



CITY COUNCIL

Regular Meeting Minutes

March 24, 2025

Mayor Primmer called the regular meeting to order at 7:01pm. Present were Councilors Hayward, Roberts, McCarthy, Linton, and Kelso. Councilors Duron, Myers, and Barron were excused. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Finance Director Ignacio Palacios, Chief Jason Edmiston, Parks and Recreation Director Brandon Artz, City Planner Clint Spencer, Court Administrator Jillian Viles, Hermiston Energy Services (HES) General Manager Nate Rivera, and City Recorder Lilly Alarcon-Strong. Also present was Student Advisor Jeanine Heredia. The pledge of allegiance was given.

Citizen Input on Non-Agenda Items

Linda Turner, Hermiston- stated as a member of the Hermiston Altrusa International Club they promote leadership, volunteerism, and community betterment. In Partnership with the Parks and Recreation Department, and with donations from individuals and businesses, Altrusa has recently completed their Riverfront Park Read and Walk Trail Project and ribbon cutting on March 11th (pictures attached) which features a selected child's book that has been dismantled and placed inside posts along the trail at Riverfront Park to allow people to walk and read on the trail at the same time, books will be in English and Spanish. Children will also be able to enter to win free books each month from the Public Library and Next Chapter Book Store.

Mayor Primmer stated he attended the ribbon cutting and read the posted book which was great to see in English and Spanish, and thanked Altrusa for this fantastic project.

Councilor Linton announced that Linda Turner also started the Battle of the Books in Hermiston.

Joe Franell, 1401 NW 17th St- stated he is the President of Eastern Oregon Telecom dba Blue Mountain Networks and would like to speak about the work session meeting topic. Mr. Franell stated he moved to Hermiston from Ashland about 14 years ago where he helped create the first municipally owned open access network in the United States. These networks are challenging and expensive and from what he understands, Ashland has yet to pay off the development of this system and has not had success with this system since he left. The City of Sandy is the only open access network system- that he knows of- that works, and this is very rare. Mr. Franell stated he had previously met with City Manager Smith and HES General Manager Rivera regarding the City's intentions with this project to let them and the City Council know that he can provide these services for the City of Hermiston and Umatilla as they are currently working in these areas and is asking the City to work together on this project as they have already invested time and money in the area.

Dave Hanson, 1737 W Alleluia Ave- stated he has over 50 years' experience all over the United States in Broadband, besides his accomplishments in many other fields, he is also a member of the City's Budget Committee and is concerned that the City would be spending money where we would not get a quick return on investment and would be willing to volunteer his time to help the City with this project.



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Virginia Rome Garcia, 435 E Sunset Dr- stated she recently noticed a \$6.00 penalty on her water/sewer bill and went to City Hall for an explanation on this issue as she is on autopay and should not have received a penalty. She stated she was not satisfied with the response she was given and then fixed the issue herself by changing the payment date. Virginia also stated she is grateful for the leak alert system the City has as it caught a leak that was happening in her home which saved her a lot of money. Virginia also spoke regarding one of the City's Customer Service Representatives, who she said she observed helping a Spanish speaking gentleman and being very kind, patient and explaining everything so well in Spanish.

Consent Agenda Items

Councilor Hayward moved, and Councilor McCarthy seconded to approve Consent Agenda item A-C to include:

- A. New Liquor license application for La Mexicana located at 135 E Cornell Place, Suite B 1
- B. Committee Vacancy Announcement
- C. Minutes of the March 10th Regular City Council Meeting and Urban Renewal Agency Meeting

Motion carried unanimously.

Resolution No. 2361- Well #4 Control Systems Contract Award

Assistant City Manager Morgan gave information (PowerPoint Presentation attached) regarding awarding the Well #4 Control Systems Contract Award to Tapani, Inc.

After further discussion and answering questions from the Council, Councilor Roberts moved, and Councilor Hayward seconded to approve Resolution No. 2361 and lay upon the record. Motion carried unanimously.

Resolution No. 2362- Initiate LID for NW 2nd Street

Assistant City Manager Morgan gave information (PowerPoint Presentation attached) regarding allowing the City to develop a report which the Council can use in determining whether or not to move forward with next steps to potentially form an LID but does not form an LID.

After further discussion and answering questions from the Council, Councilor McCarthy moved, and Councilor Roberts seconded to adopt Resolution No. 2362 and lay upon the record. Councilors Hayward, McCarthy, Roberts, and Kelso moved in favor; Councilor Linton voted against. Motion carried 4-1.

Resolution No. 2363- Declare intent to Form LID for NW 2nd Street

Assistant City Manager Morgan gave information (PowerPoint Presentation attached) regarding allowing the City to set a Public Hearing date after which point the Council will consider and determine whether or not to form an LID.

After further discussion and answering questions from the Council, Councilor Hayward moved, and Councilor Roberts seconded to adopt Resolution No. 2363 and lay upon the record. Motion carried unanimously.



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Resolution No. 2364- Good Shepherd Health Care System (GSHCS) Police Funding Agreement

City Manager Smith gave information regarding an agreement between the City and GSHCS to fund up to four police officers for a dedicated patrol beat for GSHCS properties.

After further discussion and answering questions from the Council, Councilor Roberts moved, and Councilor McCarthy seconded to adopt Resolution No. 2364 and lay upon the record. Motion carried unanimously.

Presentation and Possible Action – Small Modular Reactor (SMR) Legislation

Umatilla County Commissioner Dan Dorran praised the City for its proactive stance on infrastructure and presented information (attached) regarding current energy levels in the region, the amount of energy the region produces and exports, the lack of energy the region retains, and how the region is going to continue to bring in quality development to the area if we do not have power beyond the currently projected 10-year window. Other forms of energy were reviewed to include renewable energy that is currently in the area, however, two-years ago Umatilla County Commissioners realized renewable energy would not be ideal due to various reasons and began doing research into SMR's. Through this research it was determined that SMR's would be a practical and safe solution as a source of energy to power our community and is therefore asking that the City of Hermiston give support for HB 2410 by allowing the City's logo to be included in the support letter to legislators.

After prompting from the Council, HES General Manager Rivera stated the City is part of the Oregon Municipal Electric Utilities Association and is giving support of the SMR Technology but is waiting for final language of the SMR to be released before any decision of support is given.

Public Comment given via/email

"Hi. I strongly encourage the city staff and council members to read all of the written comments opposing the legislation. There is significant factual information that needs to be seriously reviewed. Thank you, Karyn Jones 1010 W Highland Ave, Hermiston, OR 97838"

After further discussion and answering questions from the Council, Councilor Kelso moved, and Councilor Hayward seconded to give support for HB 2410 by allowing the City's logo to be included in the support letter to legislators. Councilor Hayward, McCarthy, and Kelso voted in favor; Councilor Roberts and Linton voted against. Motion carried 3-2.

February 2025 Monthly Financial Report

After Council discussion, Councilor McCarthy moved, and Councilor Roberts seconded to accept the February Financial Report as presented (PowerPoint Presentation attached) by Finance Director Ignacio Palacios, City Manager Smith, and Assistant City Manager Morgan. Motion carried unanimously.

(Finance Director Palacios noted an error on the PowerPoint Presentation date that read 2024 instead of 2025.)



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Committee Reports

Faith-Based Advisory Committee- Councilor Hayward spoke regarding the I Love My City event planned for May 17th and 18th.

Recreation Projects Fund Advisory Committee- Councilor McCarthy stated the Committee is accepting applications until May 31st and will meet in June to review applications and make their recommendation to the City Council.

Hispanic Advisory Committee- Councilor Kelso spoke regarding the presentations the Committee heard from Family Health Associates and WaFed Bank, as well as established their 2025 Committee Goals. The Committee also has five applicants for the two vacancies.

Mayor's Report

Mayor Primmer spoke regarding:

- Congratulated all Distinguished Service Award recipients
- Gave a reminder of the application deadline for the Civic Leadership Academy
- Arbor Day Giveaway and the Fishing Derby is on the same day

Council Presidents Report

None given.

Council Reports

Councilor Roberts thanked Parks and Recreation Director Artz and his staff for the impressive work they do with programming and keeping City properties looking great.

Councilor Linton asked when the Council will be presented with information on additional funding for the Chamber of Commerce and the Harkenrider Senior Center as she requested during the Goal Setting Session.

City Manager Smith stated this discussion is scheduled for the upcoming meeting.

Councilor Kelso's thanked Liz Marvin and her team for their work putting together the Distinguished Service Award Banquet and stated he, per the Mayors recommendation to all Council members, recently attended the Council meetings of the City of Echo and Irrigon. The meetings were interesting and less formal and is appreciative of the Consent Agenda that the City of Hermiston City Council utilizes.

Councilor Hayward echoed Councilor Kelso's sentiments regarding the Distinguished Service Awards Banquet.

Youth Advisory Report

Youth Advisor Jeanine Heredia spoke regarding students, specifically seniors, preparing for spring break.



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City Manager's Report

City Manager Smith Spoke regarding:

- City Chats on April 9th at 2pm at the Next Chapter Book Store and asked those interested in attending please contact City Recorder Alarcon-Strong
- Civic Leadership Academy Application deadline on March 28th
- EOTEC Advisory Committee and Planning Commission resignation of Patrick Collins
- Encouraged the Council to view the Pickleball Court area at Theater Sports Park

Recess for Executive Session

At 8:55pm Mayor Primmer announced that the City Council will meet in Executive Session pursuant to ORS 192.660 (2) (e & h) which allows the Council to meet in Executive Session to conduct deliberations with persons designated by the Council to negotiate real property transactions and consult regarding the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are excluded. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No final decision may be made in executive session. At the end of the executive session, the council will return to open session which the audience may attend. The executive session will last approximately 15 minutes.

Reconvene and Adjourn

There was no other business and Mayor Primmer reconvened and adjourned the regular City Council meeting at 9:27pm.

SIGNED:

Doug Primmer, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder







Current System: 60+ Years Old



Current System

- 2,500 Gallons Per Minute
- Unreliable
- Inefficient
- Used for Parts
- Large Pressure Fluctuations



CIP Project W10.0

- Included in 2018 CIP → FY23
- Unforeseen Lead/Copper Mandates from EPA (\$250K)
 - Caused 2 Years of exposure to high inflation
- Heavy on Electrical components
 - High exposure to recent federal tax increases (tariffs)





Bids

Company	Bid
Tapani, Inc.	\$525,300.00
C&E Trenching, LLC	\$540,250.00
Neuman Electric, Inc.	\$617,680.00
McKinstry Electrical	\$618,272.00
Goodman & Mehlenbacher	\$748,650.00





NW 2^d (Elm to Cherry) South



NW 2^d (Elm to Cherry) North



NW 2^d 3 Developed Lots



NW 2^d Undeveloped Usage (2024)



NW 2^d Undeveloped Usage (2017)



NW 2^d Undeveloped Usage (2016)



NW 2^d Undeveloped Usage (2005)



NW 2^d Undeveloped Usage (2002)



NW 2^d Ingress/Egress (2024)



Elm Ave. Changes



Key
 Surface entrance/subdiv. markers (yellow)
 Traffic separator
 4" public pavement striping
 2" utility pavement striping





How did we get here?



Street Requirements

- Construct street at time of Development
 - Undeveloped lots not required to construct street
- Non-Remonstrance Agreements (NRA)
 - Development without street allowed if
 - Agree to participate in future LID



Non-Remonstrance Agreements



"Undeveloped" Actively Used



Developed Without Building Street



Local Improvement District

- Construct Street & Levy Cost on Adjacent Properties
- Initiate LID Formation (Call For Feasibility Report)
 - Scope of project
 - Cost Estimates
 - Method for assigning costs
 - Etc.





Local Improvement District

- | | |
|-----------------------------------|---------------------------|
| • Initiate LID (Call for Report)- | Tonight |
| • Declare Intent to Form- | Tonight (Next Resolution) |
| • Public Hearing- | May 12? |
| • Form LID- | May 12? |
| • Design Project- | Summer/Fall |
| • Construct- | Spring '26 |



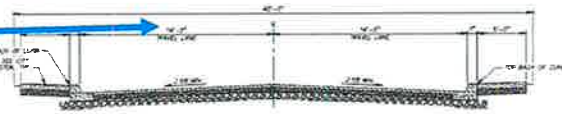
Questions?



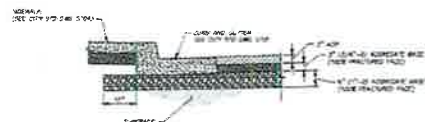
Project Scope Deviated City Standard

Deviated Standard

- 14' Travel Lanes
- 6' Parking Lane
- Curb/Gutter/Sidewalk



STREET CROSS SECTION



PAVEMENT SECTION



Example Deviated City Standard



Benefitting Properties



Benefitting Properties



Methodology

- Frontage on NW 2nd
 - 940'
- Total Project Cost
 - \$580,000
- Cost/Frontage Foot
 - \$617.02/FF



Cost Per Property

- Frontage on NW 2nd
 - 940'
- Total Project Cost
 - \$580,000
- Cost/Frontage Foot
 - \$617.02/FF



Cost Per Property

- Frontage on NW 2nd
 - 940'
- Total Project Cost
 - \$580,000
- Cost/Frontage Foot
 - \$617.02/FF
- City Contribution
 - \$0



Local Improvement District

- | | |
|-----------------------------------|-------------|
| • Initiate LID (Call for Report)- | Tonight |
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| • Public Hearing- | May 12? |
| • Form LID- | May 12? |
| • Design Project- | Summer/Fall |
| • Construct- | Spring '26 |



Related Project W. Dogwood

- W. Dogwood
 - Spruce-2nd
- 100% City-Funded
- \$225,000



Support HB 2410



Allowing a pathway for a small modular reactor ("SMR") demonstration project in Umatilla County

Statutory barriers adopted via Measure 7 in 1980 result in a practical moratorium on nuclear energy in Oregon.

Circumstances since 1980 have changed.

Nuclear currently provides almost half of domestic carbon-free electricity in the United States, including 19 trillion Btu of electricity imported into Oregon annually.¹ If the U.S. is to attain net-zero, nuclear will serve an essential role in our energy transition as a clean, firm complement to renewables.² With low land-use requirements and lower transmission requirements than distributed or site-constrained generation sources, nuclear also offers high-paying jobs and other regional economic benefits.³

As Umatilla County experiences significant load growth in the irrigation, commercial and industrial sectors, county leaders are committed to exploring options to support economic development with reliable, resilient carbon-free energy.

What House Bill 2410 Does:

- Provides that an SMR Demonstration Project in Umatilla County, if proposed, would be:
 - Subject to the Energy Facility Siting Council ("EFSC") process;
 - Exempt from the current prohibition against siting a nuclear facility until a repository for terminal disposition of nuclear waste is federally licensed;
 - Exempt from the current requirement that a proposed EFSC site certificate must be approved via a statewide ballot measure before issuance; and
 - Required to use microgrid technologies to support community energy resilience.
- Holds the project operator responsible for proper temporary storage of waste until the materials are removed from the site for consolidated interim or permanent storage.
- Requires relevant state agencies to review and report to the legislature on how to update existing Oregon laws to enable a nuclear siting process that:
 - Is clear, transparent and supports community engagement; and
 - Provides for strong state regulatory oversight consistent with federal law.
- Refers the measure to the people of Umatilla County for their approval or rejection.

House Bill 2410 Does NOT:

- Repeal Measure 7.
- Dictate SMRs as a resource to replace or compete with renewables.
- Allow for SMR development without nearby community support.

HB 2410 will not go into effect unless approved by the affected voters

House Bill 2410 is a targeted, practical solution for exploring small modular nuclear reactors as a source of carbon-free energy to power Oregon's communities and economic futures

Contact: Maureen McGee
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¹U.S. Department of Energy, Pathways to Commercial Liftoff: Advanced Nuclear, September 2024, at 21, available at: https://liftoff.energy.gov/wp-content/uploads/2024/09/LIFTOFF_DOE_AdvNuclear-vX6.pdf; Oregon Department of Energy 2024 Biennial Energy Report, November 2024 at 2, available at <https://www.oregon.gov/energy/Data-and-Reports/Documents/2024-Biennial-Energy-Report.pdf>.

² Pathways to Commercial Liftoff at 1.

³ Pathways to Commercial Liftoff at 1.

VOTE YES on House Bill 2410

Allows Consideration of Nuclear in Oregon's Clean Energy Future

HB 2410 narrowly exempts a small modular reactor ("SMR") demonstration project in Umatilla County from Oregon's outdated prohibitions on nuclear energy facility siting.

Nuclear currently provides almost half of domestic carbon-free electricity in the United States, including 19 trillion Btu of electricity imported into Oregon annually.ⁱ With lower land-use requirements and lower transmission requirements than distributed or site-constrained generation sources, nuclear offers high-paying jobs and other regional economic benefits.ⁱⁱ Small modular reactors, in particular, are a form of advanced nuclear that provides a simple design, enhanced safety features, and the economics and quality afforded by factory production compared to traditional, large nuclear power plants.

Electricity demand in the Northwest is expected to grow more than 30% in the next decade.ⁱⁱⁱ To identify how Oregon will meet this demand and our state's ambitious clean energy goals, all carbon-free energy technologies must be on the table. Existing system-level modeling shows that including nuclear as a clean, firm complement to variable renewables and storage reduces system costs.^{iv} Advanced nuclear solutions like SMRs could therefore serve an essential role in Oregon's clean energy future, but outdated statutes adopted in 1980 are standing as a barrier to considering any form of Oregon-based advanced nuclear.^v

Without immediate, incremental policy change, Oregon will miss the opportunity to consider advanced nuclear as a part of our domestic clean energy generation mix.

Umatilla County is Ready to Explore a Small Modular Reactor Demonstration Project

Umatilla County is experiencing significant load growth in the irrigation, commercial and industrial sectors, and county leaders are committed to exploring options to support economic development with reliable, resilient carbon-free energy. HB 2410 enables a starting point for a conversation, sending the necessary market and regulatory signals to consider EFSC siting of an SMR demonstration project to meet the County's unique energy needs. As a legislative referral to Umatilla County, HB 2410 centers community consent as a core Oregon value for clean energy development.

Contact: Maureen McGee, Umatilla County, maureen.mcgee@tonkon.com

We support HB 2410 as a narrowly-crafted proposal for considering the value proposition of advanced nuclear in Oregon, and urge legislators to vote YES.



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ⁱU.S. Department of Energy, Pathways to Commercial Liftoff: Advanced Nuclear, September 2024, at 21, https://liftoff.energy.gov/wp-content/uploads/2024/09/LIFTOFF_DOE_AdvNuclear-vX6.pdf; Oregon Department of Energy 2024 Biennial Energy Report, November 2024 at 2, <https://www.oregon.gov/energy/Data-and-Reports/Documents/2024-Biennial-Energy-Report.pdf>.

ⁱⁱ Pathways to Commercial Liftoff at 1.

ⁱⁱⁱ Pacific Northwest Utilities Conference Committee, Northwest Regional Forecast of Power Loads and Resources: August 2024 through July 2034, May 2024, at 4, <https://www.pnucc.org/wp-content/uploads/2024-PNUCC-Northwest-Regional-Forecast-final.pdf>

^{iv} Pathways to Commercial Liftoff at 10.

^v See Oregon Department of Energy, Oregon Energy Strategy Modeling Results Info Meeting Notes, January 31, 2025, at 6, <https://www.oregon.gov/energy/Data-and-Reports/Documents/2025-01-31-OES-Modeling-Session-Notes.pdf> (confirming that the initial modelling results for the Oregon Energy Strategy “did not permit nuclear siting in Oregon”).

Contact: Maureen McGee, Umatilla County, maureen.mcgee@tonkon.com



Hermiston Urban Renewal Agency (HURA)

- North Hermiston Urban Renewal Area – Project delayed due to signal analysis and ROW acquisition. Expected to bid in April



General Fund

- Eighth month of 24-2025 fiscal year
- Monthly Revenues are over projections by ~\$858k
 - **When compared to budget, revenues are meeting expectation at 66.5% (property taxes annualized)**



General Fund

- Monthly Expenses under projections by ~\$1,314k
 - **Although, five departments are over budget when compared to projected all departments are meeting or are below budget through February 2025**



Special Revenue Funds

- Observations:
 - **EOTEC expenditures ~\$104k over budget due to Barn Project City match for project.**
 - Match will occur prior to fiscal year end (sources from interest earnings on bond proceeds and savings on other related projects).



Utility and Street Funds

- Observations:
 - **Utility fund ~\$655k over projected revenues**
 - This corresponds to one time 'septic service' in recycled water



Capital Projects

- A number of projects in design:
 - **Geer/Harper Realignment- full design expected by Spring**
 - **N. 1st Sidewalk (eastern sidewalk)**
 - **RWS Backup Generators**
 - **Well #6 Chlorination Structure**
 - **Aquifer Storage/Recovery – contract awarded. Contractor to begin work April/May 2025**
 - **Well #4 Controls – design complete and advertised in February**



Capital Projects

- Hangar Replacement – foundation work to begin
- Library – Framing underway, April Tour
- The Arc – Painters were Prepping today
- Public Safety Center
 - **Interior framing underway**
 - **Sally Port addition under construction**





Discussion

Questions?

Where Life is Sweet™