

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE)
APPOINTMENTS OF MIKE LEICHNER, RAY)
PHELPS, ~~GEORGE SIMMONS~~ MIKE MILLER,)
PAUL MATTHEWS, MATT KOROT, AND)
MICHELLE POYOUROW TO THE METRO RATE)
REVIEW COMMITTEE)

RESOLUTION NO. 05-3552A
Introduced by David Bragdon,
Council President

WHEREAS, Metro Code section 2.19.170 established the Rate Review Committee (RRC) to enhance the credibility of solid waste disposal rates and the rate setting process; to provide a rational, consistent, stable and predictable process for establishing solid waste disposal rates; and to make recommendations to the Metro Council regarding proposed solid waste disposal rates; and,

WHEREAS, Metro Code section 2.19.030 states that all members of all Metro Advisory Committees shall be appointed by the Council President subject to confirmation by the Council; and,

WHEREAS, Metro Code section 2.19.170 authorizes representatives for the RRC; and,

WHEREAS, terms have expired and vacancies have occurred in the RRC membership; and,

WHEREAS, the Council President has appointed Mike Leichner and Ray Phelps to represent persons engaged in the business of hauling solid waste, ~~George Simmons~~ Mike Miller to represent persons with business-related financial experience, Paul Matthews as the member with experience in establishing rates, Matt Korot to represent persons involved with a local recycling or waste reduction program, and Michelle Poyourow to represent citizen ratepayers, subject to confirmation by the Metro Council; and

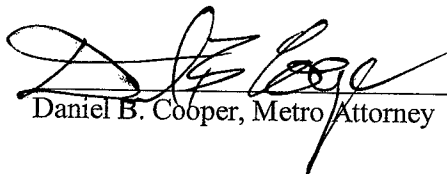
WHEREAS, Metro Code section 2.19.030(c)(2) limits advisory committee members to serving no more than two consecutive full two year terms on the same committee; and

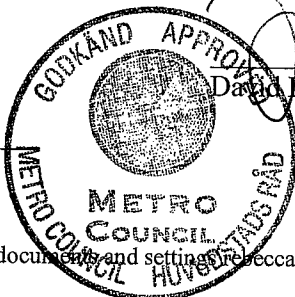
WHEREAS, adoption of the resolution would result in a third consecutive two-year term for Mr. Matthews, notwithstanding the provisions of Metro Code section 2.19.030(c)(2); and

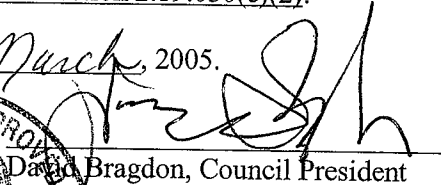
WHEREAS, Mr. Matthews is a recognized, independent expert on rate-setting who has specialized and unique knowledge of solid waste rates; who has no direct interest, financial or otherwise, in the recommendations of the committee; and who, through his voluntary participation on the committee, provides considerable value to Metro for which he would be compensated in his normal line of business; now therefore,

BE IT RESOLVED, that the Metro Council confirms the appointments of Mr. Leichner, Mr. Phelps, Mr. ~~Simmons~~ Miller, Mr. Matthews, Mr. Korot, and Ms. Poyourow to Metro's RRC. Mr. Matthews' appointment is notwithstanding Metro Code section 2.19.030(c)(2).

ADOPTED by the Metro Council this 3rd day of March, 2005.


Daniel B. Cooper, Metro Attorney




David Bragdon, Council President

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE)	RESOLUTION NO. 05-3552
APPOINTMENTS OF MIKE LEICHNER, RAY)	
PHELPS, GEORGE SIMMONS, PAUL)	Introduced by David Bragdon,
MATTHEWS, MATT KOROT, AND MICHELLE)	Council President
POYOUROW TO THE METRO RATE REVIEW)	
COMMITTEE)	

WHEREAS, Metro Code section 2.19.170 established the Rate Review Committee (RRC) to enhance the credibility of solid waste disposal rates and the rate setting process; to provide a rational, consistent, stable and predictable process for establishing solid waste disposal rates; and to make recommendations to the Metro Council regarding proposed solid waste disposal rates; and,

WHEREAS, Metro Code section 2.19.030 states that all members of all Metro Advisory Committees shall be appointed by the Council President subject to confirmation by the Council; and,

WHEREAS, Metro Code section 2.19.170 authorizes representatives for the RRC; and,

WHEREAS, terms have expired and vacancies have occurred in the RRC membership; and,

WHEREAS, the Council President has appointed Mike Leichner and Ray Phelps to represent persons engaged in the business of hauling solid waste, George Simmons to represent persons with business-related financial experience, Paul Matthews as the member with experience in establishing rates, Matt Korot to represent persons involved with a local recycling or waste reduction program, and Michelle Poyourow to represent citizen ratepayers, subject to confirmation by the Metro Council; and

WHEREAS, Metro Code section 2.19.030(c)(2) limits advisory committee members to serving no more than two consecutive full two year terms on the same committee; and

WHEREAS, adoption of the resolution would result in a third consecutive two-year term for Mr. Matthews, notwithstanding the provisions of Metro Code section 2.19.030(c)(2); and

WHEREAS, Mr. Matthews is a recognized, independent expert on rate-setting who has specialized and unique knowledge of solid waste rates; who has no direct interest, financial or otherwise, in the recommendations of the committee; and who, through his voluntary participation on the committee, provides considerable value to Metro for which he would be compensated in his normal line of business; now therefore,

BE IT RESOLVED, that the Metro Council confirms the appointments of Mr. Leichner, Mr. Phelps, Mr. Simmons, Mr. Matthews, Mr. Korot, and Ms. Poyourow to Metro's RRC.

ADOPTED by the Metro Council this _____ day of _____, 2005.

David Bragdon, Council President

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3552 FOR THE PURPOSE OF CONFIRMING THE APPOINTMENTS OF MIKE LEICHNER, RAY PHELPS, GEORGE SIMMONS, PAUL MATTHEWS, MATT KOROT, AND MICHELLE POYOUROW TO THE METRO RATE REVIEW COMMITTEE

Date: March 3, 2005

Prepared by: Douglas Anderson

BACKGROUND

The Solid Waste Rate Review Committee (RRC) is established to:

- Enhance the credibility of solid waste disposal rates and the rate setting process.
- Provide a rational, consistent, stable, predictable process for establishing disposal rates.
- Make recommendations to the Metro Council regarding proposed solid waste disposal rates.

The RRC has the authority and responsibility to review and make recommendations to the Council on:

- Proposed solid waste disposal rates and charges at facilities owned, operated or under contract to Metro and at Metro franchised facilities as provided under the terms of a franchise agreement;
- All policy and technical issues related to solid waste disposal rate setting;
- Direct and indirect expenses included in proposed solid waste disposal rates before the committee; and
- Any technical analysis of proposed rates or rate setting procedures, developed by Metro staff or a consultant to Metro, for facilities under the purview of the committee.

Pursuant to Metro Code section 2.19.030(b), the Council President has appointed the following individuals to serve on the Rate Review Committee, subject to confirmation by the Council:

1. Mike Leichner, President of Pride Disposal (a collection company franchised in Tigard, Sherwood and Washington County) and Pride Recycling (a local transfer station franchised by Metro). Mr. Leichner is re-appointed to one of two positions on RRC representing “persons engaged in the business of hauling solid waste.”* Mr. Leichner currently serves in this capacity on the RRC, and this re-appointment is for his second 2-year term.
2. Ray Phelps, Regulatory Affairs Manager for Allied Waste Industries, Inc. Allied is a major solid waste firm with Oregon interests ranging from collection and facilities to landfills. Through its wholly-owned subsidiary BFI, Allied also holds the contract to operate Metro’s transfer stations. Mr. Phelps is appointed to the other of two positions on the RRC representing “persons engaged in the business of hauling solid waste,”* a position formerly held by Dean Kampf of Waste Management. This is Mr. Phelps’ first appointment to the RRC.
3. George Simmons, President of AGG, a company that provides solid waste and recycling collection services to customers within the unfranchised commercial market in the City of Portland. Mr. Simmons is appointed to the RRC position representing “persons with business-related financial experience,”* a position formerly held by Dr. James Strathman of Portland State University. This is Mr. Simmons’ first appointment to the RRC.

* The citations in these numbered paragraphs are the membership specifications in Metro Code section 2.19.170(b).

4. Paul Matthews, Senior Vice President of Integrated Utilities Group, an economic consulting firm that provides financial, ratemaking, and expert witness services to water, wastewater, storm water, solid waste, and other utilities throughout North America. Mr. Matthews manages the Portland office of IUG where he also specializes in cost-of-service, financial planning, conservation and capital, and infrastructure related projects. Mr. Matthews is re-appointed as the person on RRC having “experience in establishing rates,”* a position currently held by Mr. Matthews. Mr. Matthews has served two consecutive terms on the RRC, and this re-appointment is for his third consecutive term. In regard to term limits set forth in Metro Code §2.29.030(c)(2), see “Legal Antecedents,” below.
5. Matt Korot, Recycling & Solid Waste Program Manager for the City of Gresham. Mr. Korot oversees all aspects of Gresham’s solid waste programs, including rate-setting for franchised collection services. Mr. Korot is appointed to the RRC position representing “persons involved with a local recycling or waste reduction program,”* a position formerly held by Mr. Jerry Powell, Editor, *Resource Recycling*. This is Mr. Korot’s first appointment to the RRC.
6. Michelle Poyourow, Junior Economist with the Public Power Council, an organization that represents the Pacific Northwest’s consumer-owned utilities, focussing on BPA rate-making, revenue requirements and policies, power supply planning and conservation issues. Ms. Poyourow’s appointment is to the RRC position representing “citizen ratepayers,”* a position formerly held by Mr. Bernie Deazley. This is Ms. Poyourow’s first appointment to the RRC.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition.

2. Legal Antecedents

ORS 192.610 “Governing Public Meetings” and Metro Code sections 2.19.030, “Membership of the Advisory Committees” and 2.19.170, “Rate Review Committee,” govern these appointments.

Metro Code section 2.19.030(c)(2) limits advisory committee members to serving no more than two consecutive full two year terms on the same committee. The Council President has appointed Mr. Matthews to a third term notwithstanding this provision of the code, because: (a) Mr. Matthews has special and unique knowledge on solid waste rates and rate-making; (b) his knowledge and advice are of great benefit to Metro; (c) he would normally be compensated for the time he voluntarily provides to Metro; and (d) he has no direct interest in the outcome of the committee’s work.

3. Anticipated Effects

Adoption of this resolution will confirm the Council President’s appointments to the Rate Review Committee and thereby establish full membership to complete the committee’s review and recommendations on Metro’s FY 2005-06 solid waste rates.

4. Budget Impacts

None. This resolution simply establishes new membership for a standing committee.

RECOMMENDED ACTION

The Council President recommends adoption of Resolution No. 05-3552.