the hangar, and does not otherwise violate this agreement. Tenant further agrees not to store any flammables or explosives within the premises. For the purpose of this agreement, "flammables or explosive" shall not apply to fuel or other flammables contained within the tanks or normal portions of any airplane or automobile placed in said hangar.

12. Assignments or Sublease: This may be done only with prior written consent of the City. Including major ownership change in business entity.

13. Right of Entry: The City may enter the premises in case of emergency. The City shall log any such entry at the Airport Manager's office during normal working hours and notify Tenant.

14. Ground Maintenance: The Tenant shall maintain the grounds and premises in and around the rental area in reasonably neat, clean, and orderly condition.

15. Rules and Regulations: The Tenant agrees to abide by the Airport Rules and Regulations, as they now exist or may hereafter by amended in any way by the City. Attached are General Specifications which are incorporated by reference.

16. Continued Airport Operation: City does not agree that it will operate and maintain this airport continuously in the future.

17. Airport Security: Tenant must provide for security of the property and City expressly assumes no duty to provide security.

18. Corrective Action by City: In the event of damage by Tenant other than wear and tear the City may make repairs or take any other corrective action necessary for the protection of the property and operation of the lease. City shall first give Tenant ten days written notice and demand for correction except in case of emergency when no notice will be required. Tenant shall pay City for all costs and expenses incurred in curing the defaults or repairs upon presentation of a bill therefore, as additional rent.

19. Insurance: Tenant shall carry premises liability insurance with limits of $500,000.00, in the aggregate; and agrees to adjust the amounts and coverages to meet standards set up in Airport Rules and Regulations and State and Federal Rules, present and future, and to include City as an additional insured. (Not less than maximum set in Oregon Tort Claims statute.)

20. Indemnifications: Tenant shall indemnify and hold harmless the City, officers, agents, and employees from and against any and all claims, demands, loss or liability of any kind or nature which the City, officers, agents and employees, or any of them, for injury to or death of persons or damage to property caused by or contributed to by the negligence of Tenant, in the use of the premises described in the Agreement, including the use of the Airport and its facilities.

21. Arbitration: Parties agree that they will submit the settlement of disputes arising under this lease to arbitration in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be conclusive and binding on the parties. The parties shall share equally the cost and expense of the arbitration.

22. Attorney Fees: In the event of enforcement action, with or without litigation, the prevailing party shall be entitled to recover costs and attorney fees at trial or on appeal.

23. Time of Essence: Time is of the essence in payment of rent and complying with all terms of this agreement.

IN WITNESS THEREOF, the parties affixed their signatures.

City of Hermiston

_____

By: City Manager Date

_____ _____

Tenant Date Tenant Date

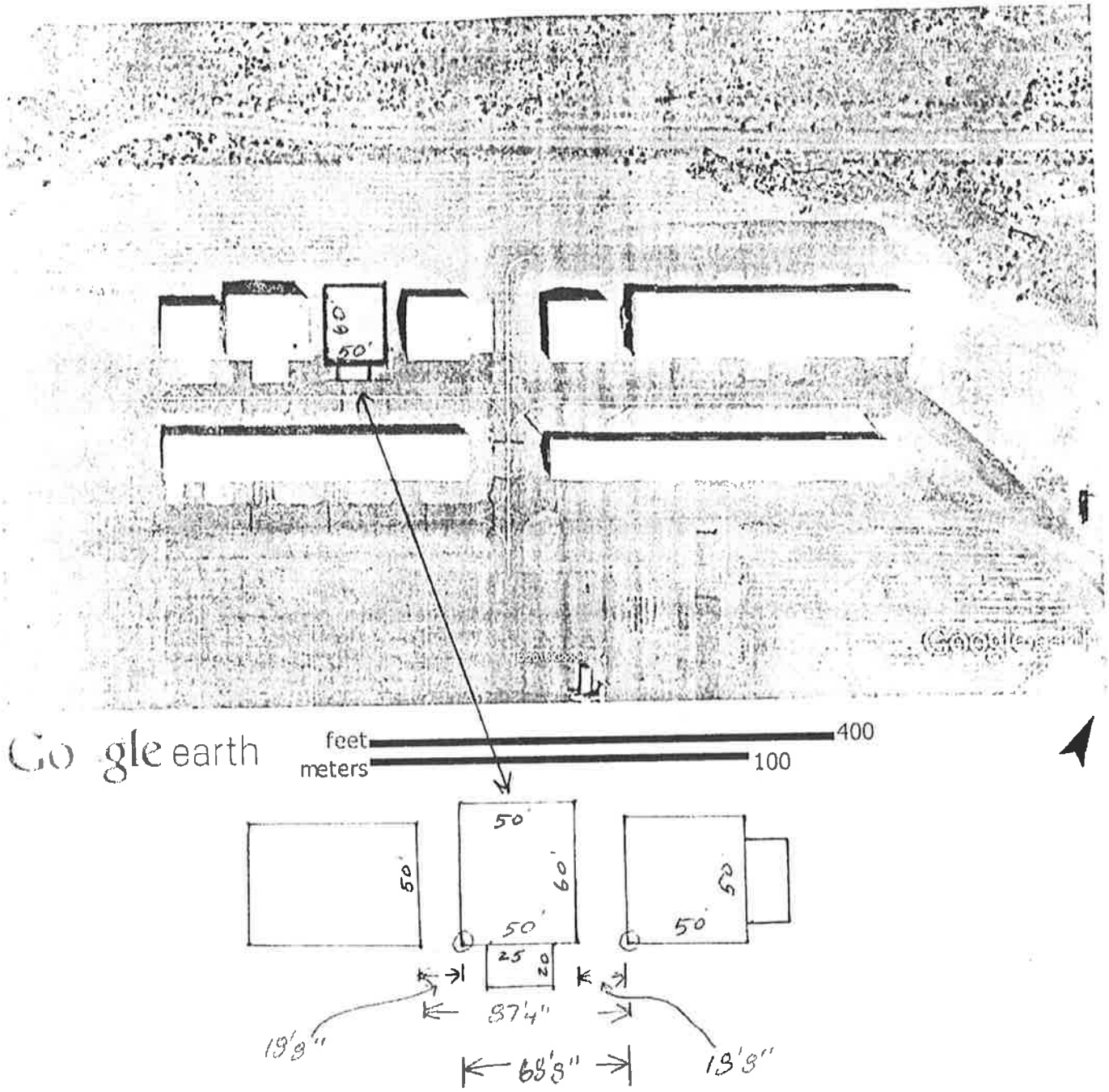
City

William Van Ryn

Hermiston Airport Lease Space described below

1. Premises. City leases to Tenant and Tenant takes the space described below for the building of a private hangar for the use of Tenant on the terms of this lease:

Commencing at the southwest corner of Section 13, T4N R28 E.W.M.: Thence north 18°26:45" east 1935.62 feet to a point on the construction centerline of the Hermiston Municipal airport runway 4/22, said point being located at the southwest end of the runway and having the engineering station of 0+00; thence north 61°27'37" east 1810.3 feet along the centerline of said runway; thence north 28°32'23" west 564 feet to the true point of beginning; thence north 28°32'23" west 60 feet; thence north 61°27'37" east 50 feet; thence south 28°32'23" east 60 feet; thence south 61°27'37" west 50 feet to the true point of beginning. (Total area = 3,000 sq. ft.)



Hermiston Airport

William Van Ryn
541-701-0090

0+00

1879'

1810'4"

STAFF REPORT For Meeting of April 11, 2016 MAYOR AND MEMBERS OF THE CITY COUNCIL	Agenda Item # NO. 2016- **SUBJECT:** Livable Hermiston Report

Subject

Receive and accept a report regarding the Livable Hermiston process, and provide feedback for next steps.

Summary and Background

In early 2015, in response to ongoing questions from the Chamber of Commerce about long-term plans for the Hermiston Community & Conference Center, the City Council appointed Mayor Drotzmann, Councilor Myers, and Councilor Smith to a sub-committee to examine the issue with the Chamber. In the Spring, the sub-committee recommended that the issue be discussed with the Hermiston Futures Task Force (HFTF). The HFTF recommended that any discussion of long-term usage of the Conference Center should take place in a larger dialogue about how the community invests in community "livability assets" as a whole. As a result, the Council appointed a "Livable Hermiston Oversight Committee" to gauge community interest and support for what types of "livability assets" the community should focus on over the next 10-20 years. This committee included Hermiston Futures Task Force members, the Mayor, two City Councilors, the Chamber of Commerce Executive Director, the current Chamber President, two past Chamber Presidents, and five 'general' community members.

Barney & Worth, Inc. was retained to lead the Livable Hermiston process. Their full report is attached for further detail, but the two main recommendations from the Livable Hermiston Oversight Committee are:

- First, the top general community priority over the next three to five years should be to ensure full build-out and successful operation of the EOTEC.
- Second, the community should, "allocate resources over the next year to (also) support an in-depth evaluation of developing one of the (other) top priorities listed." Which include (in no priority order)
    - Indoor Aquatics Center
    - Downtown Revitalization
    - Youth/Family Activity Center
    - Parks/Trails/Open Space

It is clear that this process evolved away from the initial goal of determining a concrete future for the Hermiston Conference Center in relation to the ongoing operation of the EOTEC. However, the #1 recommendation of the committee was to ensure the success of the EOTEC. Additionally, a small portion of what the existing Conference Center does could be considered similar to a community activity center, and many

people, including the Chamber, commented that the existing facility may be able to be repurposed to expand on that activity in the future. However, it is still unknown what the true impact will be of the EOTEC on the Conference Center, and vice-versa, until the EOTEC has been in operation for some time. The Conference Center's operational contract has been extended to run through December 31, 2017; approximately one and a half years after the opening of the Event Center portion of EOTEC.

Fiscal Information

There is no fiscal impact related to accepting the report as-is. Any fiscal impact will be subject to future budgeting by the Council.

Alternatives and Recommendation

Alternatives

1. Accept the Livable Hermiston Report as presented.
2. Do not accept the Livable Hermiston Report.
3. Provide new direction to Livable Hermiston Oversight Committee, and request revised recommendations.

Recommendation

Accept the Livable Hermiston Report as presented. Direct staff to report back to Council in mid-2017 with a proposal to conduct a professional analysis of the long-term relationship between the EOTEC, the Conference Center, and the viability of a Youth/Family Activity Center.

Requested Action/Motion

Motion to accept the Livable Hermiston Report staff recommendations.

Department Head- Mark Morgan, Assistant City Manager

City Manager Approval- Byron Smith, City Manager

Livable
HERMISTON
YOU CAN GROW HERE.

Summary Report

March 2016

Acknowledgments

The City of Hermiston thanks the Livable Hermiston Committee for their time and expertise in spearheading the public engagement process that enlisted thousands of Hermiston residents and others to discern the community's vision for the future.

Livable Hermiston Committee

Chuck Barnes
Doug Barak
Joseph Basile
Dennis Burke
Donald Daggett
Mayor David Drotzmann
Maria Duron
Jason Edmiston
Steve Eldrige
Joseph Franell
Bob Green
Philip Hamm
Tamra Mabbott
Fred Maiocco
Bryan Medelez
Mark Morgan
Councilor Jackie Myers
Debbie Pedro
Kim Puzey
Margaret Saylor
Byron Smith
Councilor Douglas Smith
Angie Treadwell
Katrina Ward
Jim Whalley
Jacob Zumwalt

The Livable Hermiston Committee guided the engagement process that draw participation from more than 2,200 community members.

EXECUTIVE SUMMARY

Livable Hermiston Visioning Process

Livable Hermiston is a community-wide visioning process sponsored by the City of Hermiston and Livable Hermiston Committee to identify future community livability assets that will continue to make Hermiston a great place to live, work and visit. The goal is to set priorities for the most important community livability assets to be pursued by the community over the next 10 to 20 years.

It is an opportunity for community members to continue shaping the kind of city that future generations will be proud to call home. This is not a "City" plan, but rather a community plan, with the responsibility and benefits of developing and implementing the plan to be shared among a broad range of partners and supporters.

This visioning process is guided by a 26-member Livable Hermiston Committee, a diverse group of community leaders and citizens. *Livable Hermiston* is intended to produce:

- A vision of Hermiston's future livability assets, and a road map for getting there;
- An understanding of shared community values; and
- An engaged and informed community that is looking ahead, together.

Community Engagement

A goal of the Livable Hermiston Committee was to involve a cross-section of community members in the visioning process. Groups targeted to participate included community leaders, local service clubs, the business community, long-time residents and newcomers, commuters who work in Hermiston but live elsewhere, high school students, and members of the Hispanic community. Through interviews, surveys (in English and Spanish), public events and meetings, and focus group discussions with community groups, more than 2,200 Hermiston residents and others participated.

The surveys reveal values shared broadly across the community, to be preserved and accentuated in shaping Hermiston's future livability:

- Small town character
- Friendly, welcoming to all
- Affordable
- Multi-cultural
- Agriculture center at a crossroads location

Another value that is widely shared: investing in education (and youth) is a key to Hermiston's future. Hermiston is strongly supportive of good K-12 schools and post-secondary options (BMCC, EOHEC, other) to ensure the availability of an educated workforce that is essential to attract new employers.

Committee Recommendations

The Livable Hermiston Committee considered some twenty ideas for new community aspects that would boost Hermiston's long-term livability for residents and visitors. After extensive community outreach that involved *thousands!* of Hermiston residents, businesses and their

employees, students and others, the Committee reached agreement on a handful of priority projects.

The Committee recommends the #1 priority for the City in the near future is to ensure the EOTEC (Eastern Oregon Trade and Event Center) is fully built-out and operational over the next 3 to 5 years. This is a top-notch venue is anticipated to attract and accommodate a wide range of events throughout the year. The initial phase is funded, under construction, and opens in 2016. Future plans call for expansion of the events center, and other improvements.

The EOTEC events center opens in Spring 2016; the fairgrounds in Summer 2017.

The Livable Hermiston Committee's additional priorities include four livability projects that are also strongly endorsed by the community:

- *Indoor aquatics center*: a multi-use facility that extends Hermiston's aquatic activities year-round. This facility may also include a family/youth activity center component (see below).
- *Downtown revitalization*: implementing the existing renewal plan for Hermiston's Downtown Urban Renewal District, focusing dedicated urban renewal funding and other resources on enhancing City-owned facilities, developing a "Festival Street", and other projects which will attract visitors to the downtown.
- Youth/family activity center: a Boys & Girls Club, YMCA or similar type center to host affordable programs and activities for youth and their families that are also open to the entire community. This can be developed as a stand-alone facility, but the Committee strongly recommends it be combined with the aquatics center.
- *Parks/trails/open space*: the Committees goal in developing more parks is regional equity. With Hermiston at only 70% of national standards for park acreage, there's room for more parks and recreation facilities. With many of the existing parks located on the westside, the Committee suggests looking for future opportunities on the eastside.

Next Steps

The Livable Hermiston Committee recommends the City of Hermiston and community allocate resources over the next year to support an in-depth evaluation of developing one of the top priorities listed above.

In turning the *Livable Hermiston* vision into reality, there's no reason for the City to "go it alone". Hermiston has a wealth of community organizations poised to help implement them with the vision: the business community, Hispanic Advisory Committee, service clubs, School District and Community College. These organizations stand ready to participate as willing implementation partners – if invited.

Introduction

The City of Hermiston (current population 17,520) is the population and commercial/service hub of western Umatilla County. Nearly 40,000 people live within a 10-mile radius. Much of that population has resulted from growth over the past 20 years, and the area's population continues to increase.

The City of Hermiston and its Hermiston Futures Task Force have commissioned a new vision process called *Livable Hermiston* to identify community priorities for the next five to ten years. The Task Force was formed in 2011 to discuss essential components and projects to further develop the city's viability and success. Their goal was to develop a long-term and deliberate vision for Hermiston and the surrounding area. The Task Force and its partners identified ten priorities in 2012, and updated those in September 2014.

For the 2015 vision process, the City of Hermiston retained a consultant team led by Barney & Worth, Inc. Like other rural communities, Hermiston's economic development projects hinge on the ability to attract and retain high-skill professionals (managers, physicians, engineers, etc.). Hermiston's proximity to the Tri-Cities, Washington metropolitan area (population 240,000, within a 30 to 40 minute commute) is a plus for recruitment. It helps local employers draw from a larger labor force. But having the Tri-Cities nearby also means that many professionals and others who work in Hermiston choose to commute.

For the future, the City of Hermiston aspires to have a greater percentage of those professionals live in Hermiston. One strategy to attract and retain that high-skilled workforce is to continue to invest in improving Hermiston's livability, developing new livability assets. The City of Hermiston defines "livability assets" as facilities that residents and visitors can enjoy, making Hermiston a better place to live, work and visit. Over the years, the community has added many livability assets including an outdoor aquatic center, a community center, new elementary and middle schools, sports fields, and many parks system components.

An initial list of livability assets to be tested with the community in the Livable Hermiston vision process included:

- Indoor public swimming pool
- Museum
- Additional athletic facilities
- Boys and Girls Club
- Walking paths/trails
- "River Trail" (Umatilla River floating)
- New City Hall

Livable Hermiston Committee

To guide the visioning process, the City Council appointed the 26-member Livable Hermiston Committee. Formed around the nucleus of the Hermiston Futures Task Force, members were added to broaden community representation and also include the Mayor and two City Councilors. (Committee members are listed in the Acknowledgements section.)

The Committee's assignment was to advise and steer the visioning process, and develop

recommendations. Committee members also offered suggestions to direct the community engagement process, and helped spread the word by sharing information and encouraging participation in Livable Hermiston among their neighbors, friends, colleagues and interested organizations. The Committee also hosted a community event in January 2016.

With guidance from the livable Hermiston Committee, the goals for engagement were met. More than 2,200 people who live, work, visit or study in Hermiston joined in the visioning.

The visioning process began in late August 2015 and concluded in February 2016. The six-month process included Livable Hermiston Committee meetings, stakeholder interviews, two community surveys, presentations to local organizations, and a community event. The committee met four times: in October, November and December 2015 and February 2016.

Data Profile

To contribute a foundation for the visioning processes, the economic consultant E.D. Hovee & Company prepared an economic/demographic data profile for Hermiston and its trade area (including the 97826, 97838, 97875 and 97882 zip codes for Echo, Hermiston, Stanfield and Umatilla). Data for Hermiston was analyzed and compared with countywide and statewide averages.

Highlights from this analysis:

- Hermiston's population growth exceeds the state average, but has recently been only about one percent per year.
- The community has a young, diverse, family-oriented population: 32.4 years vs. 39.3 years statewide; and 38% Hispanic.
- The labor participation rate is very high – greater than two workers per household; household income is comparable to the Oregon average: around $50,000 annually.
- The transportation/warehousing/utilities sector enjoys strong job growth, but stagnant wages.
- Commute times are below the statewide average: 18 minutes vs. 25 minutes statewide.
- Retail sales strengths include the grocery, building materials, and automobile sectors.
- However, there's significant retail sales "leakage" in electronics, health, and apparel/specialty.
- Tourism spending and growth are sub-par – well below statewide averages.
- Educational attainment is below average: 11% of adults have a college degree vs. 30% statewide.

In summary, Hermiston's economic/demographic *attributes* includes its youth, work orientation, and location. Hermiston's *challenges* are its low educational attainment, limited housing options, retail sales leakage, and dearth of visitors.

Stakeholder Interviews

As an early step in the *Livable Hermiston* visioning, Barney & Worth interviewed a cross-section of community leaders and other interested stakeholders to learn their views and vision for Hermiston's future. Participants included newcomers and old hands, with some arriving in Hermiston in the past three years while others who were interviewed have lived here for 40+ years.

Participants were asked to share their observations and advice on Hermiston's distinct identity, what's missing today, and how best to engage citizens in the visioning process. The interviews complement the results of community surveys completed by more than 2,200 citizens.

The following highlights summarize the key points offered by 24 key stakeholders who were interviewed for *Livable Hermiston*.

1. **Community leaders agree the outlook is bright for Hermiston.** Their shared expectation is for continued growth and prosperity in the coming years for this "up-and-coming" rural center.

2. **The community's strong, diversified agriculture sector and its unique "crossroads" location make Hermiston desirable.** Growing numbers of companies are looking for this type of "hub" and transfer point, with good highway and rail access to all of the Pacific Northwest's major markets. These and other assets identified by stakeholders are highlighted below.

Hermiston's Self-Image

- ✓ Strong, highly diverse agriculture sector
- ✓ Growing: new companies adding higher wage jobs and stability
- ✓ Welcoming; accepting of new people
- ✓ Well located, a crossroads: highways, rail, river – a hub and transfer point
- ✓ Progressive, forward looking, can-do attitude
- ✓ Business friendly
- ✓ In transition: up-and-coming

3. **Another intangible asset – but very important – is Hermiston's welcoming culture.** The community's growth in recent years has brought many new residents and new businesses. All observers agree that Hermiston has continued to invite and welcome newcomers, whatever their economic status or background.

4. **There's general agreement on what's missing – but no consensus at this point on how to provide those key elements.** Most community leaders see room for improvement. The missing ingredients named most often include: more restaurants and retail/shopping; housing options; arts, culture, and entertainment amenities; recreation opportunities; curb appeal, better first impression, aesthetics. The Tri-Cities area is nearby and represents tough competition in some of these categories. There are many compelling reasons why some folks who work in Hermiston may prefer to commute.

5. **Community leaders understand the connection between community facilities and livability.** An early priority is to fully activate the new assets that are under development: EOTEC/Eastern Oregon and the new senior center. Other quality of life assets nominated include: a year-round aquatics center, a conference center that is repurposed – possibly as a performing arts facility – and better signage and wayfinding for visitors.

Possible Community Facilities
Initially Suggested by Stakeholders

- ✓ EOTEC
- ✓ New senior center
- ✓ Year-round aquatics center
- ✓ Skate park
- ✓ Recreation center and other facilities/activities for kids and all ages
- ✓ Boys and Girls Club or YMCA
- ✓ Repurposed conference center
- ✓ Multi-cultural center
- ✓ Performing arts center
- ✓ Visitor attractions: museums, entertainment
- ✓ Hotels, restaurants and other visitor amenities to support longer stays
- ✓ Better highway entrances, signage, wayfinding
- ✓ Reinvest in downtown
- ✓ Fairgrounds site: redevelopment opportunity
- ✓ New and expanded parks, trails, open space
- ✓ Sports fields
- ✓ Golf course
- ✓ New City Hall/consolidated offices

6. **Investing in education is a key to Hermiston's future.** Hermiston is viewed as being supportive of good K-12 schools and post-secondary options (BMCC, EOHEC, other). To ensure the availability of an educated workforce that is essential to attract new employers, greater attention and investments will be required at all levels – including continuing education for adults who are already employed. Non-academic classes that enhance quality of life are also mentioned: arts, theater, martial arts, etc.

7. **Hermiston has a wealth of community organizations poised to help implement the new vision.** The groups mentioned most often are the business community, Hispanic Advisory Committee, service clubs, school district and community college. Many observers foresee an ongoing implementation oversight role for the Hermiston Futures Task Force.

8. **Stakeholders suggest a variety of communication channels to ensure there is broad public participation in developing the vision.** A shared priority is to broaden the conversation beyond the "usual suspects." Targeted outreach can ensure important

segments of the community who don't traditionally participate are invited to join the conversation; including students, seniors and Hispanic community members.

Community Engagement Channels

- Website; online survey
- Targeted outreach to key groups: students, parents, seniors, Hispanic community
- Citizens committee/task force
- Email notices
- Newspaper stories
- Hispanic Advisory Committee
- Public meeting, forum, open house co-sponsored with community organization(s)
- White board session for businesses
- Booth at community events
- Networking
- Radio advertising
- Social media
- Work through organizations

9. **Hermiston's growing Hispanic population should be included in the vision.** Now approaching 40% of area residents, the community is quickly becoming multi-cultural. Livable Hermiston should seek to explore and adopt the Hispanic community's priorities as one element of the vision.

10. **Final Advice.** Livable Hermiston should be a proactive, citizen-driven initiative. "Do it right, get enough people involved, and go for it!"

A list of the persons interviewed is attached in an appendix.

First Community Survey

The first community survey was completed by 1,092 Hermiston residents, business owners, employees and students. Notably, the respondents included nearly 500 high school students. City Council members and Livable Hermiston Committee members sent the survey to their friends and colleagues. The survey was distributed in Spanish by the Hispanic Advisory Committee, and was also made available at City Hall counters.

Questions for the survey included:

1. What makes Hermiston special?
2. What do you think is missing?
3. Let's imagine: The City of Hermiston has just discovered a historic document from one of Hermiston's pioneer families that provides a legacy gift of millions of dollars! The sole condition is that it must be spent in the next five years on City projects or programs. What would be your three top priorities for spending this newly discovered gift?

The survey results parallel the stakeholder interviews. Hermiston's leading assets are its small town character and welcoming nature. What's missing? Survey respondents say it's restaurants, retail, activities for youth, arts/culture/entertainment, and a thriving downtown.

Priorities for livability assets include:

- Community center/Boys & Girls Club, YMCA
- Year-round aquatics center
- Parks/trails/open space
- Arts & culture facilities: performing arts center, expanded library, museum
- Thriving downtown

Also mentioned are:

- Beautification
- Medical/social services: homeless shelter

Second Community Survey

The second community survey attracted 1,108 responses. Again, the participants included a strong representation from students – this time 701 responded.

Excerpts are provided below from respondents' feedback on the top priority livability assets being considered for Hermiston's future.

Year-Round Aquatics Center

- I LOVE this idea; if we had it I would go all the time.
- Would be a great all year pool.
- The swim team wouldn't have to travel to Pendleton to practice.
- I can't swim but this is a good idea.
- I have heard Boardman is planning to have an indoor pool. If we do not have one in Hermiston, our business will go elsewhere and I am sure we are not the only family who feels this way.
- Why not just add to the aquatic center we already have?

- This would be nice however our taxes are so HIGH now. I can't pay more and may have to move.

Revitalized Downtown

- Making more and new retail and restaurants is a good idea.
- Hermiston is beautiful, but downtown is becoming dead.
- Downtown is in desperate need of revitalization. It sets the tone and is a reflection of the entire community.
- This town seems old, make it new!
- It would be nice to have a downtown destination like in the olden days.
- Every town/city I have lived in had a vision of revitalizing their downtown – none succeeded. Small businesses have a difficult time remaining profitable year round in the current business environment.

Community Center

- This would be PERFECT because it could be for all ages and not a specific group of people.
- A YMCA would be awesome!
- It's a good place for community activities.
- I really like this idea because it will make our family come closer together.
- If we had a YMCA with an indoor pool that would kill two birds with one stone. They have that in the last community I lived in.
- Don't we already have one of these? Maybe expand the one we have instead of spending millions of dollars to build a brand new one.
- Don't do it, it's a waste of moolah.

Parks, Trails, Sports Fields

- Definitely need more parks/hiking trails up in Hermiston.
- I support this because Americans need to get FIT.
- Would love more running trails.
- Maybe a sk8 park for 12 and under.
- We are in need of more baseball/softball fields.
- We do need more soccer fields, an indoor batting arena and a dog park.
- We are paying HIGH taxes for our schools and we have adequate fields. Parks and rec have done a fantastic job on our parks.

Arts and Culture Center

- We could perform concerts there.
- I think this is a great idea for Hermiston. I believe the arts and culture center is good for teens.
- This is a marvelous idea because we will see many different cultures in our town. Establish sponsors for donations. Use great money for any necessities. Gather several dedicated volunteers to help build the building.
- The Hispanic community is trying to get a culture center going. I envision a place where youth can be taught arts, dances, drama, etc.
- Yes this would be awesome. We need a music/art and culture instead of Tri-Cities entertainment.
- Make this part of the community center – not a separate building.
- These types of events not high on my list.

In response to the Spanish language surveys, two themes emerged: providing activities, year-round, for youth; and keeping the new facilities and programs affordable for community members.

Excerpts from Spanish language survey responses:

- *Un lugar donde los jóvenes estén ocupados en vez de andar en las calles causanda problemas.*

  A place where youth are kept busy instead of walking the streets causing problems
- *Un lugar para los jóvenes todo el año, sobre todo sí cuenta con deportes, pero deportes que no cobren tanto como lo hacínenle fútbol. Cobran muy caro y para familia de tres no se puede cubrir el costo.*

  A place for youth all year, above all including sports – but not sports that cost a lot like football. Families can't cover those costs.

Community Focus Groups

Several community focus groups were conducted once the data from the second survey was compiled and analyzed. The purpose of the focus groups was to describe the basic concepts for new community facilities to members of the public, and get their responses face-to-face, in a group setting. These sessions allowed for open conversations about why people may think various concepts are good or bad ideas. The interactive focus groups engaged the entire audience, and required participation and feedback about both the positives and negatives of all of the concepts.

Focus groups were conducted in January by Committee members and staff with the Rotary Club, Hispanic Advisory Committee, Kiwanis Club, and Altrusa Club. More than 80 people took part in the focus groups, and at the end of each topic were polled on the question: "Do you support the community dedicating significant resources toward making this concept a reality within the next 10-20 years?"

Results of the focus group polls, and feedback are shown below.

Year-Round Indoor Aquatics Center

93% Support 7% Don't Support

Supportive Feedback	Concerns
Provide a place for the H.S. Swim Team	Operating costs for taxpayers
All ages can use the facility	Duplication of existing services
Improve Community Health	Affordability to the users

Community Center

81% Support 19% Don't Support

Supportive Feedback	Concerns
Fills an after school activity gap for youth	May compete with existing activities
Should be combined with an aquatics center	Should instead put resources toward existing activities
Possible re-use for existing Conference Center	Will it actually be utilized?

Revitalized Downtown

75% Support 25% Don't Support

Supportive Feedback	Concerns
Provide a community gathering space	Downtown's simply too small for any real impact
Downtown is the face of the community	It's not fundamental Economic Development
Positive, but un-measurable, socio-economic impact	Downtown property & business owners should take the lead

Parks/Trails/Open Space

71% Support 29% Don't Support

Supportive Feedback	Concerns
Improve community health	Ongoing maintenance cost
Fill current gaps across the community	Plenty of existing opportunities
Improve overall community appearance	

Arts and Culture Center

37% Support 63% Don't Support

Supportive Feedback	Concerns
Increase tourism spending	Ongoing cost to taxpayers
Retain heritage	Nice to have, but bigger needs elsewhere
Educational opportunities	Will it be utilized by locals?

Commuting Professionals

Another objective for Livable Hermiston was to investigate whether certain community livability assets might attract commuting professionals to reside in Hermiston. This issue was broached in the stakeholder interviews, and also researched by the Barney & Worth/E.D. Hovee team.

Highlights from the research:

- Recruiting professionals to rural areas has been a chronic problem recognized since 1925.
- Most promising candidates grow up in rural areas.
- Employers cannot control where employees live.
- Perceptions matter. Locally, the unkempt image of the Highway 395 gateway could be a turn off.

Rural Physicians – Factors Influencing Where They Practice

70% Recreation/leisure activities
55% Good place to raise children
44% Opportunity for professional independence
40% Desire to retire in rural area
39% Work environment/hours per week

Source – Colorado Health Institute, 2015

It's important to look at the choice of residential location from the perspective of commuting professionals. For those who are commuting from the Tri-Cities, the move is from a metropolitan area to a rural community. There are some potential benefits to home owners for relocating:

- Cheaper property than metro areas, with less competition
- Proximity to outdoor recreation
- Small town experience for children; perception of safety
- Lower taxes
- Less regulation: planning, zoning, building codes

Hermiston also has some possible drawbacks mentioned by stakeholders:

- Lack of executive housing
- Tight housing market
- Fewer job options for spouses
- Limited retail/restaurant choices
- No golf course
- Aesthetics

A lack of executive housing may deter commuting professionals from moving to Hermiston.

The overall advice for rural communities marketing to commuting professionals can be summarized in three key points:

1. Leverage your city's benefits and brand your community accordingly.
2. Target the right candidates.
3. Establish a formal process for familiarizing candidates with your city.

Vision Implementation

The Livable Hermiston Committee's recommendations address implementation of the vision by setting realistic priorities:

- Focusing first on finishing the EOTEC (Eastern Oregon Trade and Event Center) project, over the next 3 to 5 years, to ensure it is fully built-out and operational.
- Allocating resources over the next year to support an in-depth evaluation of developing *just one* of the top priority projects.

Potential Partners for Livable Hermiston

- ✓ Business community; Chamber of Commerce; Latino Business Network
- ✓ Downtown Association; downtown merchants and property owners
- ✓ Hermiston School District
- ✓ Blue Mountain Community College
- ✓ Hermiston Development Corporation
- ✓ Hermiston Futures Task Force
- ✓ Hispanic Advisory Committee
- ✓ Service clubs: Rotary, Altrusa, Kiwanis, Lions
- ✓ Churches
- ✓ Desert Arts Council
- ✓ Good Shepherd Medical Center
- ✓ Visitor industry
- ✓ New organization formed for this purpose

A key for any of these priority projects will be community partners. Hermiston has a wealth of community organizations poised to help implement the new vision, with a number of these groups already expressing interest.

Another positive sign is the strong response of survey participants who were asked if they would be willing to volunteer, or pay more to support these priority projects. The accompanying table shows strongest support for the aquatics center and community center, but large numbers ready to volunteer for any of the priorities.

Livable Hermiston Community Survey
Summary of Results n=1,092

	Aquatics Center	**Downtown**	**Parks**	**Community Center**	**Arts & Culture**
Love	**643**	590	573	401	290
Would Support	**330**	345	331	508	413
Not a Priority	94	111	137	164	350
Volunteer	433	372	415	**499**	341
Pay More	**234**	187	184	195	161

Livable
HERMISTON
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What is Livable Hermiston?

Livable Hermiston is a community-wide visioning process sponsored by the City of Hermiston and Livable Hermiston Committee to identify future community liability assets that will continue to make Hermiston a great place to live, work and visit. The goal is to set priorities for the most important community livability assets to be pursued by the community over the next 10 to 20 years.

It is an opportunity for the community members to continue shaping the kind of city that future generations will be proud to call home. This is not a "City" plan, but rather a community plan, with the responsibility and benefits of developing and implementing the plan shared among a broad range of partners and supporters. This visioning process is guided by a 26-member Livable Hermiston Committee, a diverse group of community leaders and citizens.

What will come from the process?

- A vision of Hermiston's future livability assets, and a road map for getting there
- An understanding of shared community values
- An engaged and informed community that is looking ahead, together

How can I get involved?

- ☐ Complete a community survey (Go to https://www.surveymonkey.com/r/LivableHermiston)
- ☐ Participate in upcoming community events
- ☐ Follow Livable Hermiston on Facebook www.facebook.com/cityofhermiston
- ☐ Visit the Livable Hermiston webpage for up-to-date information: www.hermiston.or.us

To learn more:

Mark Morgan, Hermiston Assistant City Manager

mmorgan@hermiston.or.us /541-567-5521

Livable Hermiston Stakeholder Interviews

City of Hermiston
* Mayor David Drotzmann
Councilor Jackie Myers
Councilor Doug Smith

City Commissions
Mike Kay, Hermiston School District – Parks & Recreation Advisory Committee
Tami Rebman, American West Realty – Planning Commission
Hector Ramirez – Hispanic Advisory Committee
* Margaret Saylor – Planning Commission Chair
Steve Williams – Parks & Recreation Committee

Others
Joe Basile, Calpine Corporation
Tim Beinert, Umatilla Chemical Depot
* Dennis Burke, Good Shephard Health Care
Josh Burns, Wal-Mart Distribution Center
Heather Cannell, EOTEC
Mary Corp, Desert Arts Council
Dan Earp, Aquatic Center
Joe Franell, Eastern Oregon Telecom
* Phil Hamm, Oregon State University
Patsy Keimig, American West Realty
Jacelyn Keys, Desert Arts Council
Tim Mabry, Credits, Inc.
Trampis Palmer, Grid Kids
Vijay Patel, A-1 Hospitality Management
Debbie Pedro, Hermiston Chamber of Commerce
Lucy Zamarippa, Oxford Hotel

* Hermiston Futures Task Force

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ENTER YOUR NAME IN THE DRAWING FOR A PRIZE!

Complete this survey and you will become eligible for a drawing to receive a $25 gift card.

Livable Hermiston is a community-wide visioning process sponsored by the City of Hermiston. The goal is to set a road map for the future with input from those who live, work and play in our community. Please take a few minutes now to complete the community survey.

Take the survey online:
https://www.surveymonkey.com/r/LivableHermiston
— or complete the survey and return to: City Hall, 140 NE 2nd Street, Hermiston, OR 97838, Attention: Livable Hermiston

1. What makes Hermiston special? (Check all that apply)

- ☐ Small town character
- ☐ Friendly/welcoming to all
- ☐ Agriculture center
- ☐ Crossroads location
- ☐ Multi-cultural
- ☐ Self-sufficient
- ☐ Affordable
- ☐ Another thing:_____

_____

_____

2. What do you think the community is missing?

_____

_____

_____

For more information:
Mark Morgan
Hermiston Assistant City Manager
mmorgan@hermiston.or.us
541-567-5521

3. *Let's imagine:*
The City of Hermiston has just discovered a historic document from one of Hermiston's pioneer families that provides a legacy gift of millions of dollars! The sole condition is that it must be spent in the next five years on a community facility that enhances Hermiston's livability. What would be your top priority for investing this newly discovered gift?

_____

_____

4. What best describes you? (Check all that apply)

- ☐ Hermiston resident
- ☐ Hermiston business owner/operator
- ☐ Work in Hermiston/live elsewhere
- ☐ Live/work outside Hermiston
- ☐ Student

5. Name and email:

_____

_____

Livable HERMISTON

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ENSCRIBE SU NOMBRE PARA PODER GANAR UN PREMIO!

Completar esta encuesta y usted será elegible para ganar una tarjeta de regalo de $ 25.

Habitable Hermiston es un proceso de visión de toda la comunidad patrocinada por la Ciudad de Hermiston. El objetivo es establecer una hoja de ruta para el futuro con contribución de los que viven, trabajan y juegan en nuestra comunidad. Por favor, tómese unos minutos para completar la encuesta comunitaria.

Tome la encuesta en línea:

https://www.surveymonkey.com/r/HabitableHermiston

— O completar la encuesta y devolverlo a: City Hall, 180 NE 2nd Street, Hermiston, OR 97838, Atención: Habitable Hermiston

1. Qué hace Hermiston especial?
(Marque todo lo que corresponda)

- ☐ Carácter Pequeña de ciudad
- ☐ Amistoso /bienvenida a todos
- ☐ Centro Agricultura
- ☐ Localización encrucijada
- ☐ Multicultural
- ☐ Autosuficiente
- ☐ Asequible
- ☐ Otra cosa:_____

_____

_____

2. Qué crees que se falta en la comunidad?

_____

_____

_____

Para más información:

Mark Morgan
Gerente Asistente de la Ciudad de Hermiston
mmorgan@hermiston.or.us
541-567-5521

3. *Vamos a Imaginar que:*

La Ciudad de Hermiston acaba de descubrir un documento histórico de una de las familias pioneras de Hermiston que ofrece un regalo de millones de dólares! La única condición es que debe ser gastado en los próximos cinco años en un centro comunitario que mejora la habitabilidad de Hermiston. ¿Cuál sería su principal prioridad para invertir este regalo recién descubierto?

_____

_____

4. Qué te describe mejor?
(Marque todo lo que corresponda)

- ☐ Residente Hermiston
- ☐ Hermiston dueño de negocio / operador
- ☐ Trabaja en Hermiston / viven en otros lugares
- ☐ Vivo / trabajo fuera de Hermiston
- ☐ Estudiante

5. Nombre y correo electrónico:

_____

Livable HERMISTON

YOU CAN GROW HERE.

Take the survey online:
https://www.surveymonkey.com/r/HermistonCommunity – or complete the survey and return to:
City Hall, 140 NE 2nd Street, Hermiston, OR 97838,
Attention: Livable Hermiston

Community Survey

Livable Hermiston is a community-wide visioning process sponsored by the City of Hermiston. The goal is to set a road map for the future with input from those who live, work and play in our community.

Hundreds of Hermiston residents, students, and visitors have shared their ideas for what makes Hermiston special:

- Small-town character
- Welcoming citizens
- Ideal crossroads location

They also said what can make Hermiston even greater. Several possible visions for new livability assets emerged. Which of these possibilities most appeal to you?

1. Community Center: a place for year-round activities for youth and families, possibly a YMCA or Boys & Girls Club.

☐ Love this vision – a top priority!
☐ Not my top priority, but would support it
☐ Not a priority for me right now

Comments or specific ideas to support this vision:

_____

_____

I would be willing to (select all that apply):

☐ Volunteer to make this vision happen ☐ Pay something more (e.g., fees, taxes) to make this happen

2. Year-round aquatics center: heated, indoor pools for fitness, family fun and swim teams.

☐ Love this vision – a top priority!
☐ Not my top priority, but would support it
☐ Not a priority for me right now

Comments or specific ideas to support this vision:

_____

_____

I would be willing to (select all that apply):

☐ Volunteer to make this vision happen ☐ Pay something more (e.g., fees, taxes) to make this happen

(Continue on back)

3. Arts and culture center: a venue for performances, along with exhibit space and art classrooms.

- ☐ Love this vision – a top priority!
- ☐ Not my top priority, but would support it
- ☐ Not a priority for me right now

Comments or specific ideas to support this vision:

_____

_____

I would be willing to (select all that apply):

☐ Volunteer to make this vision happen ☐ Pay something more (e.g., fees, taxes) to make this happen

4. Parks, trails, sports fields: more and better parks, plus trails for hiking and biking and play fields for soccer and other sports.

- ☐ Love this vision – a top priority!
- ☐ Not my top priority, but would support it
- ☐ Not a priority for me right now

Comments or specific ideas to support this vision:

_____

_____

I would be willing to (select all that apply):

☐ Volunteer to make this vision happen ☐ Pay something more (e.g., fees, taxes) to make this happen

5. Revitalized downtown: more retail and restaurants in the restored historic heart of our city.

- ☐ Love this vision – a top priority!
- ☐ Not my top priority, but would support it
- ☐ Not a priority for me right now

Comments or specific ideas to support this vision:

_____

_____

I would be willing to (select all that apply):

☐ Volunteer to make this vision happen ☐ Pay something more (e.g., fees, taxes) to make this happen

6. What best describes you? (Check all that apply)

- ☐ Hermiston resident
- ☐ Hermiston business owner/operator
- ☐ Work in Hermiston/live elsewhere
- ☐ Live/work outside Hermiston
- ☐ Student

For more information:
Mark Morgan
Hermiston Assistant City Manager
mmorgan@hermiston.or.us
541-567-5521

7. Want to help turn your vision into action? Please provide your name and email:

Name:_____ Email_____

Livable HERMISTON

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Tome la encuesta en línea:
https://es.surveymonkey.com/r/HermistonComunidad
– O completar la encuesta y volver a:
City Hall, 180 NE 2nd Street, Hermiston, OR 97838
Atención: Habitable Hermiston

Encuesta sobre la Comunidad

Habitable Hermiston es un proceso de visión de toda la comunidad patrocinada por la Ciudad de Hermiston. El objetivo es establecer una hoja de ruta para el futuro con el aporte de los que viven, trabajan y juegan en nuestra comunidad. Cientos de Hermiston residentes, estudiantes, y visitantes han compartido sus ideas sobre lo que hace Hermiston especial:

- Su carácter de pueblo pequeño
- Ciudadanos de bienvenidas
- Localización encrucijada ideal

También, dijeron lo que puede hacer Hermiston mas mejor. Varias posible nuevos visiones de habitabilidad surgido. ¿Cuál de estas posibilidades atela más a usted?

1. Centro Communitario: Un lugar para actividades de todo el año para los jóvenes y las familias, posiblemente un YMCA o Boys & Girls Club.

☐ Me encanta esta vision – una prioridad superior!
☐ No es mi principal prioridad, pero me gustaría apoyarlo
☐ No es una prioridad para mí en este momento

Los comentarios o ideas específicas para apoyar esta visión:

_____

_____

Yo estaría dispuesto a (seleccione todos que apliquen):
☐ Voluntario para hacer de esta visión suceda
☐ Pagar algo más (es decir, impuestos o tasas) para que esta suceda

2. Centro Acuático abierto todo el año: piscinas cubiertas y calentadas para el ejercicio físico, diversión de la familia, y de natación equipos.

☐ Me encanta esta vision – una prioridad superior!
☐ No es mi principal prioridad, pero me gustaría apoyarlo
☐ No es una prioridad para mí en este momento

Los comentarios o ideas específicas para apoyar esta visión:

_____

_____

Yo estaría dispuesto a (seleccione todos que apliquen):
☐ Voluntario para hacer de esta visión suceda
☐ Pagar algo más (es decir, impuestos o tasas) para que esta suceda

(Continue on back)

3. Artes y centro de cultura: un lugar para actuaciones, sala de exposiciones y clases de arte.

- ☐ Me encanta esta vision – una prioridad superior!
- ☐ No es mi principal prioridad, pero me gustaría apoyarlo
- ☐ No es una prioridad para mí en este momento

Los comentarios o ideas específicas para apoyar esta visión:

_____

_____

Yo estaría dispuesto a (seleccione todos que apliquen):

☐ Voluntario para hacer de esta visión suceda

☐ Pagar algo más (es decir, impuestos o tasas) para que esta suceda

4. Parques, caminos, campos deportivos: más y mejores parques, caminos para caminatas y ciclismo y los campos de juegos al fútbol y otros deportes.

- ☐ Me encanta esta vision – una prioridad superior!
- ☐ No es mi principal prioridad, pero me gustaría apoyarlo
- ☐ No es una prioridad para mí en este momento

Los comentarios o ideas específicas para apoyar esta visión:

_____

_____

Yo estaría dispuesto a (seleccione todos que apliquen):

☐ Voluntario para hacer de esta visión suceda

☐ Pagar algo más (es decir, impuestos o tasas) para que esta suceda

5. Centro revitalizado: más venta al detalle y restaurantes en el corazón histórico restaurado de nuestra ciudad.

- ☐ Me encanta esta vision – una prioridad superior!
- ☐ No es mi principal prioridad, pero me gustaría apoyarlo
- ☐ No es una prioridad para mí en este momento

Los comentarios o ideas específicas para apoyar esta visión:

_____

_____

Yo estaría dispuesto a (seleccione todos que apliquen):

☐ Voluntario para hacer de esta visión suceda

☐ Pagar algo más (es decir, impuestos o tasas) para que esta suceda

6. ¿Qué te describe mejor? (Marque todo lo que corresponda)

- ☐ Residente Hermiston
- ☐ Hermiston dueño del negocio / operador
- ☐ Trabajo en Hermiston / vivo en otro lugar
- ☐ Vivo / trabajo fuera de Hermiston
- ☐ Estudiante

Para más información:
Mark Morgan
Asistente Gerente de la Ciudad de Hermiston
mmorgan@hermiston.or.us
541-567-5521

¿Quieres ayudar a convertir su visión en acción? Por favor, proporcone su nombre y correo electrónico:

Nombre:_____ Correo electrónico:_____

HERMISTON

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