



# HERMISTON CITY COUNCIL

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

Regular Meeting

July 25<sup>th</sup>, 2016

## A G E N D A

*Where Life is Sweet*

1. **CALL MEETING TO ORDER**– 7:00 pm
2. **DECLARATION OF QUORUM**
3. **FLAG SALUTE**
4. **PROCLAMATIONS, PRESENTATIONS & RECOGNITIONS**
  - A) Proclamation- National Night Out
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) Minutes of the July 11<sup>th</sup>, regular City Council meeting.
  - B) Minutes of the June 8<sup>th</sup>, Planning Commission meeting.

Action – Motion to approve consent agenda items.                      Roll Call
7. **ITEMS REMOVED FROM CONSENT AGENDA**
8. **PUBLIC HEARINGS**
9. **RESOLUTIONS & ORDINANCES**
10. **OTHER**
  - A) June Financial Report- Amy Palmer  
Action - Motion to Approve.                      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)

July 25	6:15pm	Public Safety Committee Meeting
July 25	7:00pm	City Council Meeting
July 27	11:30am	Faith-Based Advisory Committee Special Meeting (First Christian Church - 775 W Highland Ave)
July 27	4:00pm	Library Board Meeting (Library)
July 28	11:30am to 4:30pm	Blood Drive (Library-Lanham Room)
July 29	7:00 <u>am</u>	EOTEC Meeting (1705 E. Airport Rd)
Aug 2	4:30pm	Faith-Based Advisory Committee Meeting
Aug 3	4:00pm	Airport Advisory Committee Meeting (Airport)
Aug 8	6:00 pm	City Council Work Session
Aug 8	7:00pm	City Council Meeting
Aug 10	7:00pm	Planning Commission Meeting
Aug 12	7:00 <u>am</u>	EOTEC Meeting (1705 E. Airport Rd)
Aug 15	7:00pm	Hispanic Advisory Committee Meeting
Aug 22	6:00 pm	City Council Work Session Meeting
Aug 22	7:00pm	City Council Meeting
Aug 24	4:00pm	Library Board Meeting (Library)
Aug 26	7:00 <u>am</u>	EOTEC Meeting (1705 E. Airport Rd)



*Where Life is Sweet*



## PROCLAMATION National Night Out 2016

WHEREAS, the National Association of Town Watch (NATW) is sponsoring a unique, nationwide crime, drug and violence prevention program on Tuesday, August 2<sup>nd</sup>, 2016 entitled “National Night Out”; and

WHEREAS, the “33<sup>rd</sup> Annual National Night Out” provides a unique opportunity for the City of Hermiston to join forces with thousands of other communities across the country in promoting cooperative, police-community crime prevention efforts; and

WHEREAS, the citizens of our neighborhoods and Neighborhood Watch play a vital role in assisting the Hermiston Police Department through joint crime, drug, and violence prevention efforts in the City of Hermiston; and

WHEREAS, police-community partnerships, neighborhood safety, awareness and cooperation are important themes of the “National Night Out” program;

NOW, THEREFORE I, John Kirwan, do hereby call upon all citizens of Hermiston to join the Hermiston Police Department, the National Association of Town Watch in supporting “33<sup>rd</sup> Annual National Night Out” on Tuesday, August 2<sup>nd</sup>, 2016.

FURTHER, LET IT BE RESOLVED THAT, I, John Kirwan, do hereby proclaim Tuesday, August 2<sup>nd</sup>, 2016, as “National Night Out 2016” in the City of Hermiston.

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John Kirwan, Hermiston City Council President

# HERMISTON CITY COUNCIL

Regular Meeting

July 11<sup>th</sup>, 2016

Mayor Drotzmann called the regular meeting to order at 7:00 pm. Present were Councilors Myers, Gutierrez, Primmer, Kirwan, Davis, Smith, and Beas-Fitzgerald. Councilor Hardin was excused. Staff members in attendance were City Attorney Gary Luisi, Assistant City Manager Mark Morgan, City Planner Clinton Spencer, Nate Rivera, Captain Travis Eynon, Larry Fetter, Bill Schmittle, Judge Creasing, and Heather LaBeau. News media present were Jade McDowell of the East Oregonian. The pledge of allegiance was given.

## **Consent Items**

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

1. Minutes of the June 27<sup>th</sup>, work session and regular City Council meeting.
2. Minutes of the March 30<sup>th</sup>, Community Enhancement Committee.
3. Confirm appointments of standing committee vacancies for the unexpired portion of a 3-year term beginning July 12<sup>th</sup>, 2016 and ending June 30<sup>th</sup>, 2019.

Hispanic Advisory Committee-Positions #4 Jose Garcia and #7 Roy Nayar Barron.

Motion carried unanimously.

## **Res No. 2034- A resolution authorizing the issuance and negotiated sale of full faith and credit obligations to restrict HES's existing 2005 bond and finance \$4.5M construction work plan improvements-**

was read and discussed. Nate Rivera, HES superintendent gave a brief presentation on the restructuring of the existing bond while adding funds for capital improvement projects. The restructured debt will be a Full Faith and Credit model as opposed to the existing Insurance based model. This will save money in principal borrowing costs. The bond will not exceed \$15,000,000. Councilor Davis moved and Councilor Kirwan seconded to approve Resolution No. 2034 and lay upon the record. Motion carried unanimously.

## **Committee Reports**

Community Enhancement Committee: Councilor Myers stated that the consultant has submitted the first draft of the City's public art plan. The committee reviewed and will make changes prior to sending to the Council.

## **Mayor's Report**

Mayor Drotzmann represented the City at the Transportation sub-committee meeting from the state. He expressed the need for flexibility in the money available from the state to be used for streets.

## **Council Report**

Councilor Beas-Fitzgerald stated that the Cinco de Mayo committee was awarded a TRT grant and planning has begun for next year's event.

## **Manager's Report**

Assistant City Manager Morgan stated that the airport project is 99.9% complete. The airport was reopened on July 8.

The City's new logo and tagline were officially unveiled at FunFest this past weekend. The event was well attended and the response was positive.

# HERMISTON CITY COUNCIL

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Regular Meeting

July 11<sup>th</sup>, 2016

## **Adjournment**

Mayor Drotzmann adjourned the regular meeting at 7:20 pm and announced a meeting regarding the Hermiston Urban Renewal Agency will reconvene immediately.

## **Convened**

Mayor Drotzmann convened the meeting- Hermiston Urban Renewal Agency meeting at 7:21 pm.

## **New Business**

City Planner Spencer presented the façade grant recommendation from the review committee for a 50% match to the Simmons Agency for façade improvements at 203 E Main St. The proposed improvements are window replacement on the south side of the building. The owners may apply for a grant for improvements on the other building in the future as it is on a separate lot. Councilor Smith moved and Councilor Primmer seconded to approve the grant award. Motion carried unanimously.

## **Adjournment**

Mayor Drotzmann adjourned the Hermiston Urban Renewal Agency meeting at 7:26 pm

SIGNED:

/s/ John Kirwan

CITY COUNCIL PRESIDENT

ATTEST:

/s/Heather LaBeau

ZONING CLERK

## HERMISTON PLANNING COMMISSION

### Regular Meeting

June 8, 2016

Chairman Saylor called the meeting to order at 7:00 PM. Commissioners Doherty, Flaiz, Erz, Fialka, and Rebman were present. Commissioners Medelez, Caplinger and Hamm were absent.

### Minutes

Minutes of the May 11, 2016 Planning Commission meeting were approved. Commissioner Fialka abstained.

### New Business- Major Variances and Conditional Use Hearing

The hearing is to consider a request from the City of Hermiston for a variance from §157.026 (D)(1) of the Hermiston Code of Ordinances which establishes front yard setback requirements in a (R-2) Duplex Residential zone and from §157.137 which establishes building projection requirements. The applicant proposes to construct an 11,000 square foot building with a two foot front yard setback and with an architectural feature which will project more than two feet into the required yard. The Planning Commission will also consider a request for a conditional use permit to allow the proposed building to be used as a community center located in a (R-2) zone. The property is described as 4N2811BC Tax Lots 13900 and 13901 and 4N2811CB Tax Lot 1700 and is located at 255 NE 2<sup>nd</sup> St.

Chairman Saylor asked if any commissioners had a conflict of interest. Hearing none, she read the following guidelines:

- a. The applicable substantive criteria relied upon by the City in rendering the decision to grant the variances are contained in §155.225 and the applicable substantive criteria relied upon by the City in rendering the decision to grant the conditional use permit are contained in §157.208 of the Hermiston Code of Ordinances.
- b. Testimony and evidence must be directed toward the criteria described above or other criteria in the comprehensive plan or land use regulations which the person believes apply to the decision.
- c. Failure to raise an issue by the close of the record at or following the hearing, in person or by letter, precludes appeal to the Land Use Board of Appeals (LUBA) or the city council based on that issue.
- d. Failure to raise an issue with sufficient specificity to afford the decision maker and the parties an opportunity to respond to that issue precludes appeal to LUBA or the city council based on that issue.
- e. Failure to raise constitutional or other issues relating to proposed conditions of approval with sufficient specificity to allow the local government or its designee to respond to the issue precludes an action for damages in circuit court.
- f. Prior to the conclusion of the evidentiary hearing, any participant may request an opportunity to present additional evidence, arguments or testimony regarding the application. The planning commission shall grant such a request by continuing the public hearing pursuant to ORS 197.763(6)(B) or leaving the record open for additional written evidence, arguments or testimony pursuant to ORS 197.763(6)(C).

For this hearing, the process begins with the staff report, followed by testimony from the applicants and any other supporters of the application. This will be followed by opponents to the application. Finally, a rebuttal by the applicant will be allowed. The public hearing portion of the procedure will then be closed, and the planning commission will consider the information and testimony received and may render a decision.

City Planner Spencer presented the staff report. He recommended the Planning Commission waive the screening requirement of the parking lot. A six foot fence would block the apartment resident's windows.

### **Findings of Fact**

#### **157.208 – Conditional Use Permit Approval Criteria**

*(1) The proposal is in conformance with the Comprehensive Plan and Zoning Code.*

**Response:** The building site is currently zoned R-2 and is designated Low Density Residential (R-1 & R-2) on the 2013 Comprehensive Plan Map. The parking site is currently zoned C-1 and is designated Commercial (C-1 & C-2) on the 2013 Comprehensive Plan Map. The proposed project is permitted as a conditional use in both the Comprehensive Plan and the current Zoning Code.

157.150 (C) Notice and Coordinated Review. *If a proposed development or subdivision is within 200 feet of a state highway, or an arterial or collector street, notice of the proposal shall be provide to the Oregon Department of Transportation (ODOT) and Umatilla County.*

**Response:** Project is bordered by Highway 395 to the West. Applicant does not propose any vehicular access from Highway 395. Applicant will notify AHJs upon completion of Conditional Use Permitting process.

157.150 (E) Traffic Impact Study. *The applicant for a zone change, or a development or subdivision to the Development Standards of 157.160 et.seq, shall submit a traffic study when the proposal affects a transportation facility if it:(1) Changes the functional classification of an existing or planned transportation facility;(2) Changes standards implementing a functional classification system;(3) Allows types of levels of land use that would result in levels of traffic or access that are inconsistent with the functional classification of a transportation facility; or (4) Would reduce the level of service of the facility below the minimum acceptable level identified in the Transportation Plan.*

**Response:** A TIS is not required because the specific conditions listed above do not apply to this project. The existing street infrastructure is classified as a local residential street. The proposed development will not change this classification. Two-way emergency vehicle access is maintained in the proposed development.

157.150 (L) Internal Connections and Bicycle Parking: *Internal pedestrian systems shall connect with external existing or planned systems. Walkways shall be paved with a hard surface material and shall be no less than five feet in width. Bicycle parking shall be provided for new commercial, office, institutional and multifamily developments with more than 15 off-street parking spaces. Bicycle parking spaces must be a minimum of 6 feet in length, two feet in width and have an overhead clearance of 6 feet. Bicycle parking spaces should be located as near as possible to the building entrances used by automobile occupants.*

**Response:** On-site pedestrian walkways connect to the existing off-site sidewalks. On-site walkways will be paved and five feet in width. Bicycle parking for eight bikes is provided near the main entrance to the proposed activity center.

157.175 Off-Street Parking Requirements: Community buildings / activity centers are not listed in the City's parking requirements. Per discussions the City Planner, applicant will use a ratio of 1 vehicle space per every 4 occupants. Occupants are based on discussion with the Building Official: 250 occupants based on the Great Hall size within the proposed building. Calculation: 250 occupants / 4 occs per space = 62.5 = 63 required spaces.

**Response:** Proposed Parking Spaces Provided = 64 spaces

157.177 (B) Off-Street Loading: *Buildings or structures to be built or substantially altered which receive and distribute material or merchandise shall provide and maintain off-street loading berths in sufficient numbers and size to adequately handle the needs of the particular use.*

**Response:** The proposed activity center receives occasional food deliveries for its senior meal program. The activity center also prepares meals for deliveries to those who cannot attend the meal program in person. A loading area to handle these activities has been designed on the South side of the proposed building with access off NE 2nd Street. It is a single stall, measuring 15' x 45'.

157.178 (E) Off-Street Parking Additional Requirements – Location of Spaces: *Off-street parking spaces shall be located on the same lot with the building. However, nonresidential required parking spaces may be located not farther than 500 feet from the building or use they are required to serve, measured in a straight line from the building.*

**Response:** Proposed Parking Location = 341.5' feet from building to East edge of existing, upper parking lot.

157.179 Off-Street Design Requirements: (A) *Hard surfaces required;* (B) *Minimal resident disturbance;* (C) *Extension beyond property line prohibited;* (D) *Glare from lighting prohibited;* (E) *Access Aisles;* (F) *Driveways required;* (G) *Safety for traffic and pedestrians required.*

**Response:** Proposed off-street parking is in existing, hard-surfaced parking lots. Proposed project will re-stripe lower lot, upgrade accessible parking stalls to current code requirements and upgrade accessible route from accessible parking stalls to the activity center. All other existing conditions will remain as is.

157.210 (A) Setbacks: *In a residential zone, front, side and rear yards shall be at least two-thirds the height of the principal structure. In any zone, additional yard requirements may be imposed. Height is the vertical distance of a structure measured from the average elevation of the finished grade within 20-feet of the structure to the highest point.*

Calculations: Required Setbacks per Building Height: North Elevation: 23'-2" (34'-7" \* 2/3) measurement take from basement patio level East Elevation: 15'-2" (22'-7" \* 2/3 South Elevation: 15'-2" (22'-7" \* 2/3) West Elevation: 23'-2" (34'-7" \* 2/3) measurement take from basement patio level

**Response:** Proposed Setbacks

o North: 70'-0"

o East: 2'-0" Variance required

o South: 20'-0"

o West: 183'-0"

**(2) *The property is adequate in size and shape to accommodate the proposed use, together with all other zoning requirements and any additional conditions imposed by the Planning Commission.***

**Response:** The building site is ~ 51,727 sf with dimensions of approximately 170' x 300'. This is an adequate size and shape to accommodate the proposed activity center and other applicable zoning requirements.

**(3) *Public facilities are of adequate size and quality to serve the proposed use.***

**Response:** Applicant met with Roy Bicknell, Water Superintendent, and Bill Schmittle, Recycled Water Superintendent in late May to review project and public utilities. Water and sanitary sewer services are adequate to serve the proposed activity center. If plumbing fixtures are installed in the basement level, a sewage lift station will be required to move the sanitary sewer products up to the public sanitary sewer main located along the South property line. Storm water for the building site will be handled with onsite facilities sized appropriately by the project's Civil Engineer. No changes will be made to the existing parking lot storm water system.

**(4) *The proposed use will prove reasonably compatible with surrounding properties.***

**Response:** The proposed activity center is reasonably compatible with the surrounding properties. The subject property is immediately adjacent to the downtown commercial district. Adjacent properties include the Hermiston Public Library, Sunset Elementary School, the City of Hermiston Building Department and the First United Methodist Church. The proposed activity center does not provide any services or activities that would be a nuisance to the surrounding properties.

**Major Variance Criteria:**

1. *Explain what exceptional or extraordinary conditions apply to the property that do not apply generally to other properties in the same zone or vicinity, which conditions are a result of lot size, topography or other circumstances over which the applicant has not control. (Note: These exceptional circumstance should relate to the land rather than persons.)*

**Response:** The existing topography of the building site slopes away from the NE 2<sup>nd</sup> Street property line with an elevation change of ~6-feet below street level. The elevation change occurs within the first ~40-feet of the site, measured perpendicular to the street property line. This places the majority of the site below the street. In order to minimize the amount of fill and associated costs needed to place the main floor and covered dropoff area at street level, the building needs to be located as close to the property line as possible and the porte-cochere needs to be located within the setback and extend over a portion of the right-of-way.

2. *Why is the variance necessary for the preservation of a property right of the applicant substantially the same as is possessed by owners of other property in the same zone or vicinity?*

**Response:** Property owners generally desire their developments to be visible and have easy access to the street front. This is easily accomplished on sites that are relatively level or have a gradual slope across the entire property. The requested variance is necessary for this conditional use because of the nature of the site and project. As mentioned above, the site has a significant change in topography close the street front. The project is an activity center for seniors, which is a vital service to the community. As such, the center, and most importantly, the entry needs to be visible to the users to assist in their way finding. Seniors need easy access to the facility: minimal elevation changes to enter the building so access is easy for all users. The activity center also requires a covered drop off at the entry. Given the topography, the variance would make the development substantially similar to other property owners in the vicinity, where buildings have small setbacks.

3. *Explain why the authorization of the variance would not be materially detrimental to the purposes of the zoning ordinance, be injurious to property in the zone or vicinity in which the property is located, or otherwise detrimental to the objectives of any development pattern or policy.*

**Response:** The authorization of the variance would not be detrimental because it is project & site specific. The immediate vicinity does not have the typical low-density residential development pattern of single-family houses on modest lots setback from the street. The site is a large area of land in the R-2 zone that is surrounded on 3 sides (West, East & South) by commercial zones and bordered at the North by Sunset Elementary School, another conditional use within the R-2 zone. The variance request applies only to the East property line, which borders a public street and is adjacent to the C-1 zone and downtown. The C-1 zone and downtown typically do not have setback requirements, so authorization of the setback and projection variance along the East property line would not be detrimental to the objectives of the development in this area.

4. *Explain why it is impossible to maintain zoning ordinance requirements and, at the same time, build, erect or use the structure.*

**Response:** To maintain the zoning requirements for setbacks and building projections, the building and porte-cochere structure would need to be located 20'-0" feet from the East property line. This would place the building and covered drop-off area at an elevation roughly 4.5-feet to 5-feet below street level without a significant amount of fill to maintain the building floor elevation at street level. Without the fill, the site would require significant ramping and stair systems to get pedestrians from the sidewalk level to the building in addition to additional paving and grading to meet the requirements for vehicle access to the covered drop off area at the building entry.

5. *Explain why the variance requested is the minimum variance from the provisions and standards of the zoning ordinance which will alleviate hardship.*

**Response:** At the R-2 zone required setback of 20', the elevation of the site is 4.5-feet to 5 feet below the sidewalk elevation. The topography slopes down from the street at a fairly consistent slope starting almost immediately from the back side of the sidewalk. In order to place the building within a standard

development pattern of entry at street level and minimize the amount of fill required to achieve this desired result, the requested variance is the minimum needed to alleviate this hardship.

### **Staff Recommendation**

Staff recommends that the planning commission consider the design of the Harkenrider Center, the public testimony presented at the hearing, and the evidence presented by Ascent Architecture and Parks and Recreation staff. After the consideration of the evidence, staff recommends that the planning commission approve the findings of fact for the conditional use permit and variance requests, approve a variance from the 20 foot front yard setback requirement in the R-2 zone and approving a two foot front yard setback, approve a variance from the two foot yard encroachment allowance and allow the construction of a *porte cochere* or covered loading/unloading area within the right-of-way for NE 2<sup>nd</sup> Street and approve a conditional use permit for the construction of a new senior center at 255 NE 2<sup>nd</sup> Street subject to the following conditions of approval:

1. The lower parking lot shall be striped as shown on the site plan prior to occupancy.
2. The site plan shall be revised to show the access and curb cut design for the loading/delivery area adjacent to the south wall of the building.
3. The design for the concrete island and NE 2<sup>nd</sup> Street around the *porte cochere* shall be amended as follows:
  - Narrow the concrete island by 4 feet so that there are two 12 foot travel lanes and a 2-foot shoulder on each side.
  - Striping on both the north and south ends of the island to delineate the traffic flow; yield markings on the south end and median/lane split markings on the north
  - Delineate the on-street parking spaces so that it is clear where no parking is allowed
  - Additional signage shall be added
4. The city shall comply with §92.12 of the Hermiston Code of Ordinances which relates to the control of blowing dust, during all phases of construction.
5. All stormwater shall be retained on-site in drainage areas as shown on the site plan.
6. Bicycle parking shall be installed in accordance with §157.150(L) of the Hermiston Code of Ordinances.
7. All signage shall comply with Chapter 155 of the Hermiston Code of Ordinances.
8. The applicant shall work with the Fire Marshall prior to issuance of a building permit. No building permit shall be issued until the Fire Marshall has approved the site plan.
9. Landscaping shall be installed in all areas as shown on the site plan. Final determination of specific plantings shall be submitted to the city prior to occupancy.
10. A security plan shall be submitted to the city police department for review and comment prior to issuance of a building permit.
11. Exterior site and parking lot lighting shall be designed to avoid interference with adjacent properties.

### **Testimony**

Proponents: Larry Fetter, Angus Ave, Director of Parks and Recreation. Mr. Fetter gave the background of the project and its funding process. The grant requirements have specific rules. For the first five years, the seniors may only have activities directed at the 60 plus year old age range. A Powerpoint presentation was used to show the Commissioners the design details and layout of the building and parking lots. Mr. Fetter explained the purpose for the two different designs and the need to design the parking lot in a separate phase.

Dennis Doherty, 1045 SW 9<sup>th</sup> Place- Mr. Doherty is a supporter of the seniors and believes in the importance of this project for the City. He confirmed the lease with the school district is for 50 years.

Mr. Doherty feels the center will be lovely to have in the City, a great thing for the seniors and will provide a persona for the downtown area. He fully supports the staff recommendation for this project.

Willard Fordice, 78642 Agnew Road- Mr. Fordice is on the Senior Center board and is the Center's bus driver. He feels most seniors are on the same page now, and they can't wait to see this happen.

Opponents: None present.

Chairman Saylor closed the hearing at 8:10PM.

Commissioner Erz moved and Commissioner Flaiz seconded to approve the findings of both the Conditional Use and the Variances as written. Motion passed unanimously. Commissioner Doherty moved and Commissioner Fialka seconded to approve the variance for the two foot front yard setback. Motion passed unanimously. Commissioner Erz moved and Commissioner Doherty seconded to approve the variance for the two foot yard encroachment and allow the construction of the port cochere in the right of way. Motion passed unanimously. Commissioner Fialka moved and Commissioner Flaiz seconded to approve the Conditional Use application with the 11 conditions of approval. Motion passed unanimously.

#### **Planner Comments and Unscheduled Communications**

A site plan was submitted for review of a pet store to be located next to Big 5.

Meeting adjourned at 8:25PM.

# Monthly Financial Report



*Where Life is Sweet*

*Includes the Hermiston Urban Renewal Agency*

Finance Department  
June 2016  
(Unaudited)

# 2015-2016 Monthly Financial Report

## Hermiston Urban Renewal Agency (HURA)

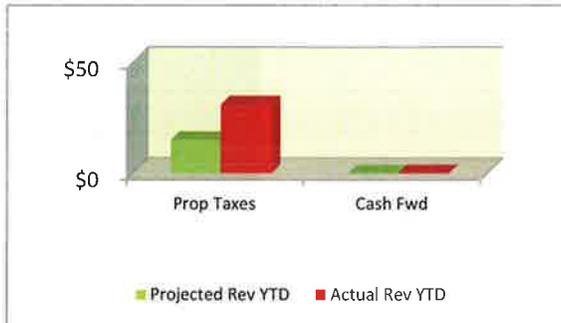
### For the Month Ending June 30, 2016

#### Resources

Through June 30, 2016

by Category

(in \$1,000)



	Annual Proj Rev	Projected Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 15	\$ 15	\$ 31	\$ 16	0%
Cash Fwd	60	-	-	-	0%
<b>Total</b>	<b>\$ 75</b>	<b>\$ 15</b>	<b>\$ 31</b>	<b>\$ 16</b>	<b>0%</b>

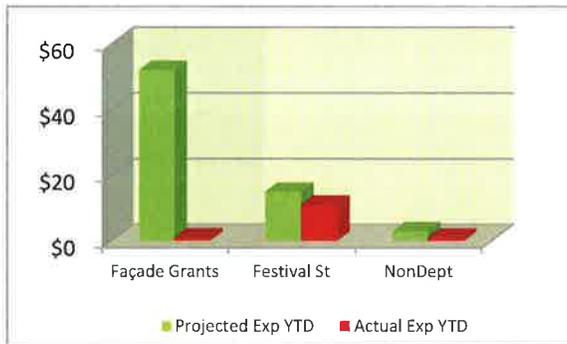
Note: variance is calculated as a percent of the projected revenue YTD.

#### Expenditures

Through June 30, 2016

by Character

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 52	\$ 52	\$ 1	\$ 51	98.1%
Festival St	15	15	11	4	25%
NonDept	3	3	1	2	61%
Res for Fut Exp	5	-	-	-	0%
<b>Total</b>	<b>\$ 75</b>	<b>\$ 71</b>	<b>\$ 13</b>	<b>\$ 57</b>	<b>80%</b>

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

The Agency received a total of \$31,000 in property taxes during the 2015-16 fiscal year and expended \$13,000. Two façade grants were awarded, one to the Hermiston Herald for \$1,000 and one to the Holiday Inn Express for \$36,500. The Hermiston Herald received their award but the improvements at the new hotel are not yet completed so the grant has not yet been paid out.

Preliminary engineering for the SE 2<sup>nd</sup> Street/Highway 395 gateway project is completed and the final design will be incorporated into the festival street project. A landscape architect has been chosen and Anderson Perry will begin work on the project this summer.

Four grants totaling \$42,600 have been awarded since the creation of the district in 2013. Of that amount, a little over \$6,100 has been distributed.

# 2015-2016 Monthly Financial Report

City of Hermiston, Oregon

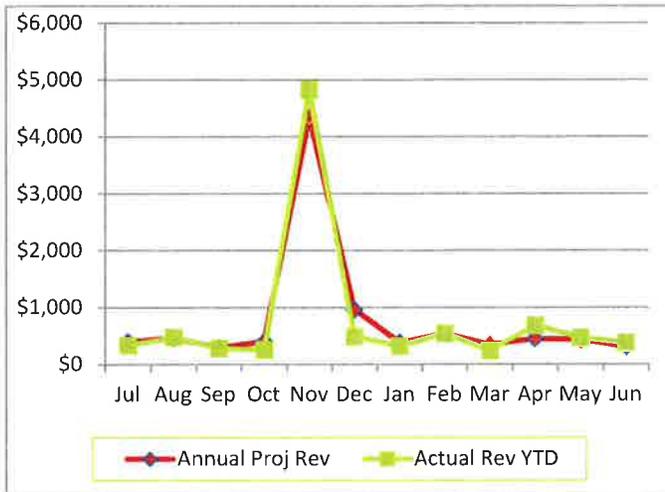
General Fund Resources

For the Month Ending June 30, 2016

Through June 30, 2016

All Resources

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Jul	\$ 395	\$ 395	\$ 332	\$ (62)	(16%)
Aug	460	460	478	17	4%
Sep	288	288	280	(8)	(3%)
Oct	400	400	251	(150)	(37%)
Nov	4,363	4,363	4,829	466	11%
Dec	960	960	486	(474)	(49%)
Jan	378	378	317	(62)	(16%)
Feb	538	538	540	2	0%
Mar	340	340	237	(104)	(31%)
Apr	448	448	679	232	52%
May	429	429	464	35	8%
Jun	314	314	376	62	20%
<b>Total</b>	<b>9,314</b>	<b>9,314</b>	<b>9,269</b>	<b>(46)</b>	<b>0%</b>
Cash Fwd	4,364	-	-	-	0%
<b>Total</b>	<b>\$ 13,679</b>	<b>\$ 9,314</b>	<b>\$ 9,269</b>	<b>\$ (46)</b>	<b>0%</b>

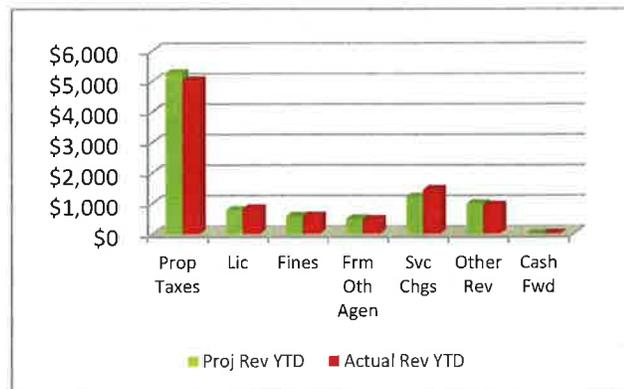
General Fund revenue estimates for the 2015-16 fiscal year were so close to actual receipts that the difference is less than \$50,000. Property Taxes came in \$245,000 less than the projection of \$5.2 million, offset by almost an equal amount in Service Charges. The difference in Fines was less than \$500. The remaining categories also came in so close to estimates that the differences basically cancelled each other out. As a whole, the fund did very well for the year.

## General Fund Revenue

Through June 30, 2016

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,265	\$ 5,265	\$ 5,020	\$ (245)	(5%)
Lic	774	774	826	51	7%
Fines	583	583	583	0	0%
Frm Oth Agen	497	497	468	(29)	(6%)
Svc Chgs	1,208	1,208	1,444	236	20%
Other Rev	988	988	928	(60)	(6%)
Cash Fwd	4,364	-	-	-	0%
<b>Total</b>	<b>\$ 13,679</b>	<b>\$ 9,314</b>	<b>\$ 9,269</b>	<b>\$ (46)</b>	<b>0%</b>

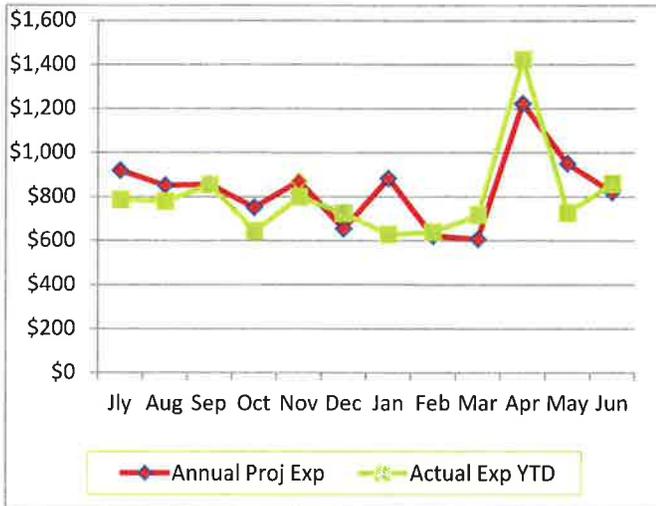
Note: variance is calculated as a percent of the projected revenue YTD.

# 2015-2016 Monthly Financial Report

## City of Hermiston, Oregon General Fund Expenditures For the Month Ending June 30, 2016

### General Fund Expenditure Summary All Requirements

Through June 30, 2016  
(in \$1,000)

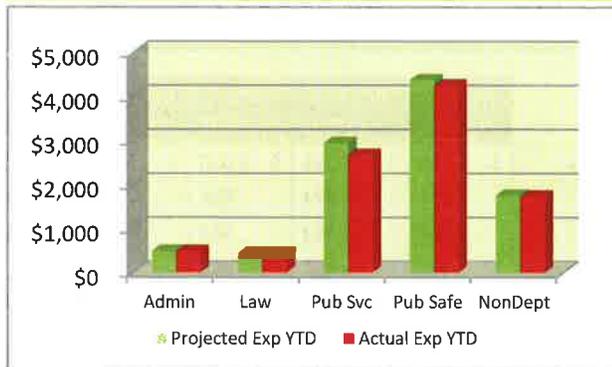


	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Jly	\$ 918	\$ 918	\$ 786	\$ 132	14%
Aug	850	850	777	73	9%
Sep	855	855	853	2	0%
Oct	750	750	643	107	14%
Nov	870	870	798	72	8%
Dec	654	654	724	(70)	(11%)
Jan	882	882	628	254	29%
Feb	621	621	639	(18)	(3%)
Mar	606	606	716	(110)	(18%)
Apr	1,222	1,222	1,423	(201)	(16%)
May	950	950	726	224	24%
Jun	821	821	858	(37)	(5%)
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>9,571</b>	<b>428</b>	<b>4%</b>
Unapp	3,679	-	-	-	0%
<b>Total</b>	<b>\$ 13,679</b>	<b>\$ 10,000</b>	<b>\$ 9,571</b>	<b>\$ 428</b>	<b>4%</b>

The picture in General Fund expenditures is also positive, with the fund finishing the year \$428,000 under budget.

### General Fund Expenditures by Consolidated Department

Through June 30, 2016  
(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 494	494	486	\$ 8	2%
Law	440	440	434	6	1%
Pub Svc	2,943	2,943	2,670	273	9%
Pub Safe	4,371	4,371	4,248	123	3%
NonDept	1,752	1,752	1,733	19	1%
Unapp	3,679	-	-	-	-
<b>Total</b>	<b>\$ 13,679</b>	<b>\$ 10,000</b>	<b>\$ 9,571</b>	<b>\$ 428</b>	<b>4%</b>

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

# 2015-2016 Monthly Financial Report

## General Fund Expenditure Detail For the Month Ending June 30, 2016

### General Fund Expenditures by Department

	Annual Projected			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	32,150	32,150	30,797	1,353	4%
City Manager/Planning	407,287	407,287	401,923	5,364	1%
Finance	54,964	54,964	53,191	1,773	3%
<b>Total Admin &amp; Finance</b>	<b>494,401</b>	<b>494,401</b>	<b>485,911</b>	<b>8,490</b>	<b>2%</b>
Legal	187,700	187,700	188,271	(571)	0%
Court	251,904	251,904	245,565	6,339	3%
<b>Total Dept of Law</b>	<b>439,604</b>	<b>439,604</b>	<b>433,836</b>	<b>5,768</b>	<b>1%</b>
Transportation	188,375	188,375	132,585	55,790	30%
Airport	241,640	241,640	218,376	23,264	10%
Bldg Inspection	343,262	343,262	337,192	6,070	2%
Parks	482,440	482,440	444,598	37,842	8%
Parks/Utility Landscaping	38,188	38,188	24,622	13,566	36%
Pool	389,229	389,229	363,153	26,076	7%
Municipal Buildings	12,900	12,900	10,156	2,744	21%
Library	692,766	692,766	641,676	51,090	7%
Recreation	554,099	554,099	497,930	56,169	10%
<b>Total Public Services</b>	<b>2,942,899</b>	<b>2,942,899</b>	<b>2,670,288</b>	<b>272,611</b>	<b>9%</b>
Public Safety Center	106,280	106,280	102,561	3,719	3%
Police Operations	4,264,967	4,264,967	4,145,921	119,046	3%
<b>Total Public Safety</b>	<b>4,371,247</b>	<b>4,371,247</b>	<b>4,248,482</b>	<b>122,765</b>	<b>3%</b>
Non-Departmental	1,751,803	1,751,803	1,732,956	18,847	1%
Unappropriated	3,678,780	0	0	0	0%
<b>Total Non-Dept</b>	<b>5,430,583</b>	<b>1,751,803</b>	<b>1,732,956</b>	<b>18,847</b>	<b>1%</b>
<b>Total</b>	<b>13,678,734</b>	<b>9,999,953</b>	<b>9,571,473</b>	<b>428,481</b>	<b>4%</b>

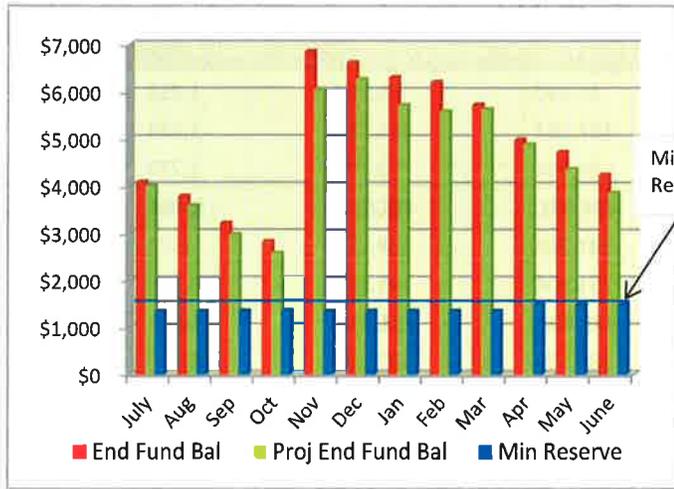
All departments except Legal came in under budget for the year. Collectively the departments in Public Services had budget savings of \$273,000. Public Safety had \$123,000 in savings. Together these two areas account for 92% of the overall savings.

# 2015-2016 Monthly Financial Report

Fund Balance - General Fund  
For the Month Ending June 30, 2016

**General Fund**  
Ending Fund Balance

**Through June 30, 2016**  
(in \$1,000)



Minimum Reserve = \$1,499,993

	Begin Fund Bal	Rev	Exp	End Fund Bal	Proj End Fund Bal
July	\$ 4,547	\$ 332	\$ (786)	\$ 4,093	\$ 4,023
Aug	4,093	478	(777)	3,794	3,590
Sep	3,794	280	(853)	3,221	2,977
Oct	3,221	251	(643)	2,829	2,581
Nov	2,829	4,829	(798)	6,860	6,041
Dec	6,860	486	(724)	6,622	6,273
Jan	6,622	317	(628)	6,311	5,724
Feb	6,311	540	(639)	6,212	5,592
Mar	6,212	237	(716)	5,732	5,639
Apr	5,732	679	(1,423)	4,988	4,890
May	4,988	464	(726)	4,726	4,368
June	4,726	376	(858)	4,244	3,861
<b>Total</b>	<b>\$ 4,547</b>	<b>\$ 9,269</b>	<b>\$ (9,571)</b>	<b>\$ 4,244</b>	<b>\$ 3,861</b>

The net change to the fund balance is a reduction of \$302,000. We had budgeted to use \$686,000 of fund balance so we did better than expected by approximately \$384,000.

# 2015-2016 Monthly Financial Report

## Special Revenue Funds Report For the Month Ending June 30, 2016

### Special Revenue Funds Resources & Requirements

	2015-16 Annual Budget	Actual YTD	Remaining Budget
<b>Bonded Debt Fund</b>			
Resources	3,767,354	2,873,552	893,802
Expenditures	3,527,354	2,939,499	587,855
Unappropriated Balance	240,000	N/A	N/A
<b>Transient Room Tax (TRT)</b>			
Resources	573,335	529,672	43,663
Expenditures	520,000	516,825	3,175
Unappropriated Balance	53,335	N/A	N/A
<b>Recreation Special Revenue</b>			
Resources	240,070	21,417	218,653
Expenditures	57,086	57,086	-
Unappropriated Balance	182,984	N/A	N/A
<b>Reserve Fund</b>			
Resources	10,374,653	3,346,745	7,027,908
Expenditures	8,143,245	4,005,006	4,138,239
Unappropriated Balance	2,231,408	N/A	N/A
<b>Municipal Court Special Revenue</b>			
Resources	286,115	242,259	43,856
Expenditures	251,115	235,507	15,608
Unappropriated Balance	35,000	N/A	N/A
<b>Miscellaneous Special Revenue</b>			
Resources	37,500	26,225	11,275
Expenditures	37,500	28,651	8,849
Unappropriated Balance	-	N/A	N/A
<b>Conference Center</b>			
Resources	282,545	225,289	57,256
Expenditures	225,045	205,297	19,748
Unappropriated Balance	57,500	N/A	N/A
<b>EOTEC Grant Fund</b>			
Resources	5,400,000	-	5,400,000
Expenditures	5,400,000	3,559,249	1,840,751
Unappropriated Balance	-	N/A	N/A
<b>Law Enforcement Special Revenue</b>			
Resources	77,545	65,140	12,405
Expenditures	46,400	33,667	12,733
Unappropriated Balance	31,145	N/A	N/A

Beginning with the 2015-16 fiscal year the City began estimating all of its resources in each fund and only appropriating what it projects it will need for that year. The remainder is carried in the fund as Unappropriated Balance.

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

# 2015-2016 Monthly Financial Report

## Special Revenue Funds Report For the Month Ending June 30, 2016

### Special Revenue Funds

#### Resources & Requirements

	2015-16 Annual Budget	Actual YTD	Remaining Budget
<b>Library Special Revenue</b>			
Resources	58,000	29,101	28,899
Expenditures	46,000	29,102	16,898
Unappropriated Balance	12,000	N/A	N/A
<b>2014 Water &amp; Sewer Rev Bonds</b>			
Resources	1,300,000	623	1,299,377
Expenditures	1,300,000	667,193	632,807
Unappropriated Balance	-	N/A	N/A
<b>Senior Center Const</b>			
Resources	2,073,360	44,290	2,029,070
Expenditures	2,073,360	77,105	1,996,255
Unappropriated Balance	-	N/A	N/A

## 2015-2016 Monthly Financial Report

### Utility and Street Funds Report

For the Month Ending June 30, 2016

#### Utility and Street Funds Report

##### Resources & Expenditures

	2015-16 Annual		Actual YTD	Variance	
	Budget	Projected YTD		Fav/(Unfav)	% Variance
<b>Street Fund</b>					
Resources	2,119,400	1,165,872	1,249,339	83,467	7%
Expenditures	1,450,685	1,450,685	1,400,596	50,089	3%
Unappropriated Balance	668,715	N/A	N/A	N/A	N/A

<b>Utility Fund</b>					
Resources	8,678,391	5,664,500	5,718,303	53,803	1%
Expenditures	7,019,176	5,296,327	5,149,837	146,490	3%
Unappropriated Balance	1,659,215	N/A	N/A	N/A	N/A

<b>HES Fund</b>					
Resources	11,735,765	8,785,765	8,893,736	107,971	1%
Expenditures	9,257,002	9,257,002	8,749,317	507,685	5%
Unappropriated Balance	2,478,763	N/A	N/A	N/A	N/A

<b>Regional Water Fund</b>					
Resources	2,652,000	1,403,175	1,471,270	68,095	5%
Expenditures	1,874,398	1,874,398	1,689,951	184,447	10%
Unappropriated Balance	777,602	N/A	N/A	N/A	N/A

The Street Fund finished the year \$83,500 ahead of projected revenue and a little more than \$50,000 under budget, a total of \$133,500.

Revenues in the Utility Fund came in \$54,000 over estimates and expenditures were almost \$146,500 under budget for an overall total of about \$200,500.

Revenues in the HES fund also came in higher than estimates by almost \$108,000. Expenditures came in \$508,000 under budget for a combined total of approximately \$616,000.

Not to be out-done, the Regional Water Fund finished the year with \$68,000 more revenue than expected and budget savings of \$184,500, a total of \$252,500.

# 2015-2016 Monthly Financial Report

## Utility and HES Funds Report For the Month Ending June 30, 2016

### Utility and HES Funds Report

#### Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
<b>Utility Fund</b>	3,056,640	3,445,748	49.1%	865,378	2,580,370
<b>HES Fund</b>	3,157,652	3,531,269	38.1%	1,141,274	2,389,995
<b>Total</b>	6,214,292	6,977,017	-	2,006,652	4,970,365

The reserves in both the Utility Fund and HES Fund remain healthy at the end of the fiscal year. The Utility Fund reserve is \$3.4 million and the HES Fund is \$3.5 million a combined total of almost \$7 million.

# 2015-2016 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending June 30, 2016

## Capital Projects

	2015-16 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport Improvements	\$ 3,968,333	\$ 1,900,481	\$ 3,566,000	\$ 2,165,855	60%
Eastern OR Trade & Event Ctr (EOTEC) Pipeline	350,000	624,633	1,800,000	1,316,730	100%
EOTEC Construction	5,400,000	3,559,249	6,400,000	6,458,055	See below
RWTP Outfall	-	151,738	2,500,000	1,315,693	100%
Water Line Extension	1,026,200	415,463	1,250,000	911,518	100%
<b>Total</b>	<b>\$ 10,744,533</b>	<b>\$ 6,651,564</b>	<b>\$ 15,516,000</b>	<b>\$ 12,167,851</b>	

### **Airport Improvements**

This project continues to move along. There are no major changes since last month's report.

### **EOTEC Pipeline**

This project is now complete.

### **EOTEC Construction**

This project also continues to move along, the major change since the May report being the appointment of Frew as the general contractor for all remaining components except the rodeo.

### **RWTP Outfall**

This project is now complete.

### **Water Line Extension**

This project is now complete.

**2015-2016 Monthly Financial Report**  
**City of Hermiston, Oregon**  
**Investments**  
**For the Month Ending June 30, 2016**

**Investment Report**  
**by Type**

Cusip No.	Par Value	Principal Cost	Market Value	Issuer	Rating Moody's/S&P	Days to Maturity	Callable Y/N	Yield to Worst Call	Yield to Maturity (YTM)
3135G0G31	\$ 2,000,000	\$ 1,993,600	\$ 2,000,396	FNMA	Aaa/AA+	943	Y	1.28	1.28
3134G33E8	\$ 1,000,000	\$ 997,073	\$ 1,000,019	FHLMC	Aaa/AA+	1,289	Y	1.57	1.57
3135G0QK2	\$ 2,000,000	\$ 1,985,750	\$ 2,000,266	FFCB	Aaa/AA+	1,191	Y	1.71	1.71
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 1,001,296	FHLMC	Aaa/AA+	561	N	1.29	1.29
3135G0GY3	\$ 1,000,000	\$ 1,013,901	\$ 1,004,163	FNMA	Aaa/AA+	214	N	0.78	0.78
<b>US Agencies</b>	<b>\$ 7,000,000</b>	<b>\$ 6,969,081</b>	<b>\$ 7,006,140</b>	---	---	---	---	---	---
LGIP <sup>(1) (2)</sup>	\$ 4,103,733	\$ 4,103,733	\$ 4,103,733	Varies	---/AA	1	N	0.88	0.88
<b>LGIP</b>	<b>\$ 4,103,733</b>	<b>\$ 4,103,733</b>	<b>\$ 4,103,733</b>	---	---	---	---	---	---
<b>TOTAL</b>	<b>\$ 11,103,733</b>	<b>\$ 11,072,814</b>	<b>\$ 11,109,873</b>	---	---	---	---	---	---

The City of Hermiston has established certain policies for its investments. In order to limit credit and interest rate risk, investments are diversified by security type, maturity, issuer, and call provisions. At least 25% of funds available for investing will be invested in the Local Government Investment Pool (LGIP), with a qualified depository institution, or investments maturing in less than 90 days. 50% or more of the portfolio will be invested in securities maturing in less than three years. The maximum average maturity for the portfolio shall be 3 years and the maximum maturity of individual securities in the portfolio shall be 5 years. No more than 75% of the portfolio may be callable. The minimum weighted average credit rating of the portfolio's investments shall be Aa/AA by Moody's and Standard & Poor's respectively. The breakdown of the City's portfolio is shown below.

Maturity	Par Value	% of Total Portfolio	Type of Inv	Par Value	% of Total Portfolio	Various Investment Parameters	With LGIP	Without LGIP
< 90 Days	\$ 4,103,733	37.0%	US Agency	\$ 7,000,000	63.0%	WTD Avg Days to Mat	571	571
90 Days - 3 Yrs	\$ 4,000,000	36.0%	Corporate	\$ -	0.0%	Wtd Avg Yield to Mat	1.19%	1.37%
3 - 5 Yrs	\$ 3,000,000	27.0%	LGIP	\$ 4,103,733	37.0%	Percent Callable	45.0%	71.4%
	\$ 11,103,733	100.0%		\$ 11,103,733	100.0%	Wtd Avg Credit Rating	Aaa/AA+	Aaa/AA+