



*Where Life is Sweet*

Mayor and Members of the City Council  
**STAFF REPORT**  
For the Meeting of August 11, 2025

**Title/Subject**

Resolution 2391- SE 10<sup>th</sup> Street Jurisdictional Transfer

**Summary and Background**

This resolution initiates the transfer of ownership of the portion of SE 10<sup>th</sup> Street between Highland Avenue and Columbia Drive from Umatilla County to the City of Hermiston.

**Tie-In to Council Goals**

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

**Fiscal Information**

This transfer includes a one-time lump sum compensation from Umatilla County to the City of Hermiston of \$200,000. This transfer is in recognition of the fact that the street section is still the primary access to a number of properties outside of City Limits, and accommodates a significant amount of traffic which either originates or ends (or both) outside of City Limits. Meanwhile, the City of Hermiston will not receive any additional State Gas Tax revenue share by virtue of the fact that cities receive Gas Tax based on population within city limits (which will not be affected by this transfer of ownership responsibilities). Long-term, however, it is anticipated that the unincorporated properties surrounding this section will, over time, annex in to City Limits as they develop in to urban-level housing. Meanwhile, there is also a significant amount of existing traffic which either originates or ends (or both) inside of City Limits which uses this section of roadway. Therefore, this agreement simply helps facilitate an orderly transition of this roadway section to an urban city standard.

Aside from long term maintenance costs, a significant looming cost associated with this section of street is replacement of the failing 1-lane culvert over HID's A-Line canal near the BMCC campus. This replacement is identified as ST12.0 in the adopted Street Capital Improvement Plan, and is currently estimated to cost \$800,000.

In recognition of the increased traffic taking the 1-lane culvert associated with the new Columbia Ridge subdivision, each home in that development is being assessed a \$1,557 fee for a portion of rebuilding the culvert capable of accommodating two lanes with sidewalks. Additionally, each new home will pay a generalized \$423 Transportation System Development

Charge. With approximately 200+ homes planned for Columbia Ridge, it is anticipated that the development will pay approximately \$396,000 associated with off-site transportation improvements.

With an \$800,000 culvert replacement cost offset by \$596,000 in County jurisdictional transfer revenue and development fees from Columbia Ridge, that leaves approximately \$204,000 unaccounted for. This margin will be covered by the City through a combination of anticipated future SDC revenue from future developments along SE 10<sup>th</sup> between Highland and Columbia as well as recognition of the fact that the roadway already carries a significant volume of “city traffic.” The volume of “city traffic” is only anticipated to increase as the 10<sup>th</sup> street corridor is anticipated to function as a more and more important alternative North/South route for traffic on the growing eastern side of the community.

### **Alternatives and Recommendation**

#### **Alternatives**

1. Approve resolution 2391
2. Reject resolution 2391

#### **Recommended Action/Motion**

Motion to approve Resolution 2391

#### **Submitted By:**

Mark Morgan