



# CITY COUNCIL

## Regular Meeting Minutes January 22, 2024

Mayor Drotzmann called the regular meeting to order at 7:00pm. Present were Councilors McCarthy, Barron, Linton, Primmer, Hardin, Duron, and Myers. Councilor Peterson was excused. City Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Chief Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Villes, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

### **Presentation- Greater Hermiston Chamber of Commerce Updates**

Greater Hermiston Chamber of Commerce Executive Director Val Hoxie gave information regarding: the Board's decision to sell their property on Evelyn Street, Open Rewards Program, upcoming events hosted by the Chamber to include: the Candidate Forum, Chamber Luncheon on March 27<sup>th</sup> from 11:00am to 1:00pm at the Community Center which will host Representative Greg Smith speaking about the Short Session, and the Hermiston Distinguished Citizens Awards Banquet held this year in March at the Community Center which will be hosted by the Good Shepherd Community Health Foundation going forward.

### **Citizen Input on Non-Agenda Items**

None given.

### **Consent Agenda Items**

Councilor Primmer moved and Councilor McCarthy seconded to approve Consent Agenda items A-E to include:

- A. Major Partition - 4N2823 Tax Lot 200 Amazon Data Services Inc 908 E Penney Ave
- B. Airport Ground Lease- Stratton
- C. Recommendation to appoint Position 4 on the Recreation Projects Fund Advisory Committee (representing Hoteliers) ending 12/31/2026 to James Whalley
- D. Recommendation to appoint Position 3 on the Parks and Recreation Advisory Committee term ending 12/31/2024 to Hunter Tibbals
- E. Minutes of the January 8th City Council Meeting

Councilors McCarthy, Barron, Primmer, Myers, Hardin, and Duron voted in favor; Councilor Linton voted against. Motion carried 6-1.

### **Ordinance No. 2352 – Adopting a Business License Fee**

City Manager Smith gave information (PowerPoint Presentation attached) regarding possibly adopting a Business License Fee with an effective date of January 1, 2025 as presented and discussed during City Council meetings since shortly after the adoption of the 2023-24 Budget which went into effective July 1, 2024, during the budget Town Hall Meeting, and the Budget Overview and Outreach Report given at the last meeting.

### **Public Comment**

Kristi Kopacz (371 E. Hurlburt Ave)- Stated the City should be doing more to notify business owners as many do not know. Ms. Kopacz stated she has been a business owner for 33 years and already pays a business license fee through the State. She is opposed to this fee as she knows that if approved the fee will increase each year.

Kena West (690 W. Sandpiper Ave)- Stated \$85.00 per year is too expensive for a small business and \$1,000.00 is not enough for large businesses like Wal-Mart. Asked that the Council consider this thoroughly as no services are being provided for this fee and the proposed amounts do not make sense.



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Nick Ridling (1003 SW Olive Court)- Asked if those working remotely would be required to pay this fee, stated the violation fee is notorious, and asked that the Council think about how this will impact small businesses.

After some discussion, Mayor Drotzmann requested that the first reading be by title only. Hearing no opposition, City Attorney Tovey read the ordinance by title only. Mayor Drotzmann requested the ordinance be put on for final adoption at this meeting and that the second reading be by title only. After City Attorney Tovey read the ordinance by title only, Councilor Linton moved to table the decision. Hearing no second the motion died. Councilor McCarthy moved and Councilor Myers seconded that Ordinance No. 2352 be adopted and become effective 30 days after adoption by the City Council. Councilors McCarthy, Barron, Primmer, Myers, Hardin, and Duron voted in favor; Councilor Linton voted against. Motion carried 6-1.

### **Resolution No. 2305 – Updating the Master Fee Schedule for Business License and Sewer Fees**

City Manager Smith and Assistant City Manager Mark Morgan gave information (PowerPoint Presentations attached) regarding updating the Master Fee schedule to include a Business License Fee and updating the annual sewer fees.

After further discussion, Councilor Linton moved and Councilor Primmer seconded to approve Resolution No. 2305 with the exception of approval of the proposed Business License fees, which would come before the Council for further discussion at a following meeting and lay upon the record. Motion carried unanimously.

### **Ordinance No. 2353 – Amending Chapter 70 and Chapter 72 of the Hermiston Municipal Code**

City Manager Smith gave information (PowerPoint Presentation attached) regarding possibly adopting changes to traffic and parking penalties.

After some discussion, Mayor Drotzmann requested that the first reading be by title only. Hearing no opposition, City Attorney Tovey read the ordinance by title only. Mayor Drotzmann requested the ordinance be put on for final adoption at this meeting and that the second reading be by title only. After City Attorney Tovey read the ordinance by title only, Councilor Linton moved, and Councilor Myers seconded that Ordinance No. 2353 be adopted and become effective 30 days after adoption by the City Council. Motion carried unanimously.

### **Ordinance No. 2354 – Amending Chapter 96 of the Hermiston Municipal Code**

City Manager Smith gave information (PowerPoint Presentation attached) regarding possibly adopting changes to the Rules of Conduct for City Properties.

After some discussion, Mayor Drotzmann requested that the first reading be by title only. Hearing no opposition, City Attorney Tovey read the ordinance by title only. Mayor Drotzmann requested the ordinance be put on for final adoption at this meeting and that the second reading be by title only. After City Attorney Tovey read the ordinance by title only, Councilor Primmer moved and Councilor Hardin seconded that Ordinance No. 2354 be adopted and become effective 30 days after adoption by the City Council. Motion carried unanimously.



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**Resolution No. 2306 – Planning Services Contract with Winterbrook Planning for Urban Growth Boundary Expansion Services-** City Manager Smith and Planning Director Clint Spencer gave information (PowerPoint Presentations attached) regarding awarding the planning services contract to Winterbrook Planning to assist the City in potentially expanding the southern urban growth boundary.

After further discussion, Councilor McCarthy moved and Councilor Primmer seconded to approve Resolution No. 2306 and lay upon the record. Motion carried unanimously.

### **December 2023 Financial Report**

Councilor Linton moved, and Councilor McCarthy seconded to accept the December 2023 Financial Report as presented (PowerPoint Presentation attached) by City Manager Smith. Motion carried unanimously.

### **Council Goal Setting Update**

City Manager Smith reviewed updates of the 2023 Council Goals as established and included in the agenda packet.

Mayor Drotzmann stated Goals are established each year by a lengthy and in-depth discussion that takes place over a two-day period between Council and staff members.

Councilor Barron asked if the Goal Setting Session could be scheduled Friday and Saturday next year instead of Thursday and Friday as he will be unable to attend the Friday session due to work.

City Manager Smith and Mayor Drotzmann stated next year's scheduling will be discussed on Thursday as it is very important that each Councilor is able to attend both days of the session if possible.

### **Committee Reports**

**Parks and Recreation Advisory Committee-** Councilor Myers stated the meeting was cancelled due to weather.

**Hispanic Advisory Committee-** Councilor Barron stated the meeting was postponed to February. The Committee has all positions filled with great diverse members who are eager to support the Latino community.

Mayor Drotzmann stated almost all open City Committee positions have been filled.

### **Mayor's Report**

Mayor Drotzmann spoke regarding:

- Attended the Small Cities LOC Meeting in Irrigon
- Reminded the Council there is an upcoming LOC Spring Conference

### **Council Reports**

Councilor Duron clarified the Hermiston Distinguished Citizens Awards Banquet will be held March 20th at the Community Center.

Councilor McCarthy thanked all city staff who helped remove snow from the roadways and clarified that the City does own and operate snow plows.



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Councilor Barron stated he added the MLK event last week. Each year the event gets better and better with great speakers both from adults and youth.

Mayor Drotzmann agreed with Councilor Barron stating the event brings great cultural awareness to the community and acknowledged High School Senior Aaron Thacker for doing an amazing job stepping in at the last minute to sing America the Beautiful as the person scheduled was unable to make it to the event due to the weather.

### Youth Advisory Report

None present.

### City Manager's Report

City Manager Smith spoke regarding:

- Roger Condie the Executive Director of the Umatilla County Housing Authority will be attending the next meeting to discuss the Veteran's Housing Project
- The Fair Appreciation Dinner will be this Saturday at EOTEC
- A Finance Director candidate has been offered employment and the City should know by the end of this week if they have accepted the offer.

### Adjournment

Mayor Drotzmann adjourned the City Council meeting at 8:35pm as there was no other City business.

SIGNED:

\_\_\_\_\_  
Dr. David Drotzmann, Mayor

ATTEST:

\_\_\_\_\_  
Lilly Alarcon-Strong, CMC, City Recorder

**January 22, 2024  
Agenda Items**


January 22, 2024



## Business License Fee

- Ord. 2352 - Institute a Business License Fee
- Employee includes owner and her/his spouse
- FTE is all hours worked divided by 2080

Businesses WITH a Permanent Location WITHIN City Limits	
1. Base Fee – Includes 0-5 Full-Time Equivalent (FTE) Employees	1. \$85.00
2. 6-49 FTE Employees	2. Base + \$15.00 per Employee over 5
3. 50+ FTE Employees	3. \$1,000.00
Businesses WITHOUT a Permanent Location WITHIN City Limits	
1. Base Fee- Includes 0-5 Hermiston FTE	1. \$100.00
2. 6-49 FTE Hermiston Employees	2. Base + \$20.00 per Employee over 5
3. 50+ FTE Hermiston Employees	3. \$1,200.00




## Business License Fee

- Institute a Business License Fee
- Effective January 1, 2025
- Annually - \$100,000

## Master Fee Schedule

- Res. 2305
- **Establish Business License Fee Amounts (pg. 16 of 41)**

Businesses WITH a Permanent Location WITHIN City Limits	
1. Base Fee – Includes 0-5 Full-Time Equivalent (FTE) Employees	1. \$85.00
2. 6-49 FTE Employees	2. Base + \$15.00 per Employee over
3. 50+ FTE Employees	3. \$1,000.00
Businesses WITHOUT a Permanent Location WITHIN City Limits	
1. Base Fee- Includes 0-5 Hermiston FTE	1. \$100.00
2. 6-49 FTE Hermiston Employees	2. Base + \$20.00 per Employee over 5
3. 50+ FTE Hermiston Employees	3. \$1,200.00



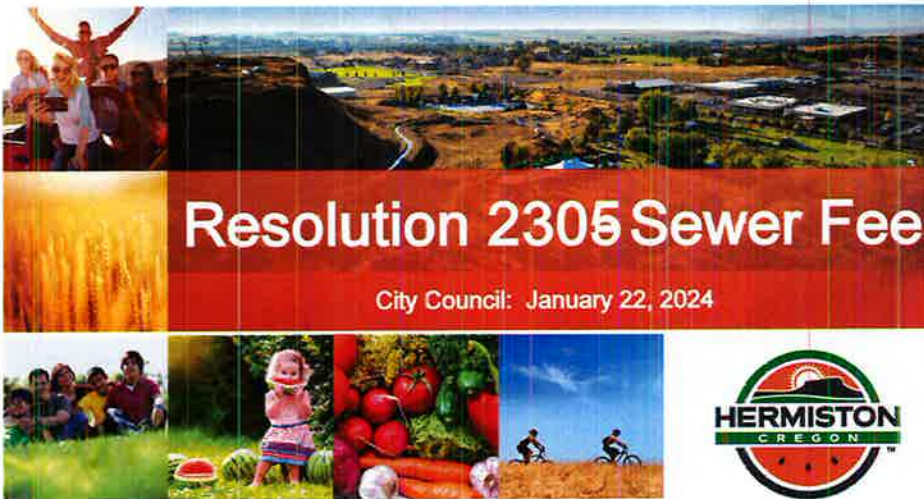

## Master Fee Schedule

- Res. 2305
  - Update Sewer Rates by 2.58% (Page 35 of 41)




Comments/  
Questions?

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**Resolution 2305 Sewer Fees**  
City Council: January 22, 2024

The banner features a collage of images: a group of people celebrating, a landscape view of Hermiston, a field of wheat, a family of people, a child with watermelon, and people riding bicycles. The Hermiston, Oregon logo is positioned at the bottom right of the banner.

## Inflation Adjustments

- Predictability/Stability for Customers
- Annual Adjustments
- 3-Year Average to Moderate 2021/2022 Spikes
- 3-Year Average: 5.77%





## Resolution 2305

- 2023 Actual 1-Year Inflation: 2.58%
- Sewer Monthly Base Rate: \$40.67 (+2.58%)
- Sewer Usage Rate (per 1kg):\$3.49 (+2.58%)
- Median Residential User Monthly Increase: \$1.37



## Revenue Purchasing Power

	Purchase Power	Real \$ Increase
3-Yr Avg (5.77%)	Even	\$284,000
1-Yr (2.58%)	-\$157,000	\$127,000
Commercial Only (2.58%)	-\$257,000	\$27,000



## 2.58% Increase Revenue Impact

USER TYPE	USER #	ANNUAL REVENUE	2.58% INCREASE
RESIDENTIAL	5,625	\$3,867,308	\$99,776
COMMERCIAL	411	\$1,049,211	\$27,069
LOW-INCOME	8	\$3,927	\$101
<b>TOTAL</b>	<b>6,044</b>	<b>\$4,920,446</b>	<b>\$126,946</b>



## 2.58% INCREASE ONLY ON COMM

USER TYPE	USER #	ANNUAL REVENUE	2.58% INCREASE
RESIDENTIAL	5,625	\$3,867,308	\$0
COMMERCIAL	411	\$1,049,211	\$27,069
LOW-INCOME	8	\$3,927	\$0
<b>TOTAL</b>	<b>6,044</b>	<b>\$4,920,446</b>	<b>\$27,069</b>

- Effective Department Revenue Increase: 0.5%
- 2023 Inflation: 2.58%





## \$127K Increase Only on Commercial

USER TYPE	USER #	ANNUAL REVENUE	INCREASE
RESIDENTIAL	5,625	\$3,867,308	\$0
COMMERCIAL	411	\$1,049,211	\$126,946
LOW-INCOME	8	\$3,927	\$0
<b>TOTAL</b>	<b>6,044</b>	<b>\$4,920,446</b>	<b>\$0</b>

- Commercial Increase: **+12.1%**
- Sm Commercial (bookstore): **+\$6.28/mo**
- Lg Commercial (fast food): **+\$43.46/mo**



## Impact Summary

- Small Commercial (i.e bookstore): **\$1.08**
- Median Residential: **\$1.37**
- Large Commercial (i.e. Fast Food): **\$7.62**



## QUESTIONS?

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## Parking Ordinance Changes

- Ord. 2353
  - Amends the penalty of most traffic violations to a D violation
  - Adds a parking violation for parking on a street that has been closed by the City or by a permit issued by the City
  - Clarifies language regarding the United States Postal Service vehicles
  - Clarifies towing language
  - Amends the parking citation procedure by having all traffic tickets filed with the municipal court







## Comments/ Questions?

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## Conduct on City Property

- Ord. 2354
- This Chapter added in April 2023
- Amendments to Streamline Administration
  - **Allows police officers to issue exclusion notices effective for 30 days with repeat notices possible for 90 and 180 days. Mirrors exclusion from city parks.**
  - **Amends the ordinance to add the penalty of a Class "A" violation for violating an exclusion notice.**



## Comments/ Questions?

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## Planning Services Contract

- Res. 2306
  - **February 2023 Industrial Lands Analysis**
    - **Need large parcels at least 100 acres**
  - **RFQ Process**
    - **Winterbrook Planning**
    - **\$233,000**
  - **All paid for by an interested landowner**





## Comments/ Questions?

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## Monthly Financial Report

- Property Taxes coming in a little ahead of normal
  - 95% of projected
- General Fund Expenses are on a good track
  - This month about 5% below projections
  - YTD 4.4% below projections



## Monthly Financial Report

- Capital Projects
  - Phase II RWS Improvements Pre-construction this month
  - Lead and Copper program started well
    - (Snow has slowed them down)
  - Well #5 Improvements nearly complete
    - Hermiston Drain Burying Complete
  - Gladys & Main Waterline Replacement
    - Anticipate contract award in February
  - McDonalds/395 Sewer Main Replacement
    - Anticipate contract award in February
  - Teen Adventure Park
    - Anticipate ribbon cutting in May



## Comments/ Questions?

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