



Staff photo by E.J. Harris/East Oregonian

A shipping container is offloaded from a railcar at one of the railroad spurs in May 2015 at the Port of Morrow.

## Port of Morrow nets \$19 million grant

By JAYATI RAMAKRISHNAN  
Staff Writer

In the next five years, the Port of Morrow will see massive railroad expansions with the hope that new jobs and industries may soon follow.

The project will be funded by a \$19 million federal grant from the U.S. Department of Transportation's Better Utilizing Investments to Leverage Developments (BUILD) program.

The money will fund the port's Columbia River Barge Terminal Rail Access Project and will be supplemented by a \$6.5 million grant from the state specifically for rail improvements.

Lisa Mittelsdorf, the economic development director for the port, said this is the third time the port has applied for the grant (formerly known as the TIGER grant), but the amount offered this year was more than in years past.

She said the federal grant offered money for rural infrastructure projects in general, but the port knew right away they wanted to fund a rail expansion project.

"It will be beneficial to existing businesses, which will have the avail-

ability to move cargo, whether bulk movement or containerized," she said.

According to an application summary, the project will include constructing rail infrastructure to four separate barge terminals within the port's industrial park, road improvements, bridge construction and improvements to specific terminal sites.

"It will give us the opportunity to not only increase existing business, but add businesses," Mittelsdorf said.

She said that could include several types of businesses similar to those at the port now that transport contained products, solid waste, ethanol, wood chips and grain. She said they may even look into transporting food and refrigerated containers.

"Those are all things we'll look at, but I can't say there's a particular project," she said.

The port's engineers will spend 2019 planning and designing the rail upgrades and getting permits. The port will begin the bidding process in 2020, and construction is planned to last until 2023.

Maps of the proposed expansions show that there will be two main components of the rail project: one will extend new rail lines from a new track,

adjacent to the Union Pacific mainline, to three separate marine terminals in the port's industrial park.

"It will be a huge construction project," she said. "Right now there is no rail on the north side of the Union Pacific mainline."

Terminal 1, which is a slip owned by the port, is being dredged of sand so it can be used more regularly.

The second major expansion will improve access the Morrow County Grain Growers terminal, which is under construction to get five new additional 200,000-bushel storage bins, a new bottom-dump rail unloading facility, and conveyor systems. Most of the expansions for that project will be funded by the \$6.5 million state grant.

"That project is set to start construction very quickly," Mittelsdorf said.

Mittelsdorf thanked U.S. Rep. Greg Walden and both of Oregon's senators, Ron Wyden and Jeff Merkley, for their role in securing the grant.

"They made phone calls, they did everything to support us," she said.

She said as of now, they don't anticipate any costs that will fall outside the \$26 million that the two grants will cover.

## Strategic plan maps out EOTEC's future

By JADE MCDOWELL  
Staff Writer

Farm-City Pro Rodeo board members attended Hermiston's city council meeting Monday night to voice concern about a plan to move the Eastern Oregon Trade and Event Center's RV park.

The city recently awarded Knerr Construction a contract to build new offices for the Umatilla County Fair and add hook-ups and other needed finishes to the RV park.

The park, currently unfinished, lies in the northwest corner of the property behind the event center. On Monday, rodeo board member Dennis Barnett told the council the rodeo had been notified only two weeks earlier that the city was "fast-tracking" a plan to move the RV park next to the rodeo arena's east side, potentially taking away 10 acres of parking for the rodeo.

He said on Friday and Saturday nights of the rodeo, parking has been full even with the arena only about 60 percent full. Both he and board member David Bothum said they felt the decision had been rushed, and more due diligence was needed.

City manager Byron Smith said the RV park and fair office projects have been on a fast track because of the urgency to get them constructed before the 2019 fair and rodeo. He admitted that more notice could have been given to the rodeo board, but said they had been consulted, and he didn't feel the city's top priority should be the "two nights a year" when that parking was at capacity.

"One of the reasons the RV park has been a priority is because of its potential to generate revenue," he said.

Councilor John Kirwan backed Smith up on that point, saying that with the proper amenities the city could get \$300 a month per space from the RV park to help keep EOTEC financially solvent. He said the city needed to look at EOTEC as more than "replacement fairgrounds."

Moving the RV park made sense, he said, because if people were going to be living in the RV park long term, they needed access that didn't require driving through the middle of EOTEC.

Smith said the council would see a proposal during their next meeting, on Jan. 14, for a price and plan for the upgrades

Knerr Construction has been hired to build.

On Monday the council also discussed a draft of a strategic plan for EOTEC, put together by the city's EOTEC advisory committee, city staff and SSW Consulting. Mayor David Drotzmann, who sits on the committee, said the draft showed recommendations consolidated from a survey and focus groups, but the committee hoped the council would now help prioritize and put timelines to those recommendations.

"This is a living document," he said.

The 32-page version presented Monday outlines 28 different broad recommendations for the city moving forward, broken down into smaller steps. Under "improve landscaping and overall beautification of the site," for example, the report recommends developing a landscaping plan, working with Farm-City Pro Rodeo to finalize arena landscaping, ensuring proper irrigation infrastructure is in place and budgeting for ongoing maintenance of landscaping.

Other facility improvements recommended include improving access roads, improving parking, providing a space for nursing mothers, implementing noise mitigation measures, improving security and securing water rights to the site.

The report recommends the addition of larger features to EOTEC as well. A multi-sports practice facility could provide additional athletic fields to the community, the report suggests, and an indoor arena/pavilion could provide a home for more equestrian events. An amphitheater was also suggested, as well as expanding and improving current facilities, such as barns and restrooms.

On the operations side, the report suggests improvements to marketing and customer service. Those suggestions include creation of a marketing plan, hiring a marketing and sales position, creating an "EOTEC brand," developing partnerships in tourism and creating a strong social media presence.

The report also has some practical advice about reviewing event policies, establishing vendor contracts and clarifying leadership roles.

Using feedback from an online survey and focus groups, the report suggests 24 different types of events that might be a good fit for EOTEC.

## Electric rate increase coming in January

By JADE MCDOWELL  
Staff Writer

The Hermiston city council voted Monday to raise electric rates for Hermiston Energy Services by \$2 per month. The changes take effect Dec. 31.

Usage rates per kilowatt hour will stay the same, but base rates for residential customers will jump from \$14 to \$16. Small commercial users will see their rates go from \$35 to \$37, and demand charges for peak usage for all types of commercial customers will go from \$5.75 to \$6. HES does not currently have any industrial customers, but if one does arrive they will now pay a base charge of \$250 instead of \$200.

The council had postponed its vote on the issue from the Nov. 26 meeting, asking HES general manager Nate Rivera to return with more detailed information about the utility's finances. Rivera said 52 percent of HES's spending is for wholesale power from Bonneville Power Administration, 17 percent is for its contract with Umatilla Electric Cooperative, 11 percent is for debt service, 9 per-

cent is for materials and services, 8 percent is for capital outlay and 3 percent is for personnel.

"That still leaves us with about a \$6,000 deficit, and I think I can get that from other areas of my department."

Nate Rivera,  
HES general manager

Increasing costs for wholesale power and maintenance would have put HES as a \$1.2 million deficit during the current fiscal year, but Rivera said savings from a bond refinance and on construction spending last year have helped bring that down to a \$163,102 deficit. Rivera said the rate increase would bring in about \$157,000.

"That still leaves us with about a \$6,000 deficit, and I think I can get that from other areas of my department," he said.

Rivera said when BPA raises rates again in Oct. 2019 there is a strong pos-

sibility he will be back before the council asking for another rate adjustment, but he said he didn't want to have to raise rates on customers any more than necessary. After a 10.95 percent increase in 2015, the council asked that HES try to break increases into smaller amounts over time to help customers transition.

He said the change will put the average residential bill for HES at \$111, compared to \$155 statewide and \$186 nationally.

On Monday Rivera also shared information with the council about upcoming 5G technology, which will enable faster data speeds for cell phones.

Currently 4G and below operates on a system of cell towers that are 75 to 400 feet tall and cover up to 20 miles. Cell service providers are preparing to begin the jump to 5G, he said, which operates on 30 to 60 foot towers that cover up to 750 feet. Instead of building their own towers, providers will mostly use utility poles, street lights and other existing items to place their technology.

The industry successfully lobbied the FCC to

greatly restrict cities' ability to regulate that practice, he said, including limits on how much a city can charge the companies to place their equipment the public right of way.

"They took away a big area of local control," Rivera said.

While revenue was one concern, Rivera said he was more concerned about safety. He worried about telecommunications employees without proper safety training accessing equipment so close to live wires, and asked what would happen if a vehicle hit a pole and there wasn't anyone local who was able to service the 5G equipment. Without local agreements in place, Rivera said, a company might be able to abandon broken or outdated equipment on the city's poles.

Mayor David Drotzmann said the League of Oregon Cities was aware of the problem and is working with other states to lobby for more local control of public rights of way.

**WILDHORSE RESORT & CASINO**

**12/12**  
**Cineplex Show Times**

**\$5 Classic Movie**  
Today • 12pm  
**IT'S A WONDERFUL LIFE**

CREED II (PG13) 4:00 7:00 10:00
RALPH BREAKS THE INTERNET (PG) 4:50 7:20 9:50
FANTASTIC BEASTS: THE CRIMES OF GRINDELWALD (PG13) 3:40* 6:40 9:40
INSTANT FAMILY (PG13) 4:10 6:50 9:30
DR. SEUSS' THE GRINCH (PG) 4:40 7:10 9:20

\* Matinee Pricing  
wildhorseresort.com • 541-966-1850  
Pendleton, OR I-84 • Exit 216

**FRESH • HOT • CRISPY • SPICY**  
**100% NATURAL**

**11TH ST. MARKET**  
425 NW 11th St.  
Hermiston, OR  
Phone Orders  
(541) 567-2276  
**PICKUP & TO GO ORDERS**

During this special time of year, encourage your loved ones who have served in the military to make an appointment with their local Veterans Service Representative to review their federal and state benefits. They may be entitled to VA Health care, Compensation, Pension, Education or Home loan benefits.

**CALL FOR AN APPOINTMENT TODAY!**  
541-922-6420 • MORROW COUNTY VETERANS SERVICES

The United Methodist Church presents

## The 26th Annual Living Nativity

**Saturday, Dec 15th • 6-8pm**  
**Sunday, Dec 16th • 4-6pm**  
191 E Gladys Ave • Hermiston, Oregon

This adventure will take you through a beautiful setting featuring live animals and characters so you can experience first hand the birth of our Savior. Then come inside for warm drinks and cookies. Please bring your friends and family and enjoy this special event.

Christmas Eve Worship is at 6:30pm