

HERMISTON CITY COUNCIL

Regular Meeting

February 14, 2022

Mayor Drotzmann called the regular meeting to order at 7:02pm. Present were Councilors Myers, Peterson, Spicerkuhn, Primmer, Barron, and Hardin. Councilor Duron and Davis were excused. Also in attendance was Municipal Judge Creasing, as well as City staff to include: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Richard Tovey, Chief Edmiston, Finance Director Mark Krawczyk, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Hermiston Energy Services (HES) General Manager Nate Rivera, Court Administrator Jillian Viles, and City Recorder Lilly Alarcon-Strong. The meeting was streamed live on YouTube. The pledge of allegiance was given.

City Manager Smith asked that the Council consider moving item 11: A to 9, after the Consent Agenda, as Mr. John Peterson has another presentation to give at the Hermiston School District meeting. The Council agreed.

Presentation- Hermiston School District Updates

Hermiston School District (HSD) Athletics and Activity Director Larry Usher gave information regarding: Construction updates, Educator of the Year, approval of next years school calendar, mask guidance changes, athletics and activity updates, and the opportunities HSD has to host district and state athletics and activities that benefit the entire community.

Citizen Input on Non-Agenda Items

Jackie Linton, Hermiston- stated the City should not be involved in the internet service business at this time. The City should help with infrastructure but not help County residents with better internet connection as the City's money comes from residents of the City; the County should take care of the County residents.

Mayor Drotzmann stated the City has not discussed considering providing internet service to County residents, only asking the County to partner with the City in this potential project.

Karen Dela Cruz, W Highland Ave- gave a hand out (attached) regarding the notice-to-move to all Highland Apartment renters from the new owners, Clover Housing Group LLC. Mrs. Dela Cruz stated she and her husband, like many Highland Manor renters, are on a fixed income and need affordable housing, not low-income housing, and there is nowhere to rent in Hermiston for so many people that are being displaced. Low-income families will find housing, as well as higher-income families, however, middle-income families are and will be struggling to find a safe place to live. Asked that the City do what it can do for those being displaced.

Mayor Drotzmann stated the City is working and will continue to do what it can to bring more affordable housing to Hermiston as discussed in many previous work session and regular City Council meetings.

City Manager Smith stated the City has been in contact with the new owner and will be meeting with him to discuss this issue.

Monica Jones- asked why there will be water and sewer closures on Main Street as her masseuse friend and a nearby restaurant will need to be closed and will be losing business because of it.

At the Mayor's request, City Manager Smith explained infrastructure improvements are needed in that area. The contractors have notified all businesses in that area of the improvement, expected closure of services, as well as information about how they will be providing water and restroom facilities to all businesses so they can remain operational during improvements.

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Consent Agenda Items

Councilor Primmer moved and Councilor Barron seconded to approve Consent Agenda items A-C, to include:

- A. Minutes of the January 24th regular City Council meeting
- B. Recommendation to the Faith-Based Advisory Committee: Position #4, Chris Handel, 3-year term ending 12/31/2024
- C. Committee Vacancy Announcements

Motion carried unanimously.

Discussion and Possible Action on the Pension Obligation Bond Issue

City Manager Smith stated Pension Obligation Bonds were discussed earlier during the work session and asked for motion from the Council.

After some discussion, Councilor Primmer moved and Councilor Hardin seconded to move forward with the Pension Obligation Bonds as presented during the work session and discussed in this meeting. Councilors Myers, Peterson, Primmer, Barron, and Hardin voted in favor; Councilor Spicerkuhn voted against stating the Council needed to continue to discuss the matter further. Motion carried 5-1.

Resolution No. 2208- HES/UEC Customer Allocation Agreement

HES General Manager Nate Rivera presented information (PowerPoint Presentation attached) regarding allowing HES to enter into an agreement with Umatilla Electric Cooperative (UEC) for a service territory allocation agreement for a UEC member as the property in question sits in both electric territories.

After some discussion, Councilor Spicerkuhn moved and Councilor Primmer seconded to adopt Resolution No. 2208 and lay upon the record. Motion carried unanimously.

Committee Reports

Stepping Stones (not a City Committee)- Councilor Spicerkuhn stated the Board continues to work on a permanent homeless shelter as it awaits location approval, provided a temporary daytime homeless shelter during the coldest days this year, and continue to work with the community and community organizations to help the homeless.

Vacancy Review Board- Councilor Myers stated the Committee recommended appointment for the current Faith-Based member. Mayor Drotzmann encouraged others to apply for other vacancies.

Faith-Based Advisory Committee- Councilor Hardin spoke regarding the National Faith and Blue weekend celebration in October at EOTEC, more information to come; I Love My City May 21-22; Utility Fund Assistance Program; and Campus Life report.

At Mayor Drotzmann's request, the City will look into hosting a recycling event during the I Love My City event, as in prior years.

Mayor's Report

Mayor Drotzmann spoke regarding:

- LOC Conference registration. This year's Conference is being held in Hermiston
- The first in-person LOC Board meeting will be held this Friday since February 2020
- May 17th Primary Election. Deadline to apply is March 8th. Encourage the public to apply for all available positions

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Council Reports

None

City Manager's Report

City Manager Smith spoke regarding:

- SHIP Ribbon Cutting Ceremony on March 4th at 12:15pm
- University of Oregon engineering students are working in Hermiston on a study on how we can improve circulation in the area

Recess for Executive Session- At or About 7:30pm

At 8:08pm Mayor Drotzmann recessed the regular meeting and announced an Executive Session will be held in the Rotary/Altrusa Room for the purpose of discussing matters pertaining to negotiating real property transactions. The Executive Session is held pursuant to ORS 192.660 (2) (e) which allows the Council to meet in Executive Session to conduct deliberations with persons designated by the Council to negotiate real property transactions.

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 20 mins.

Reconvene and Adjourn

Mayor Drotzmann reconvened and adjourned the Regular meeting at 8:45pm as there was no other business.

SIGNED:

Dr. David Drotzmann, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder

Clover Housing Group LLC
83001 E Sagebrush Rd
Kennewick, OR 99338

February 1, 2022

Dear tenants of Highland Apartments.

We are Clover housing group LLC, the new owners of the apartment complex. We noticed what good care you take of the apartments and want to say we appreciate that!

At this time, we have an important announcement. We will be vacating the apartment complex for remodeling and updating as soon as possible. We know moving is difficult and we do apologize for this inconvenience. At this time, we are offering a \$2,000 payment to help with moving and the expenses involved with that. Any and all tenants that are able to vacate their apartment by March 1st will receive a check for \$2,000 and a 100% refund of the security deposit as long as the apartment is reasonably clean. At some time in the near future, we will be canceling tenancy for everyone at Highland Apartments. Currently we are offering this assistance to help anyone willing to move voluntarily.

Please contact Cindy with any questions that you have. Her new phone number is 541-398-8930. Please let her know your intentions for moving as soon as possible.

Thank you again!

Clover Housing Group LLC



HERMISTON ENERGY SERVICES

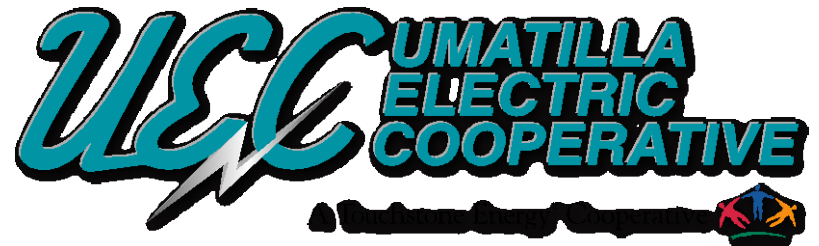
Resolution 2208 – February 14, 2022



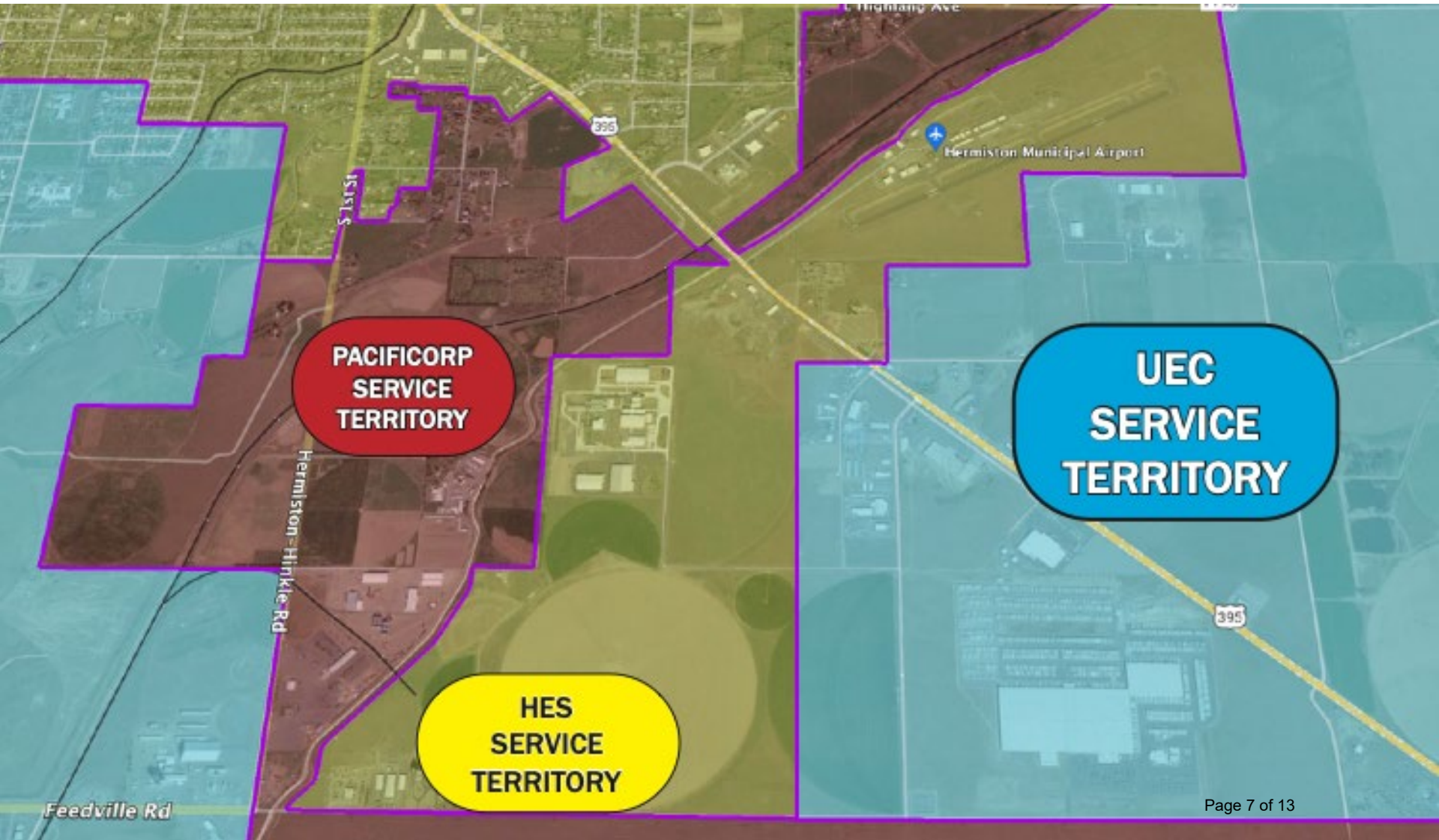
Hermiston Energy Services

Resolution 2208

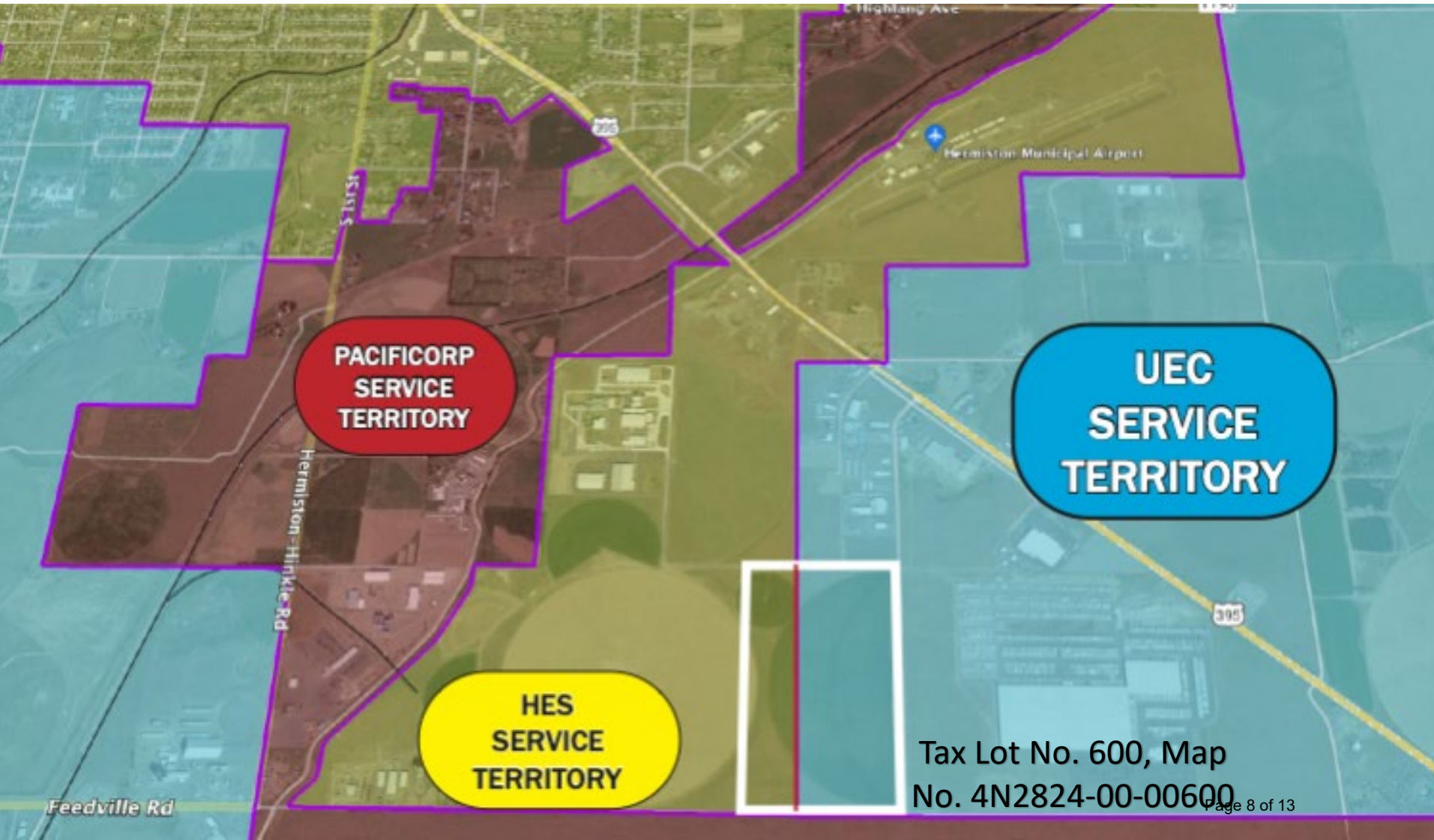
- Allowing a Customer Allocation Agreement Between the City and Umatilla Electric Cooperative (UEC) and authorizing HES General Manager to Sign on Behalf of the City.



Resolution 2208

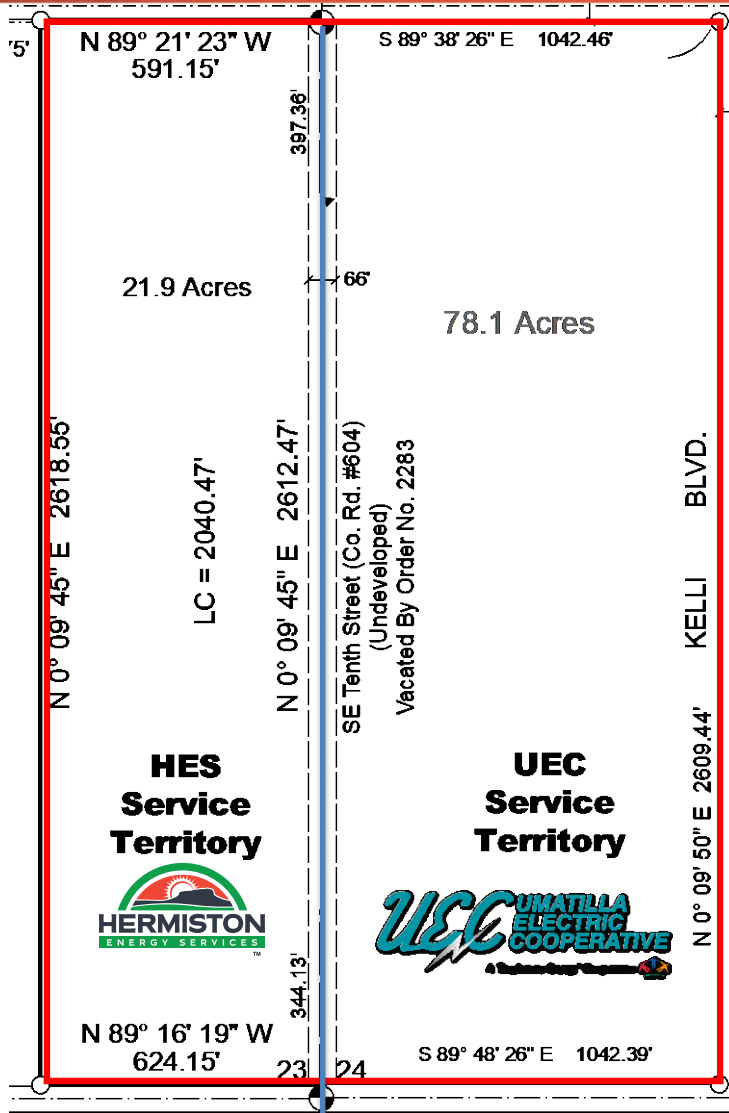


Resolution 2208



Tax Lot No. 600, Map
No. 4N2824-00-00600

Resolution 2208



- Tax Lot No. 600, Map No. 4N2824-00-00600
 - 78.1 Acres in UEC Service Territory
 - 21.9 Acres in HES Service Territory



Resolution 2208

E Penny Ave

Tax Lot No. 4N2824-00-00600

Kell Blvd



HES Service Territory UEC Service Territory

- Tax Lot No. 600, Map No. 4N2824-00-00600
 - Majority of Proposed Structures In UEC Service Territory.



Resolution 2208

UEC Requested a Service Territory Transfer for a UEC Member Inquiring About Possible Service.

- Because the Tax Lot straddles two defined service territory boundaries as defined by the Oregon Public Utilities Commission, HES enlisted Stole Rives LLP to review and provide guidance.
 - It was determined that most of the identified tax lot is located within Umatilla Electric Cooperative's service territory.
 - The majority of the facility building would be located in Umatilla Electric Cooperative service territory.
 - OPUC would likely consider the proposed Facility a unified load, and operations are typically integrated across the entire Facility such that service could not be split between two electric service providers.
 - Regardless of action taken by HES, under OPUC's previous rulings, UEC would most likely be allowed to serve the Member based on the above provisions established within the OPUC.



Resolution 2208

- After verifying options, HES proposed, and UEC supported a Service Allocation Agreement (SAA) instead of a Service Territory Transfer.
 - The SAA would retain HES's service territory.
 - Eliminate Unintended Consequences of Opening up HES's defined Service Territory.
 - Voluntary negotiated SAA would be a more streamlined approach with a faster conclusion with the OPUC.
 - **Council Goal 5:** Foster Community Partnerships to address Local and Regional Issues.





Questions

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