

HERMISTON CITY COUNCIL

Work Session

November 12, 2019

Mayor Drotzmann called the work session meeting to order at 6:00pm. Present were Councilors Primmer, Barron, Gutierrez, Smith, Kirwan, Hardin, Myers, and Davis. Staff members in attendance were City Manager Byron Smith, City Attorney Gary Luisi, Mark Morgan, Chief Edmiston, Mark Krawczyk, Clint Spencer, Nate Rivera, and Lilly Alarcon-Strong. Media present was Jade McDowell of East Oregonian.

City Manager Smith stated staff will be giving City and Regional updates until Representative Greg Smith arrives.

City and Regional Updates

City Manager Smith and Assistant City Manager Morgan gave updates regarding:

- The City's grant application to help fund Local Improvement District (LID) 322
- Local meetings regarding the Columbia Development Authority (CDA) Army Depot property and its potential future development
- Regional Transit meeting. Morrow County is working on a fixed-bus route system starting in 2020. They plan to have start times as early as 3am to help with shift work traffic and have a stop on Orchard where the Hopper and HART meet in hopes to help work transportation from Hermiston to Boardman.

(Representative Greg Smith arrived at 6:06pm)

Representative Greg Smith- Legislative Updates

Representative Smith gave updates regarding:

- Democrats hold the majority in the House and Senate and the impact and difficulty it is to advance programs in our region and get things passed
- Congressman Greg Walden is stepping down
- Committee assignments, to include: Budget and Ways and Means
- Commercial Activity Tax- Which will be applied to education, early childcare and nutrition for school aged children. This tax will also focus on mental health issues, smaller class sizes, English as a second language, etc. The tax will be placed on all business activities, which is basically a sales tax, for the business, which will be difficult for small businesses to pay. There are some exemptions for labor and sales, up to a certain point, and cooperatives. This tax may also hinder development in Oregon
- Enterprise Zones, prevailing wage pay rate, and economic development to create good family wage jobs; and a potentially a Bill, by Senator Taylor, which will help on this front. The Bill is receiving bipartisan support
- Although the economy is doing great, the state budget is not sustainable and state resources may need to change significantly in the future
- HB2020 Carbon Trading Bill- This poorly drafted Bill has caused a big divide. Unfortunately, because Democrats hold the supermajority, they will be able to pass this bill if two republicans are no longer in the house
- PERS Reform- PERS reform is being litigated, however, this contract still must be paid/fulfilled; regardless, something has to be done but everyone must come together for a solution.
- Economic Recession- this area is blessed with economic prosperity, but other areas are significantly impacted. Because of this, Salem wants all communities to be equal so it's difficult to get things passed to benefit our region

The Council asked questions regarding taxes and local area control to govern our future.

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Representative Smith stated people are tired of being taxed; and a lot of these taxes go to the state instead of local cities. Unfortunately, Measure 5 limits local control and really, only voters in the metro area are able to reverse this decision. And interest groups help keep the supermajority and that supermajority does not consider the input of minorities in the house. A sales tax instead of income tax is more reliable and helps balance the economy.

Columbia Development Authority (CDA)

Representative Smith stated the CDA is working with all area groups to make positive decisions for the community as a whole. The CDA is currently working with the Confederated Tribes of the Umatilla Indian Reservation on preservation of archeological and religious artifacts, as well as an Oregon Trail Preservation group. Strategic planning for utilities, as well as a Career technical institute (CTE) center is also being discussed. Regardless, the Federal government and Army will have the ultimate decision on all issues related to this property.

Mayor Drotzmann thanked Representative Smith for providing information and being a good partner as the City and region want to be as successful as possible.

Mayor Drotzmann ended the work session at 6:57pm. The Councilors took a short recess before the regular City Council meeting convened at 7:00pm.