



Metro  
600 NE Grand Ave.  
Portland, OR 97232-2736

## Council meeting agenda

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Thursday, May 2, 2024

10:30 AM

Metro Regional Center, Council Chamber,

<https://zoom.us/j/615079992> Webinar ID:

615 079 992 or 888-475-4499 (toll free)

[https://www.youtube.com/watch?](https://www.youtube.com/watch?v=afy9UF-6Wxl)

[v=afy9UF-6Wxl](https://www.youtube.com/watch?v=afy9UF-6Wxl)

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This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.

You can join the meeting on your computer or other device by using this link:

<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or 888-475-4499 (toll free)

1. **Call to Order and Roll Call**

2. **Public Communication**

Public comment may be submitted in writing. It will also be heard in person and by electronic communication (video conference or telephone). Written comments should be submitted electronically by emailing [legislativecoordinator@oregonmetro.gov](mailto:legislativecoordinator@oregonmetro.gov). Written comments received by 4:00 p.m. the day before the meeting will be provided to the council prior to the meeting. Testimony on non-agenda items will be taken at the beginning of the meeting. Testimony on agenda items generally will take place during that item, after staff presents, but also may be taken at the beginning of the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the agenda item on which you wish to testify; or (b) registering by email by sending your name and the agenda item on which you wish to testify to [legislativecoordinator@oregonmetro.gov](mailto:legislativecoordinator@oregonmetro.gov). Those wishing to testify in person should fill out a blue card found in the back of the Council Chamber.

Those requesting to comment virtually during the meeting can do so by joining the meeting using this link: <https://zoom.us/j/615079992> (Webinar ID: 615079992) or 888-475-4499 (toll free) and using the "Raise Hand" feature in Zoom or emailing the legislative coordinator at [legislativecoordinator@oregonmetro.gov](mailto:legislativecoordinator@oregonmetro.gov). Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. **Consent Agenda**

- 3.1 Consideration of the March 7, 2024 Council Meeting Minutes

[24-6064](#)

Attachments: [030724c signed](#)

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3.2 Consideration of the April 4, 2024 Council Meeting [24-6065](#)  
Minutes

Attachments: [040424c minutes](#)

3.3 For the Purpose of Re-Appointing Members to the [RES 24-5411](#)  
Supportive Housing Services Tri-County Planning Body  
(TCPB)

Attachments: [Resolution 24-5411](#)  
[Exhibit A](#)  
[Staff Report](#)

**4. Resolutions**

4.1 Resolution No. 24-5397 For the Purpose of Approving the [RES 24-5397](#)  
FY 2024-25 Budget, Setting Property Tax Levies and  
Transmitting the Approved Budget to the Multnomah  
County Tax Supervising and Conservation Commission.

Presenter(s): Marissa Madrigal (she/her), COO, Metro  
Brian Kennedy (he/him), CFO, Metro

Attachments: [Resolution No. 24-5397](#)  
[Exhibit A to Resolution No. 24-5397](#)  
[Staff Report](#)

4.2 **Resolution No. 24-5404** For the Purpose of Adopting [RES 24-5404](#)  
Solid Waste Fees at the Metro Transfer Stations and the  
Regional System Fee for 2024-25

Presenter(s): Brian Kennedy (he/him), CFO, Metro

Attachments: [Resolution No. 24-5404](#)  
[Staff Report](#)  
[Attachment 1 to Staff Report](#)  
[Attachment 2 to Staff Report](#)  
[Attachment 3 to Staff Report](#)

**5. Chief Operating Officer Communication**

6. Councilor Communication
7. Adjourn to TSCC hearing

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### សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានការប្រឹក្សាស្តីពីការរើសអើងសូមទូរស័ព្ទទៅលេខ 503-797-1700 ។ [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) ។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃច្រើនការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេបកប្រែសម្រាប់លោកអ្នក ។

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**Consideration of the March 7, 2024 Council  
Meeting Minutes**  
*Consent*

Metro Council Meeting  
Thursday, May 2nd, 2024

# **Metro**

*600 NE Grand Ave.  
Portland, OR 97232-2736  
oregonmetro.gov*



**Metro**

## **Minutes - Final**

**Thursday, March 7, 2024**

**10:30 AM**

**Metro Regional Center, Council chamber  
<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or  
888-475-4499 (toll free)**

**Council meeting**

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[https://www.youtube.com/live/RI4\\_BMsohnA?si=Z8gT2kKuDG10Czkl](https://www.youtube.com/live/RI4_BMsohnA?si=Z8gT2kKuDG10Czkl),

<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or 888-475-4499 (toll free)

## 1. Call to Order and Roll Call

Council President Peterson called the Metro Council Meeting to order at 10:30 a.m.

## 2. Public Communication

Council President Peterson opened the meeting to members of the public wanting to testify on a non-agenda item.

### Melody Jordan, Metro Council Chambers:

Melody Jordan (she/her) testified on the Oregon Convention Center ten-plate carrying standard banquet server qualification. This standard was implemented in 2011 and it is rooted in ageism and misogyny towards those suffering with disabilities and mobility issues.

### Ryeon Slipher, Metro Council Chambers:

Ryan Slipher (he/him) Oregon Convention Center catering captain, testified on the new policy implementation of carrying a ten-plate minimum. He stated that since the policy implementation there has been several complaints of misogyny and sexual harassment. These complaints were rooted in falsehood that older women were not able to perform at the level of everyone else. In his second complaint he expressed that the ten-plant minimum is counter-productive since it leaves some of the strongest players of the team behind. He wished a revision on this policy that is non-discriminatory to those working in his team.

**3. Consent Agenda**

**Present:** 7 - Council President Lynn Peterson, Councilor Christine Lewis, Councilor Juan Carlos Gonzalez, Councilor Mary Nolan, Councilor Gerritt Rosenthal, Councilor Duncan Hwang, and Councilor Ashton Simpson

3.1 Consideration of January 25, 2024 Council Meeting Minutes

Attachments: [012524c Minutes](#)

**approved**

3.2 Consideration of the February 1, 2024 Council Meeting Minutes

Attachments: [020124c Minutes](#)

**approved**

3.3 Consideration of the February 8, 2024 Council Meeting Minutes

Attachments: [020824c Minutes](#)

**approved**

**3. Resolutions**

3.1 Resolution No. 24-5386 For the Purpose of Approving Fiscal Year 2023-24 Funding for Grants Funded with the Construction Excise Tax - Batch 2

Presenter(s): Eryn Kehe (she/her), Urban Policy & Development Manager, Metro  
Serah Breakstone (she/her), 2040 Planning & Development Grants Program Manager, Metro

Attachments: [Resolution 24-5386](#)  
[Exhibit A](#)  
[Staff Report](#)  
[Attachment 1](#)

Council President Peterson called on Eryn Kehe (she/her), Urban Policy & Development Manager, Metro and Serah Breakstone (she/her), 2040 Planning & Development Grants Program Manager, Metro to present to Council.

Staff pulled up the presentation to present to Council.



*Presentation Summary:*

Eryn Kehe (she/her), Urban Policy & Development Manager announced to Metro Council the second group of grants for requesting funding for the 2040 Planning and Development Grant program. This program has been active for many years, aiming to facilitate land development within the urban growth boundary and support long-term planning efforts. Grants have been provided for various planning projects, including concept planning, community planning, and neighborhood intensification work. Despite delays caused by COVID-19, efforts are underway to catch up on missed years and ensure the continuation of vital funding for planning projects. All grants have been reviewed and recommended by a screening committee, with the council providing endorsement in October. Intergovernmental agreements have been established for this second batch of grants, with the remaining funds from the total budget of approximately 4 million being requested. Kehe passed the presentation to Breakstone to present on the details of the grant.

Serah Breakstone (she/her), 2040 Planning & Development Grants Program Manager expressed that the total award today amounts to just over \$2.6 million. Council will vote on resolution 24 5386 to finalize this award, bringing the grand total for cycle eleven to approximately \$4.4 million, slightly higher than the endorsed amount from October. The grants cover various categories such as equitable development, industrial land readiness, and community engagement. Some grant amounts have increased since the endorsement, primarily to accommodate additional project needs and community engagement efforts. These adjustments total just over \$300,000. Once the resolution passes, agreements will be finalized, and contracts executed to commence

project work. Additionally, plans are underway to initiate a new cycle for 2024.

Council Discussion:

Councilor Rosenthal wanted to know more about proportion of these grant and the staff enhancement working alongside consultant work.

Serah Breakstone stated that the grants do not pay for staff time and the bulk of the work will go to consultants and community-based organizations.

Councilor Hwang wanted to know more about the green loop project and its intended outcomes from that process.

Serah Breakstone explained that the management and governance of various parts of Portland focus on programming, operation, and equitable design elements. This includes ensuring cohesion and way finding along the trail, as well as incorporating design elements that reflect the specific districts it traverses with the primary focus is on west side park blocks.

Seeing no further discussion on the topic, Council President Peterson moved on to the next agenda item.

**adopted**

**Aye:** 7 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Nolan, Councilor Rosenthal, Councilor Hwang, and Councilor Simpson

3.2 Resolution No. 24-5389 For the Purpose of Amending the Natural Areas Work Plan to Fund Real Property Purchases by Public Partner through the Bond Acquisition Programs of the 2019 Parks and Nature Bond Measure

Presenter(s): Jon Blasher (he/him), Parks & Nature Director, Metro

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Shannon Leary (she/her), Real Estate Manager, Metro

Attachments: [Resolution No. 24-5389](#)  
[Exhibit A](#)  
[Staff Report](#)

Council President Peterson called on Jon Blasher (he/him), Parks & Nature Director, Metro and Shannon Leary (she/her), Real Estate Manager, Metro to present to Council.

*Presentation Summary:*

Jon Blasher discussed Metro's efforts to safeguard special places across the region through land acquisition funded by the 2019 Parks and Nature Bond, honoring a commitment made to voters to bolster decades of parks and nature initiatives while protecting clean water, restoring fish and wildlife habitat, and offering opportunities for people to connect with nature nearby. Specifically, the discussion revolves around a follow-up to a previous conversation in February regarding the distinctiveness of the 2019 Parks and Nature Bond and the potential for collaboration with regional partners via an amendment to the existing natural areas work plan. The proposal seeks to grant the COO more flexibility in partner transactions, ensuring adherence to bond measure guidelines while providing clear parameters and oversight. The amendment includes provisions for staff to still present potential partnership opportunities to the council for review, maintaining council's overarching authority in the process. The adoption of the proposed partnership acquisition parameters aims to enhance Metro's capacity to execute real estate transactions Council President Peterson called on Jon Blasher (he/him), Parks & Nature Director, Metro and Shannon Leary (she/her), Real Estate Manager, Metro to present to Council.

*Presentation Summary:*

Jon Blasher discussed Metro's efforts to safeguard special places across the region through land acquisition funded by the 2019 Parks and Nature Bond, honoring a commitment made to voters to bolster decades of parks and nature initiatives while protecting clean water, restoring fish and wildlife habitat, and offering opportunities for people to connect with nature nearby. Specifically, the discussion revolves around a follow-up to a previous conversation in February regarding the distinctiveness of the 2019 Parks and Nature Bond and the potential for collaboration with regional partners via an amendment to the existing natural areas work plan. The proposal seeks to grant the COO more flexibility in partner transactions, ensuring adherence to bond measure guidelines while providing clear parameters and oversight. The amendment includes provisions for staff to still present potential partnership opportunities to the council for review, maintaining council's overarching authority in the process. The adoption of the proposed partnership acquisition parameters aims to enhance Metro's capacity to execute real estate transactions across the region efficiently, leveraging bond investments through partnerships while ensuring partner jurisdictions assume management responsibilities and ongoing expenses related to property ownership.

*Council Discussion:*

Councilor Hwang inquired about the potential savings for Metro over time, seeking to understand the scale of such savings.

Jon Blasher noted that since Metro would not be the lead agency in negotiations, the confidentiality of real estate negotiation conversations would not be protected under

executive session privileges. This lack of protection could impact both local jurisdictions and Metro's negotiation abilities. However, transparency is maintained with all transactions being disclosed afterward to ensure public accountability. Regarding ongoing maintenance and operations, the council member acknowledges the complexity of estimating savings, as it depends on factors such as property size, location, and purpose. Savings could vary significantly, ranging from hundreds of staff hours, particularly for small parcels distant from existing parks to other considerations such as travel time for regular visits. They also consider mechanisms to ensure that a local jurisdiction would maintain the property to Metro's standards.

Councilor Rosenthal wanted to know more about any mechanisms in place to ensure partners adhere to agreed-upon uses, given potential discrepancies in the definition of "parks".

Jon Blasher elaborated those partnerships is defined as collaboration with local governments or public entities committed to preserving natural habitats, wildlife, and promoting public connection with nature, particularly focusing on local entities.

Councilor Lewis expressed thanks to the Parks and Nature department on their work done in regard to the Council's questions and concerns from previous work sessions.

Seeing no further discussion on the topic, Council President Peterson moved on to the next agenda item.

**adopted**

**Aye:** 7 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Nolan, Councilor Rosenthal, Councilor Hwang, and Councilor Simpson

3.3 Resolution No. 24-5390 For the Purpose of Adopting the East Council Creek Nature Park Master Plan

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Presenter(s): Jon Blasher (he/him), Parks & Nature Director, Metro  
Olena Turula, Principal Planner, Metro

Attachments: [Resolution No. 24-5390](#)  
[Exhibit A](#)  
[Staff Report](#)

Council President Peterson called on Jon Blasher (he/him), Parks & Nature Director, Metro and Linda Bartolini Venegas (she/her), Large Scale Community Visions Program Coordinator, Metro, to present to council.

*Presentation Summary:*

Jon Blasher (he/him), director of Parks and Nature, presented the formalized access to Metro's East Council Creek natural area in Corenelius. Emphasizing Metro Parks and Nature's mission to protect clean water, restore fish and wildlife habitat, and connect people with nature close to home, Blasher highlighted the network of parks, trails, and natural areas spanning over 18,000 acres within the region. Collaborative efforts with cities, counties, and other park providers were underscored, demonstrating Metro's unique role in bridging the gap between state and federal parks and local parks provided by cities and park districts. As East Council Creek aligns more with the urban side of Metro's portfolio of natural areas, being situated within the urban growth boundary. Blasher passes the presentation to Elna Terula (she/her) project manager, who delved into the planning process and specifics of the East Council Creek master plan.

Fully supportive of the master plan, he anticipates the possibilities in the next steps and appreciates the collaborative efforts showcased in the map highlighting various projects. He concluded with gratitude for the opportunity to share his remarks and affirmed the value of the work accomplished.

Councilor Rosenthal noted the ecological significance and his passion for complete corridor protections, prompting consideration of opportunities to connect and safeguard areas adjacent to Council Creek that are currently vulnerable to development or transformation due to gaps in protection along the creek corridor.

Councilor Lewis raised a question concerning plans and investments for tribal engagement in the upcoming phases, noting her surprise at the omission of explicit details in the document presented earlier that morning. Eelena Terula (she/her) clarified that the document outlines the intention to engage with tribes before advancing to the next stages of project development, such as design and engineering, ensuring thorough consideration of historic and cultural resources and seeking tribal support and potential partnership opportunities moving forward.

**adopted**

**Aye:** 7 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Nolan, Councilor Rosenthal, Councilor Hwang, and Councilor Simpson

3.4 Resolution No. 24-5391: For the Purpose of approving revised program criteria to the Parks and Nature Bond-Large-Scale Community Visions Program

Presenter(s): Jon Blasher (he/him), Parks & Nature Director, Metro  
Linda Bartolini Venegas (she/her), Large Scale Community Visions Program Coordinator, Metro

Attachments: [Resolution No. 24-5391](#)  
[Exhibit A to Resolution No. 24-5391](#)  
[Staff Report](#)

Council President Peterson called on Jon Blasher (he/him), Parks & Nature Director, Metro and Linda Bartolini Venegas (she/her), Large Scale Community Visions Program

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Coordinator, Metro, to present to council.

*Presentation Summary:*

Jon Blasher (he/him), Director of Metro Parks and Nature Department outlined adjustments to the program criteria aimed at enhancing opportunities for park providers and community partners to apply for funding for transformative nature projects. The Large-Scale Community Visions program, part of the 2019 Parks and Nature Bond, allocates \$30 million for capital projects addressing nature uplift and various community needs. Following the successful pilot round, which awarded grants to three projects, council directed staff to identify projects with broader regional distribution. Feedback from stakeholders and partners informed updates to the program criteria, balancing risk mitigation with the vision of catalytic funding for innovative projects. The resolution, if approved, would enable staff to create the NOFA and begin soliciting projects for the next round, with ongoing opportunities for council input throughout the process. The presentation highlighted continued engagement with stakeholders to assess program effectiveness and ensure alignment with the bond's goals, emphasizing flexibility and innovation to address diverse community needs across different regions. Jon Blasher passed the presentation to Linda Venegas to discuss the program updates.

Linda Bartolini Venegas (she/her), Large-Scale Community Visions program provided an overview of the updates to the program criteria, focusing on four main aspects: the overall project match, the contiguous component requirement, the public partner piece, and the application cycle. Council feedback from the January work session led to adjustments, including reducing the overall project match from one to five to one to two, eliminating the specific contiguous



component requirement, and requiring identification of a committed public partner at the time of application. Additionally, the application cycle shifted from annual to ongoing to allow for greater flexibility and alignment with the program's evolving nature. If the resolution is adopted, broad outreach and communications will commence in March, followed by in-person and virtual open houses in April. Letters of interest will be accepted from April 15 onwards, with ongoing outreach to ensure awareness of funding opportunities. These updates aim to streamline the application process and increase accessibility for potential applicants. Linda passed it back to John.

John Blasher updated the status of the project applicants to the council once the solicitation opens, with council continuing to select awarded projects for large scale community visions. The first award process could potentially occur as soon as later spring of this year, depending on the pace of submissions.

*Council Discussion:*

Councilor Lewis expressed her support for the package, acknowledging previous discussions. She emphasized the importance of clarifying that despite changing the match requirement from one to five to one to two, their intention remains to provide the initial, catalytic funding to kickstart future investments. He stressed that they are not implying that project applicants must already have their matching funds secured.

Councilor Gonzalez reiterated his support for the package, acknowledging numerous discussions surrounding the large-scale community visions program. Recognizing the program's novelty and the desire to maximize its impact, he highlighted the adjustment of the match requirement from

one to five to one to two, considering resource constraints and other macro factors. He echoed Councilor Lewis's emphasis on the program's catalytic nature, aiming to facilitate ambitious and large-scale projects. He posed a question regarding Metro's or the council's role in fostering potential projects outside the urban core, suggesting ideas such as summits and discussions with potential investment partners to ensure projects throughout the entire region are supported and brought to fruition.

Councilor Rosenthal expressed support for the package, highlighting the importance of extending continuity issues from contiguous to non-contiguous parcels, particularly in the context of watersheds and street corridors, which could potentially spark innovative ideas and projects across various geographies and jurisdictions.

Councilor Hwang supported the structural changes to the program but emphasized the need for clarity on what constitutes a complex community vision, ensuing alignment with racial equity goals, accessibility, and consultation with tribal partners. He seeks clarification on the refinement of evaluation criteria to better understand the expectations for applications based on lessons learned from the pilot round.

Jon Blasher restated that they aim to maintain an iterative process, ensuring transparency by clearly outlining concrete requirements from the bond or program-specific criteria and sharing scoring methodologies. They plan to engage with council members regularly to define what constitutes a large-scale community vision and refine scoring criteria based on feedback.

Councilor Simpson raised a question regarding the handling projects outside the ongoing grant cycles.

Jon Blasher clarified that application would be accepted as

they come, with flexibility for council to determine award cycle.

Seeing no further discussion on the topic, Council President Peterson moved on to the next agenda item.

**adopted**

**Aye:** 7 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Nolan, Councilor Rosenthal, Councilor Hwang, and Councilor Simpson

**4. Chief Operating Officer Communication**

Marissa Madrigal provided an update on the following events or items:

- Budget season will kick off in the month of April. Reports will provided to council in the following weeks.
- Establish early consensus on topics to facilitate more thorough development upfront rather than after budget adoption.

**5. Councilor Communication**

Councilors provided updates on the following meetings and events:

- Councilor Simpson mentioned having a fun interaction with Park Rose High School students during the Elevate Immunity Enhancement Grant process. Impressed by the students' understanding of their responsibilities as 16 to 17-year-olds, he expressed pride in their work and emphasized the significance of uplifting the City of Roses, which provides funds for the program.
- Councilor Roesenthal tended the Merck lunch and the Merck commission meeting, where two significant points were discussed. Firstly, the Expo Futures committee presented a robust plan for moving forward, evaluating various options for transition and economic viability. Secondly, all venues reported

deficit budgets due to increased costs, primarily driven by labor, safety, deferred capital expenditures, supply costs, and a slow recovery of the transient lodging tax in Portland, despite the business performing better than expected in terms of bookings. There's a likelihood of them seeking assistance from Metro, though details are yet to be determined.

- Councilor Gonzalez highlighted the upcoming policy conference at Hidden Creek Community Center next Thursday, urging attendance. The conference promises insightful conversations on infrastructure, transportation, and housing, fostering dialogues among public, community, and business leaders. He is set to participate in a transportation investment panel alongside Representative McLean and Ryan Windsheimer, anticipating a fruitful discussion.

- President Peterson reported on the I-5 Bridge Executive Committee convened recently, unveiling online images and videos for public viewing to provide a sense of the project's direction, albeit lacking detailed architectural features. The next phase involves selecting the bridge type, whether it's a two-deck or single-deck structure, without delving deeply into landscaping until further clarity is obtained. Interested individuals can explore the project online, offering insights into potential cycling routes and facilitating better understanding. With \$1.5 billion secured out of the \$7.5 billion needed, the project is well-funded, with final funding expected from the USDOT. While some aspects, like the community benefits agreement, require further deliberation, the project is making significant strides toward realization.

## 6. Adjourn

There being no further business, Council President Peterson adjourned the Metro Council Meeting at 12:46 p.m.

Respectfully submitted,

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*Anushka Kargathara*

Anushka Kargathara, Legislative Assistant

**Consideration of the April 4, 2024 Council  
Meeting Minutes**  
*Consent*

Metro Council Meeting  
Thursday, May 2nd, 2024

# Metro

600 NE Grand Ave.  
Portland, OR 97232-2736  
[oregonmetro.gov](http://oregonmetro.gov)



Metro

## Minutes - Final

Thursday, April 4, 2024

10:30 AM

<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or  
888-475-4499 (toll free) [https://www.youtube.com/watch?  
v=GavyoXqyD68](https://www.youtube.com/watch?v=GavyoXqyD68)

**Council meeting**

This meeting will be held electronically.

You can join the meeting on your computer or other device by using this link:

<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or 888-475-4499 (toll free)

**1. Call to Order and Roll Call**

**Present:** 7 - Council President Lynn Peterson, Councilor Christine Lewis, Councilor Juan Carlos Gonzalez, Councilor Mary Nolan, Councilor Gerritt Rosenthal, Councilor Duncan Hwang, and Councilor Ashton Simpson

**2. Public Communication**

There were none.

**3. Consent Agenda**

3.1 Consideration of the February 22, 2024 Council Meeting Minutes

Attachments: [022224c Minutes-Signed](#)

**approved**

**Aye:** 7 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Nolan, Councilor Rosenthal, Councilor Hwang, and Councilor Simpson

3.2 Consideration of the February 29, 2024 Council Meeting Minutes

Attachments: [022924c](#)

**approved**

3.3 **Resolution No. 24-5400** For the Purpose of Authorizing the Chief Operating Office to Purchase Certain Property in the Clear Creek Target Area Under the 2019 Natural Areas Bond Measure

Attachments: [Resolution 24-5400.pdf](#)  
[Exhibit A to Resolution 24-5400.pdf](#)  
[Staff Report.pdf](#)

**adopted**

**Aye:** 7 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Nolan, Councilor Rosenthal, Councilor Hwang, and Councilor Simpson

**4. Chief Operating Officer Communication**



Marissa Madrigal provided an update on the following events or items:

- Governor Kotek voiced support for Metro Council using the funding for SHS for other purposes. There was a lot of support about the Stakeholder Advisory Table on the same topic of the extra SHS funds. The next meeting is on April 17th, 2024. There will be presentation from the three counties.

**5. Councilor Communication**

Councilors provided updates on the following meetings and events:

- Councilor Rosenthal updated the council on the North plains Referendum with the voting process that took place.

**6. Adjourn**

There being no further business, Council President Peterson adjourned the Metro Council Meeting at 10:40. am.

Respectfully submitted,

*Anushka Kargathara*

Anushka Kargathara, Legislative Assistant

**Resolution No. 24-5411 For the Purpose of Re-Appointing  
Members to the Supportive Housing Services Tri-County  
Planning Body (TCPB  
*Consent***

Metro Council Meeting  
Thursday, May 2nd , 2024

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RE-APPOINTING ) RESOLUTION NO. 24-5411  
CERTAIN MEMBERS TO THE )  
SUPPORTIVE HOUSING SERVICES TRI- ) Introduced by Chief Operating Officer  
COUNTY PLANNING BODY (TCPB) ) Marissa Madrigal in concurrence with  
) Council President Lynn Peterson

WHEREAS, Metro Code Section 11.01.170 establishes a Tri-County Planning Body (TCPB) to strengthen regional coordination to implement Metro’s Supportive Housing Services Program; and

WHEREAS, responsibilities of the TCPB include, but are not limited to, developing a regional plan that includes regional strategies to address homelessness, approving and monitoring regional investments from the Regional Investment Fund and providing guidance on operationalizing SHS values on a regional scale; and

WHEREAS, the TCPB Charter (adopted by Resolution No. 22-5267) sets out requirements for membership and requires Metro to lead a recruitment process to identify members, in collaboration with the TCPB Jurisdictional Leadership Team (also established by the Charter); and;

WHEREAS, the TCPB is composed of 17 voting members, four of whom are elected representatives (with one each from the Clackamas, Multnomah and Washington County Board of Commissioners and the Metro Council); and

WHEREAS, to ensure institutional knowledge, Metro staggered the terms of the 17 initial members, with eight serving for an initial one-year term and nine serving for an initial two-year term; and

WHEREAS, on April 27, 2023, Metro Council reappointed the eight one-term members for an additional two-year term; and

WHEREAS, the two-year term of the remaining nine TCPB members expires on May 4, 2024; and

WHEREAS, the TCPB charter states that “committee members will be appointed to serve two-year terms and may be reappointed to serve up to two additional two-year terms”; and

WHEREAS, six of the nine members with a term expiring after the initial two-year term desire to remain on the committee for an additional two-year term; now therefore,

BE IT RESOLVED that the Metro Council reappoints the six members listed in Exhibit A attached to this Resolution for a term beginning on May 5, 2024, and ending on May 4, 2026, with eligibility to serve one additional two-year term starting in 2026.

ADOPTED by the Metro Council this 2<sup>nd</sup> day of May, 2024.

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Lynn Peterson, Council President

Approved as to Form:

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Carrie MacLaren, Metro Attorney

## **Exhibit A to Resolution No. 24-5411**

### **Supportive Housing Services Tri-County Planning Body Committee Member Appointments and Terms**

The Tri-County Planning Body is composed of 17 voting members. Of the 17 members, four are elected representatives from each county partner jurisdiction and the Metro Council in addition to the 13 other members.

The following six persons have each served an initial term of one year ending May 4, 2024. They are each eligible for two additional two-year terms.

- Eboni Brown
- Zoila Coppiano
- Yvette Hernandez
- Sahaan McKelvey
- Steve Rudman
- Mindy Stadlander

IN CONSIDERATION OF RESOLUTION NO. 24-5411 FOR THE PURPOSE OF RE-APPOINTING MEMBERS TO THE SUPPORTIVE HOUSING SERVICES TRI-COUNTY PLANNING BODY (TCPB)

---

Date: April 9, 2024  
Department: Housing  
Meeting Date: May 2, 2024

Prepared by: Melia Deters,  
melia.deters@oregonmetro.gov  
Presenter: Chris Pence  
Length: Consent agenda

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### **ISSUE STATEMENT**

Resolution No. 24-5411 reappoints 6 members to serve two-year terms on the Tri-County Planning Body.

The members to be reappointed are:

- Eboni Brown
- Zoila Coppiano
- Yvette Hernandez
- Sahaan McKelvey
- Steve Rudman
- Mindy Stadlander

### **ACTION REQUESTED**

Adopt Resolution No. 24-5411 reappointing 6 members of the Tri-County Planning Body for an addition two-year term. Through adoption of this resolution, the new term for these 6 members will be May 5, 2024 through May 4, 2026.

### **IDENTIFIED POLICY OUTCOMES**

The TCPB is charged with developing a regional plan, providing direction on policy, and directing five percent of ballot measure revenue towards regional coordination.

### **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

When the original slate of candidates was first developed for the TCPB, eight of the original seventeen members were appointed initially for a one-year term, while the remaining nine members were appointed for an initial two-year term. This staggering was done purposely as a best practice to ensure continuity in the event of mass turn-over as terms end. As stated in the TCPB charter, committee members appointed to serve two-year terms may be reappointed to serve up to two additional two-year terms. Six of nine members with a term expiring after the initial two-year term desire to remain on the TCPB for an additional two-year term. The three counties and Metro staff agree that these members would continue to provide valuable insight to the work of the TCPB.

### **BACKGROUND**

In May 2020, voters in greater Portland approved the Supportive Housing Services ballot measure (26-210) to fund supportive housing services for people experiencing homelessness or at risk of experiencing homelessness. Community members and leaders

from around the region developed the measure, recognizing that individuals and families need support to find and stay in their homes.

As part of the ballot measure's intent to increase regional coordination to address homelessness, the measure requires the creation of a "Tri County Planning Body" (TCPB). The TCPB is charged with developing a regional plan, providing direction on policy, and directing five percent of ballot measure revenue towards regional coordination.

The TCPB charter development, member recruitment, and member selection process was conducted by Metro, Clackamas, Multnomah and Washington county staff in a collaborative effort. The charter requires the TCPB to be comprised of seventeen members, including an elected official from Metro and each of the three counties.

## **ATTACHMENTS**

None.

**Resolution No. 24-5397 For the Purpose of Approving the FY  
2024-25 Budget, Setting Property Tax Levies and  
Transmitting the Approved Budget to the Multnomah County  
Tax Supervising and Conservation Commission.**  
*Resolutions*

Metro Council Meeting  
Thursday, May 2nd, 2024



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING THE FY 2024-25 BUDGET, SETTING PROPERTY TAX LEVIES AND TRANSMITTING THE APPROVED BUDGET TO THE MULTNOMAH COUNTY TAX SUPERVISING AND CONSERVATION COMMISSION )

RESOLUTION NO 24-5397

Introduced by Lynn Peterson, Council President

WHEREAS, the Metro Council, convened as the Budget Committee, has reviewed the FY 2024-25 Proposed Budget; and

WHEREAS, the Council, convened as the Budget Committee, has conducted a public hearing on the FY 2024-25 Proposed Budget; and

WHEREAS, pursuant to Oregon Budget Law, the Council, convened as the Budget Committee, must approve the FY 2024-25 Budget, and said approved budget must be transmitted to the Multnomah County Tax Supervising and Conservation Commission for public hearing and review; now, therefore,

BE IT RESOLVED,

- 1. That the Metro Council, convened as the Budget Committee, approves the Proposed FY 2024-25 Budget, which is on file at the Metro offices.
2. That property tax levies for FY 2024-25 are approved as follows:

SUMMARY OF AD VALOREM TAX LEVY

Table with 3 columns: Tax Category, Subject to the General Government Limitation, Excluded from the Limitation. Rows include Permanent Tax Rate, Local Option Tax Rate, and General Obligation Bond Levy.

3. That the Chief Operating Officer is hereby directed to submit the Approved FY 2024-25 Budget and Appropriations Schedule to the Multnomah County Tax Supervising and Conservation Commission for public hearing and review.

ADOPTED by the Metro Council this 2nd day of May, 2024.

Lynn Peterson, Council President

APPROVED AS TO FORM:

Carrie MacLaren, Metro Attorney

# Schedule of Appropriations

	<b>Approved Budget</b>
<b>GENERAL FUND</b>	
Council	11,773,086
Office of the Auditor	1,293,729
Diversity, Equity and Inclusion	3,099,512
Office of Metro Attorney	4,275,293
Information Technology and Records Management	9,970,230
Communications	3,149,172
Finance and Regulatory Services	14,256,943
Human Resources	7,234,015
Capital Asset Management	7,698,876
Planning, Development and Research Department	43,005,031
Housing	150,000
Special Appropriations	2,122,735
Non-Departmental	
Debt Service	2,645,599
Interfund Transfers	36,426,979
Contingency	28,469,255
<i>Total Appropriations</i>	175,570,455
Unappropriated Balance	44,443,726
<b>Total Fund Requirements</b>	<b>220,014,181</b>
<b>AFFORDABLE HOUSING FUND</b>	
Housing	262,779,932
Non-Departmental	
Interfund Transfers	1,498,959
Contingency	50,000,000
<i>Total Appropriations</i>	314,278,891
Unappropriated Balance	48,281,419
<b>Total Fund Requirements</b>	<b>362,560,310</b>
<b>CEMETERY PERPETUAL CARE FUND</b>	
Non-Departmental	
Interfund Transfers	40,000
<i>Total Appropriations</i>	40,000
Unappropriated Balance	726,440
<b>Total Fund Requirements</b>	<b>766,440</b>
<b>COMMUNITY ENHANCEMENT FUND</b>	
Waste Prevention and Environmental Services	1,517,426
Non-Departmental	
Interfund Transfers	50,000
Contingency	93,226
<i>Total Appropriations</i>	1,660,652
Unappropriated Balance	110,975
<b>Total Fund Requirements</b>	<b>1,771,627</b>
<b>GENERAL ASSET MANAGEMENT FUND</b>	
Asset Management Program	11,402,067
Non-Departmental	

Contingency	9,000,000
<i>Total Appropriations</i>	70,684,879
Unappropriated Balance	76,123,271
<b>Total Fund Requirements</b>	<b>146,808,150</b>

**PARKS AND NATURE OPERATING FUND**

Parks and Nature	31,564,899
Non-Departmental	
Interfund Transfers	6,592,824
Contingency	4,148,291
<i>Total Appropriations</i>	42,306,014
<b>Total Fund Requirements</b>	<b>42,306,014</b>

**RISK MANAGEMENT**

Finance and Regulatory Services	5,564,501
Non-Departmental	
Contingency	787,849
<i>Total Appropriations</i>	6,352,350
Unappropriated Balance	-
<b>Total Fund Requirements</b>	<b>6,352,350</b>

**SMITH AND BYBEE WETLANDS FUND**

Parks and Nature	225,000
Non-Departmental	
Interfund Transfers	67,622
Contingency	400,000
<i>Total Appropriations</i>	692,622
Unappropriated Balance	323,969
<b>Total Fund Requirements</b>	<b>1,016,591</b>

**SOLID WASTE FUND**

Waste Prevention and Environmental Services	114,388,575
Non-Departmental	
Interfund Transfers	20,661,990
Contingency	15,758,837
<i>Total Appropriations</i>	150,809,402
Unappropriated Balance	11,416,076
<b>Total Fund Requirements</b>	<b>162,225,478</b>

**SUPPORTIVE HOUSING SERVICES**

Housing	466,856,937
Non-Departmental	
Interfund Transfers	4,456,449
Contingency	336,284,780
<i>Total Appropriations</i>	807,598,166
<b>Total Fund Requirements</b>	<b>807,598,166</b>

<b>Total Appropriations</b>	<b>1,894,434,352</b>
<b>Total Unappropriated Balance</b>	<b>200,137,933</b>
<b>TOTAL BUDGET</b>	<b>2,094,572,285</b>

Interfund Transfers	400,000
Contingency	8,251,055
<i>Total Appropriations</i>	20,053,122
Unappropriated Balance	14,562,424
<b>Total Fund Requirements</b>	<b>34,615,546</b>

**GENERAL OBLIGATION DEBT SERVICE FUND**

Non-Departmental	
Debt Service	83,952,869
<i>Total Appropriations</i>	83,952,869
<b>Total Fund Requirements</b>	<b>83,952,869</b>

**GENERAL REVENUE BOND FUND**

Bond Account	
Debt Service	6,064,525
<i>Total Appropriations</i>	6,064,525
Unappropriated Balance	4,149,633
<b>Total Fund Requirements</b>	<b>10,214,158</b>

**MERC FUND**

MERC	85,704,586
Non-Departmental	
Interfund Transfers	12,448,414
Contingency	14,587,294
<i>Total Appropriations</i>	112,740,294
<b>Total Fund Requirements</b>	<b>112,740,294</b>

**NATURAL AREAS FUND**

Parks and Nature	-
Non-Departmental	
Contingency	-
<i>Total Appropriations</i>	-
<b>Total Fund Requirements</b>	<b>-</b>

**OREGON ZOO ASSET MANAGEMENT FUND**

Visitor Venues - Oregon Zoo	22,953,600
Non-Departmental	
Interfund Transfers	396,400
<i>Total Appropriations</i>	23,350,000
<b>Total Fund Requirements</b>	<b>23,350,000</b>

**OREGON ZOO OPERATING FUND**

Visitor Venues - Oregon Zoo	43,078,294
Non-Departmental	
Interfund Transfers	21,666,040
Contingency	13,535,777
<i>Total Appropriations</i>	78,280,111
<b>Total Fund Requirements</b>	<b>78,280,111</b>

**PARKS AND NATURE BOND FUND**

Parks and Nature	57,992,239
Non-Departmental	
Interfund Transfers	3,692,640

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Contingency	-
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<b>Total Fund Requirements</b>	<b>807,598,166</b>

<b>Total Appropriations</b>	<b>1,894,434,352</b>
<b>Total Unappropriated Balance</b>	<b>200,137,933</b>
<b>TOTAL BUDGET</b>	<b>2,094,572,285</b>

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION 24-5397 FOR THE PURPOSE OF APPROVING THE FY 2024-25 BUDGET, SETTING PROPERTY TAX LEVIES AND TRANSMITTING THE APPROVED BUDGET TO THE MULTNOMAH COUNTY TAX SUPERVISING AND CONSERVATION COMMISSION

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Date: April 22, 2024

Prepared by:  
Cinnamon Williams, Financial Planning Director  
Joshua Burns, Interim Budget Coordinator

Department: Office of the Chief Operating Officer

Presented by:  
Marissa Madrigal, Chief Operating Officer  
Brian Kennedy, Chief Financial Officer

Meeting date: May 2, 2024

Length: 30 minutes

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#### ISSUE STATEMENT

The Chief Operating Officer, acting in their capacity as Budget Officer, presented the FY 2024-25 Proposed Budget to the Metro Council, convened as Budget Committee, at the April 11, 2024, Council meeting. This was a Public Hearing where the Council provided an opportunity to receive testimony from interested members of the public and agency stakeholders.

Additional meetings were held for department presentations and budget deliberations throughout the month of April 2024. Multiple Public Hearings were held, where Council provided opportunities to receive testimony from interested members of the public and agency stakeholders on the FY 2024-25 Proposed Budget.

On May 2, 2024, Council, convened as Budget Committee, will vote to approve the full budget by way of Resolution 24-5397. Per Oregon Budget Law, changes to the budget from the Proposed to Approved stage require the affirmative vote of the majority of the Budget Committee membership.

Approval of the FY 2024-25 budget will be the final budget adoption action for Council, convened as Budget Committee, but Council will have additional opportunities to amend the budget, as the Governing Body, prior the vote to adopt the budget on June 13, 2024.

#### ACTION REQUESTED

- Consideration and vote on Resolution 24-5397 approving the FY 2024-25 budget, setting property tax levies, and transmitting the approved budget to the Multnomah County Tax Supervising and Conservation Commission.

#### IDENTIFIED POLICY OUTCOMES

Compliance with Oregon Budget Law.

#### POLICY QUESTION

Does the budget reflect Council priorities, policies, and goals?

#### POLICY OPTIONS FOR COUNCIL TO CONSIDER



Approval of the budget, by Council convened as Budget Committee, will meet one of the legal mandates established by Oregon Budget Law.

### **STAFF RECOMMENDATIONS**

The Chief Operating Officer and Chief Financial Officer recommend that Council, convened as Budget Committee, adopt Resolution 24-5397, approving the FY 2024-25 budget, setting property tax levies, and authorizing the Chief Operating Officer to submit the FY 2024-25 Approved Budget to the Multnomah County Tax Supervising and Conservation Commission.

### **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

The FY 2024-25 Proposed Budget was released electronically to Council and posted to Metro's budget webpage for the public, on April 5, 2024, and presented by the Chief Operating Officer, in their capacity as the Budget Officer, to the Council, sitting as Budget Committee, on April 11, 2024.

### **Relationship to Metro's Strategic Plan, racial equity, and climate action goals**

By approving the FY 2024-25 Budget, Metro is one step closer to adopting a budget that will focus on programming related to Metro's guiding principles of racial justice, climate justice and resiliency, and shared prosperity.

**Known Opposition:** None known.

**Legal Antecedents:** The preparation, review and adoption of Metro's annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294. Oregon Revised Statutes 294.635 requires that Metro prepare and submit its Approved Budget to the Multnomah County Tax Supervising and Conservation Commission. The Commission will conduct a hearing on May 30, 2024, for the purpose of receiving information from the public regarding the Approved Budget. Following the hearing, the Commission will certify the budget to the Council for adoption and may provide recommendations to the Council regarding any aspect of the budget.

**Anticipated Effects:** Adoption of Resolution 24-5397 will set the maximum tax levies for FY 2024-25 and authorize the Chief Operating Officer to transmit of the Approved Budget to the Multnomah County Tax Supervising and Conservation Commission.

**Budget Impacts:** The total amount of the FY 2024-25 Proposed Budget is \$2,094,572,285 with 1,172.65 FTE.

### **BACKGROUND**

The actions taken by this resolution are the interim steps between initial proposal of the budget and final adoption of the budget in June. Oregon Budget Law requires that Metro approve and transmit its budget to the Multnomah County Tax Supervising and Conservation Commission (TSCC). Members of the TSCC are appointed by the Governor to supervise local government budgeting and taxing activities in Multnomah County. The TSCC will hold a Public Hearing on Metro's budget on May 30, 2024, in the Metro Council Chambers at 10:30 a.m. Following the meeting, the TSCC will provide a letter of certification for Metro's budget. The Council's adoption of the final FY 2024-25 budget is currently scheduled for June 13, 2024.

Oregon Budget Law requires the Budget Committee of each local jurisdiction to set the property tax levies for the ensuing year at the time the budget is approved. Under Oregon Budget Law the Metro Council sits as the Budget Committee for this action. The tax levies must be summarized in the resolution that approves the budget and cannot be increased beyond this amount following approval without resubmitting the budget to the TSCC and holding an additional TSCC Public Hearing. Metro's levy for general obligation debt reflects actual debt service levies for all

outstanding general obligation bonds. The levy authorization for FY 2024-25 budget also includes the 5-year local option levy for Parks and Natural Areas support, which was renewed by the voters in November 2022, as well as the levy for Metro's permanent tax rate for general operations.

**ATTACHMENTS**

- Resolution 24-5397
- Exhibit A – Schedule of Appropriations

**Resolution No. 24-5404 For the Purpose of Adopting  
Solid Waste Fees at the Metro Transfer Stations and  
the Regional System Fee for 2024-25**  
*Resolutions*

Metro Council Meeting  
Thursday, May 2nd, 2024

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING SOLID )  
WASTE FEES AT THE METRO TRANSFER )  
STATIONS AND THE REGIONAL SYSTEM )  
FEE FOR FY 2024-25 )

RESOLUTION NO. 24-5404

Introduced by Chief Operating Officer  
Marissa Madrigal with the concurrence of  
Council President Lynn Peterson

WHEREAS, Metro Code Chapter 5.02 establishes the regional system fee, which recovers the costs for all associated regional solid waste activities related to managing, planning, and administering the entire recycling, processing, and disposal system for the Metro region; and

WHEREAS, Metro Code Chapter 5.03 establishes the fees for solid waste at Metro Central and Metro South transfer stations; and

WHEREAS, Metro Code Chapters 5.01 and 5.02 establishes that all solid waste generated from inside the Metro jurisdictional boundary is subject to a regional system fee at the time the waste is delivered to a Metro transfer station or otherwise disposed; and

WHEREAS, Metro Code Section 5.06.030 establishes a community enhancement fee in an amount not to exceed \$1.00 on each ton of putrescible waste delivered to eligible solid waste facilities in the Metro region; and

WHEREAS, Metro Council finds that it is in the public interest for Metro to collect a community enhancement fee of \$1.00 per ton on all solid waste received at Metro’s transfer stations; and

WHEREAS, Metro’s costs for solid waste services and programs have changed; and

WHEREAS, the proposed fees comply with Metro Charter Section 15 (“Limitations on Amount of User Charges”); now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

Section 1. Solid Waste Fees. The schedule of solid waste fees attached hereto as Exhibit “A” is approved and the fees become effective on July 1, 2024.

ADOPTED by the Metro Council this 25<sup>th</sup> day of April 2024.

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Lynn Peterson, Council President

APPROVED AS TO FORM:

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Carrie MacLaren, Metro Attorney

**Exhibit "A" to Resolution No. 24-5404**

**SCHEDULE OF SOLID WASTE FEES**

Effective July 1, 2024

Fees at Metro Central Station and Metro South Station

Tonnage Fees by waste class

In accordance with Metro Code Chapter 5.03, Metro will assess the following fee for each ton of solid waste received at a Metro transfer station

- (1) Mixed solid waste .....\$ 104.37
- (2) Clean Wood .....80.92
- (3) Yard Debris.....55.00
- (4) Residentially generated organic waste.....93.04
- (5) Commercially generated organic waste.....81.41

Transaction Fees by transaction class

In accordance with Metro Code Chapter 5.03, Metro will assess the following fee for each transaction at a Metro transfer station.

- (1) For users of staffed scales. .... \$ 27.00
- (2) For users of automated scales ..... 7.25

Minimum Fees

In accordance with Metro Code Chapter 5.03. Metro will assess a minimum tonnage fee for loads of 240 pounds or less, as follows:

- (1) Mixed solid waste ..... \$ 45.00
- (2) Clean Wood .....37.00
- (3) Yard Debris.....34.00
- (4) Residentially generated organic waste.....38.00
- (5) Commercially generated organic waste.....37.00

Fees on Disposal of Solid Waste

Regional System Fees by waste class

In accordance with Metro Code Chapter 5.02, Metro will assess the following regional system fee on solid waste.

- (1) Cleanup material.....\$ 2.50
- (2) All other solid wastes.....31.72

Community Enhancement Fee

In accordance with Metro Code Chapter 5.06, Metro will collect the following community enhancement fee on solid waste at all eligible solid waste facilities and at Metro transfer stations.

- (1) Putrescible solid waste.....\$ 1.00
- (2) Non-putrescible solid waste (as authorized by Metro Chief Operating Officer) ..... 1.00

## **STAFF REPORT**

### **IN CONSIDERATION OF RESOLUTION NO. 24-5404 FOR THE PURPOSE OF ADOPTING SOLID WASTE FEES AT THE METRO TRANSFER STATIONS AND THE REGIONAL SYSTEM FEE FOR FY 2024-25.**

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Date: April 8, 2024  
Department: FRS  
Meeting Date: April 25, 2024

Prepared by: Kat Kelley, Economist  
Presenters: Brian Kennedy, CFO  
Length: 15 Minutes

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#### **ISSUE STATEMENT**

This resolution will authorize increases to Solid Waste fees at the Metro transfer stations and regional system fee to take effect on July 1, 2024.

#### **ACTION REQUESTED**

Council adoption of Resolution 24-5404

#### **IDENTIFIED POLICY OUTCOMES**

Council adoption of this resolution will:

1. Increase the Solid Waste fees at the Metro transfer stations and regional system fee to be effective as of July 1, 2024;
2. Provide Council with the annual report of the amount of solid waste that was subject to reduced fees and taxes or exempted during FY 2022-23.

#### **POLICY QUESTION**

Should Council increase the Solid Waste fees at the Metro transfer stations (including the total disposal fee, transactions fees, materials charges, and minimum load size fees) and the regional system fee to cover the costs of service of Metro station operations and the regional waste system?

#### **POLICY OPTIONS FOR COUNCIL TO CONSIDER**

1. Adoption of the resolution to increase Solid Waste fees at the Metro transfer stations and regional system fee to fund current Department expenses.
2. Reject the resolution and Solid Waste fees at the Metro transfer stations and the regional system fee will be unchanged. This action will result in future operational budget shortfalls. This will require Metro to significantly reduce public services and make additional changes to programs and capital plans to keep spending in line with expected revenue collected.

#### **STAFF RECOMMENDATIONS**

The Chief Operating Officer recommends adoption of Resolution 24-5404

## **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

On March 29, 2024, Metro staff presented the recommendations of the Waste Fee Policy Task Force to the Metro Council. Their recommendations included updated fee setting criteria for solid waste fees. Specifically, the task force recommended improved engagement and collaboration on budget and fee development, improved public information about how Metro's fees are developed and used, continuing to maintain separate fund balance reserves for transfer station operations and Regional System Fee-funded activities, updates to Metro's financial policies, and prioritization of four criteria in solid waste fee setting. In that meeting Council directed staff to investigate fee options under two scenarios: Full Cost of Service (COS) in alignment with the recommended fee setting criteria and Fee Predictability (8% Ceiling).

The Full Cost of Service scenario generates enough revenue to break even over the next fiscal year. Under this scenario, the total tip fee increases to \$153.67 which, excluding the Metro excise tax, is 11% higher than the current fee. Under this scenario, WPES's ending fund balance for FY24-25 is estimated to be approximately \$34.6 million.

The Fee Predictability scenario keeps the increase of the overall tip fee within the 8% ceiling of year-over-year growth. This creates a mixed solid waste tip fee of \$149.69. This increase also includes the Metro excise tax increase of \$1.41, which is not a part of the fee development. If the excise tax were flat, the overall tip fee would be 8% increase from the prior year, which is within the ceiling guidance provided by Council. By capping these fees, WPES's ending fund balance for FY24-25 would be \$30.5 million, a decrease of \$4.5 million.

While both scenarios have their pros and cons and cover the needs of the WPES department and the Region's solid waste system, staff recommends moving forward with the Full Cost of Service Scenario to maintain WPES fund balance reserves. Both scenarios maintain separate reserve funds for transfer station operations and the regional system fee.

In summary, if Council adopts the recommended Full Cost of Service fee scenario, the overall tip fee increase is 11.92% and the minimum fee increase is \$5, from \$40 to \$45. The assumed weight per minimum charge stays flat at 240 pounds which is higher than the average minimum load (approximately 205 pounds).

*Independent Solid Waste Fee Review:* As required by Metro Code Chapter 5.03.070, staff has had the Solid Waste Fees reviewed by an independent reviewer. Metro employs consultant FCS Group who reviews the Solid Waste Rate Model and provisional fees. This review includes a letter with their findings and recommendations during this review. The current review letter is provided as **Attachment 3**.

*Clean-up Material and Special Exemptions:* Metro Code Section 5.02.070(b) states that the Chief Operating Officer must provide the Metro Council with an annual report indicating the amount of solid waste recycled or disposed under special exemption permits and the total regional system revenue that was not collected during the fiscal year because of those special exemptions. A summary showing the total amount of Metro area waste that was subject to Metro's reduced rate or exempt from fees and taxes during FY 2022-23 is provided in **Attachment 1**.

Known Opposition: A solid waste industry representative has previously indicated opposition to the single disposal fee that Metro charges for solid waste received at its transfer stations. Additionally, some local government partners have also expressed concerns about increasing disposal fees.

Legal Antecedent: The process for setting Metro’s solid waste fees and taxes are set forth in Metro Code Chapters 5.02, 5.03, 5.06 and 7.01. Metro reviews its solid waste fees annually. The proposed FY 2024-25 fees comply with the restriction set forth in Chapter III, Section 15 of the Metro Charter limiting user charges to the amount needed to recover the costs of providing goods and services.

Figure 1. Anticipated fee changes

Projected Fee Schedule				
	Existing	Adopted	Difference	
	2024	2025	\$	%
<b>Transaction Fees</b>				
Staffed Scalehouse	\$24.00	\$27.00	\$3.00	12.50%
Automated Scalehouse	\$6.75	\$7.25	\$0.50	7.41%
<b>Tipping Fees</b>				
Mixed Solid Waste (refuse)	\$89.72	\$104.37	\$14.65	16.33%
Clean Wood	\$74.93	\$80.92	\$5.99	8.00%
Yard Debris	\$55.00	\$55.00	\$0.00	0.00%
Residential Organics	\$86.15	\$93.04	\$6.89	8.00%
Commercial Organics	\$75.38	\$81.41	\$6.03	8.00%
<b>Fees and Taxes</b>				
Enhancement Fee	\$1.00	\$1.00	\$0.00	0.00%
Regional System Fee (MSW only)	\$31.41	\$31.72	\$0.31	0.99%
Metro Excise Tax (MSW Only)	\$13.28	\$14.69	\$1.41	10.62%
DEQ Fees (MSW Only)	\$1.89	\$1.89	\$0.00	0.00%
Environmental Cleanup Fee	\$2.50	\$2.50	\$0.00	0.00%
MSW Tipping Fee (including taxes)	\$137.30	\$153.67	\$16.37	11.92%
Minimum Fee (MSW)	\$40.00	\$45.00	\$5.00	12.50%

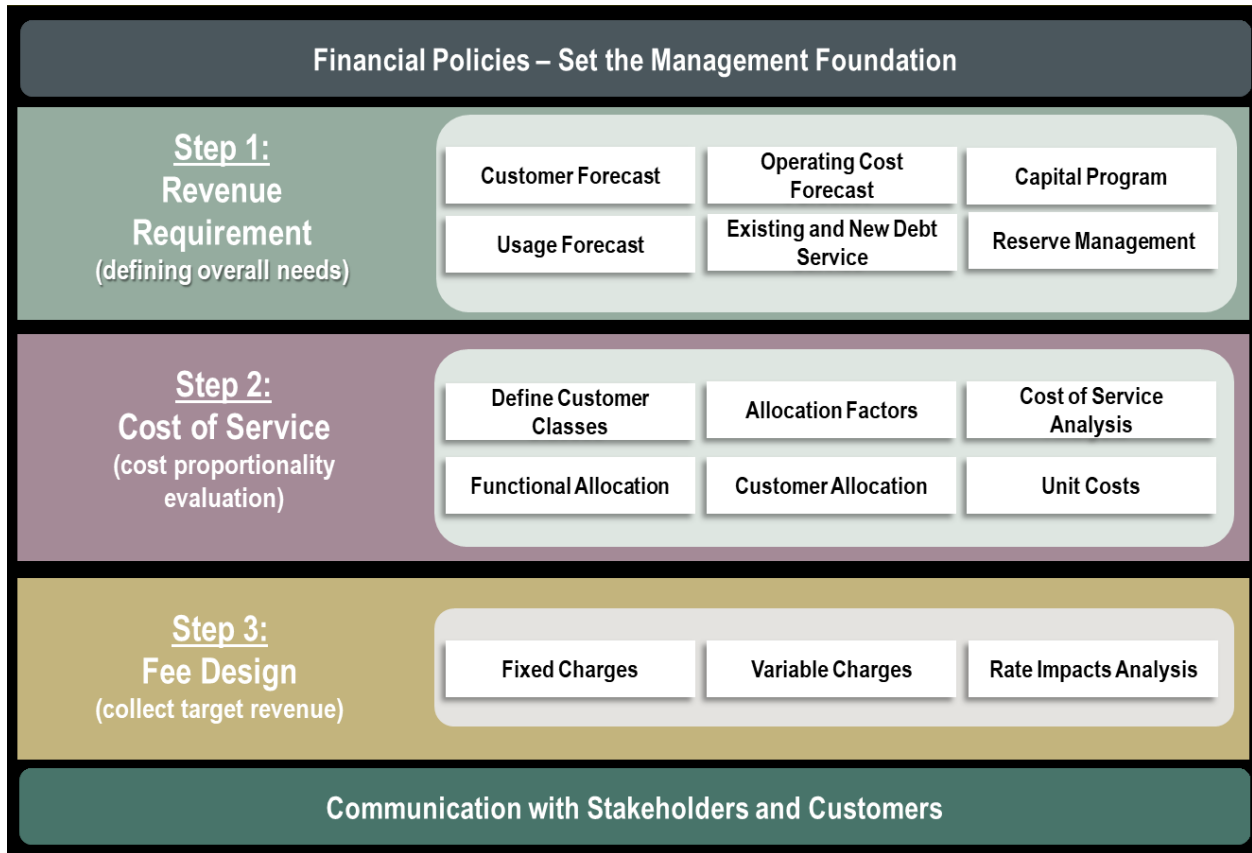
Financial and budget Impacts: The fees established by this resolution are designed to raise \$127 million in enterprise revenue for FY 2024-25. WPES budget Operating and Materials (O&M) expenses are \$133 million for FY 2024-25.

## BACKGROUND

Metro establishes the Solid Waste fees based on principles that are generally accepted and widely followed throughout the utility industry. Three key analyses are done: 1) revenue requirement - which identifies the total revenue to fully fund the department on a standalone basis; 2) cost of service - which establishes how to distribute the costs to the end user of the service (or customer class); and 3) fee design - which develops a fee structure that generates sufficient revenue to meet the system’s revenue requirement and Solid Waste Fee pricing objectives.



Figure 2. Financial policies for fee setting



Metro’s fee development follows these guidelines but makes them *four* steps instead of three, to establish clear roles and responsibilities of the work performed by staff.

**Metro Fee Development:**

**Step 1. Identify the revenue requirement** – This step identifies the total annual financial obligations of the system. This information comes from the WPES FY 2024-25 *proposed* budget that includes the department’s full operations and maintenance (O&M) costs, capital improvements and replacements and adheres to Metro fiscal policy compliance.

Most of the revenue requirement is driven by the following two areas:

Metro Disposal Service Costs: Metro owns two transfer stations that provide disposal services to commercial haulers, businesses, and the public. Metro transfer stations cover operating costs, such as wages, equipment, improvements, green fuel, and practices that protect the safety of our workers and our customers. Fees also cover the costs of recycling, transport and disposal of the garbage brought to the facilities. Most of these costs are driven from the operation of the stations. Transport and disposal are all performed by private operators under long-term contracts with Metro.

Regional Programs: Metro provides or participates in solid waste services and programs with region-wide impact. These services include Metro’s Community Stewardship program

(formally known as Regional Illegal Dumping), which cleans up hundreds of tons of garbage dumped on public property every year; education and technical assistance programs to improve recycling and reduce the use of toxic products at homes and businesses; and oversight of private garbage and recycling facilities to ensure they manage waste in a way that minimizes impacts on local communities. The programs are explicitly included in the budget as:

- Clean-up
- Compliance and Regulation
- Grants and Services
- Local Government Funding
- Paint Recycling and Production
- Policy and Planning
- Waste Prevention Education and Leadership

Figure 4. Revenue Requirement from proposed budget

<b>Solid Waste Revenue Fund</b>	
<b>CURRENT FY 2024-25 Proposed Budget</b>	
Personnel Services	\$ 32,477,361
Materials & Services	78,711,214
Direct Transfers for Capital Asset Management	365,100
Indirect Transfers for internal cost allocation plan	20,296,890
<b>Proposed Budget Current Expenditures (excluding Capital Outlay)</b>	<b>\$ 131,850,565</b>
Total of reconciling items to match Fee Model	869,543
<b>Total Revenue Requirement</b>	<b>\$ 132,720,108</b>
<b>TOTAL OPERATING EXPENSES IN THE MODEL</b>	<b>\$ 132,720,108</b>

Revenue requirements are driven by the WPES budget for the disposal service, regional program needs and the administrative costs that allow these activities to happen.

Figure 5. Total amount of revenue to be recovered by the Metro fees

Revenue by Fee Type		2025
Staffed Transactions	\$	9,209,459
Automated Transactions		924,732
Mixed Solid Waste Tip Fee		60,060,629
Clean Wood Tip Fee		77,236
Yard Waste Tip Fee		772,507
Residential Organics Tip Fee		4,127,245
Commercial Organics Tip Fee		1,828,814
Regional System Fee Tip Fee		49,977,185
<i>Cleanup Material</i>		499,527
<b>Total</b>	<b>\$</b>	<b>127,477,334</b>

**Step 2. Allocate costs** – The fee process uses a cost-of-service approach that distributes costs based on the proportionate share of costs required to provide service. This step calculates (in the fee model) the functional cost allocation to different customer classes based on their unique demands for each service. This provides fee fairness through cost causation.

Indirect Costs: Administrative costs are identified in two different ways: the department's functional administrative costs and the Agency's cost to provide administrative central service support (internal cost allocation plan). These two administrative costs are allocated differently to reflect the different nature of which they are caused. Administrative costs from the department are allocated by how the staffing levels are applied to each program area. The Agency central service costs are allocated in a way that most directly reflect how the Agency allocates costs which is a blend of spending and staff allocations.

Direct Costs: The allocation methodology used identifies how expenses are allocated to the solid waste system functional areas including disposal and recovery, regional programs, sustainability, clean-up, and general policy and compliance. Allocations are based on staff time, tickets processed, floor area and tonnage. The allocation factor is designed to be an equitable expression of the how and why the cost is incurred. The cost-of-service details cost allocation for an additional layer of service by waste type: mixed solid waste, wood waste, yard debris, residential organics, and commercial organics. Costs associated with processing each waste type were reviewed and discussed with Metro staff and leadership.

This cost-of-service process is reviewed for the existing cost allocation approaches and identified changes and additional allocation factors used in the process. A sensitivity analysis indicating the fee impacts of alternative general and administrative cost allocations was included in the review.

**Step 3. Forecast activity** – This step estimates the waste unit activity in the region to forecast the solid waste activity anticipated for the upcoming fiscal year. Metro staff prepares a Solid Waste Forecast for waste unit activity in the region and projected anticipated levels of tonnage and transactions by material type at Metro transfer stations and private facilities. For the FY 2024-25 fee development, staff used the Fall 2023 forecast for unit information.

**Step 4, Fee development and design** – This step achieves required revenue levels by establishing fees and charges that accurately reflect the cost to provide a particular service. Unit costs were developed for each fee charged and were analyzed to identify any warranted shifts in cost burden that could improve equity between the fees and charges. The result of the cost-of-service process is a calculated fee for providing solid waste services. This process has a great deal of influence from Metro leadership and compliance to financial policies.

Figure 6. Recommended fees and charges for FY 2024-25

Description	Mixed Solid Waste	Clean Wood	Yard Debris	Residential Organics	Commercial Organics
<b>Transaction Fee:</b>					
Staffed Scalehouse	\$27.00	\$27.00	\$27.00	\$27.00	\$27.00
Automated Scalehouse	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25
<b>Tip Fee:</b>					
Tonnage Charge	\$104.37	\$80.92	\$55.00	\$93.04	\$81.41
Regional System Fee	\$31.72	-	-	-	-
Excise Tax	\$14.69	-	-	-	-
DEQ Fees	\$1.89	-	-	-	-
Community Enhancement Fee	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
<b>Total Tip Fee</b>	<b>\$153.67</b>	<b>\$81.92</b>	<b>\$56.00</b>	<b>\$94.04</b>	<b>\$82.41</b>
<b>Min Load Fee (240 lbs.)</b>	<b>\$45.00</b>	<b>\$37.00</b>	<b>\$34.00</b>	<b>\$38.00</b>	<b>\$37.00</b>

**Fee Setting Criteria:**

Per Metro Code 5.03.060, each year the Chief Operating Officer will propose fees to Council that will consider any solid waste fee setting criteria and fee setting policies adopted by Council.

**Attachment 2** is the current fee setting criteria that will be adopted by Council, through this resolution.

**Other Fee Considerations:**

Metro assesses the regional system fee and excise tax on waste at the time of disposal. The amount of the fee and tax rate is calculated annually in accordance with Metro Code Chapters 5.02 and 7.01.

In general, Metro has a three-tiered fee and tax rate structure for waste that is transported directly to disposal sites.

- **Full Rate:** The full fee and tax rate, which is included as a component of Metro’s transfer station charges, is assessed on most of the region’s waste at the time of its disposal (such as household garbage, construction and demolition debris, etc.).

- Reduced Rate: The reduced fee and tax rate is generally assessed on contaminated “cleanup material” at the time of its disposal (such as contaminated soils, catch basin pumping, street sweepings, etc.).
- Exempt: There is a fee and tax exemption for any material that is recovered, recycled, or diverted away from disposal sites. Under certain circumstances, Metro may also waive fees and taxes for certain types of waste that are sent to disposal sites (such as under special exemption permits, tire processing residual, and “useful material” which includes alternative daily cover and road base used at a landfill).

Metro Code Section 5.02.070 states that the Chief Operating Officer must provide the Metro Council with an annual report indicating the amount of solid waste disposed under special exemption permits and the total lost revenue arising from the exemption permits granted during the fiscal year. A summary showing the total amount of Metro area waste that was subject to Metro’s reduced rate or exempt from fees and taxes during FY 2022-23 is provide in **Attachment 1**.

## **ATTACHMENTS**

- Resolution 24-5404
- Attachment 1 – Annual Credit and Exemptions Report for FY 2022-23
- Attachment 2 – 2024 Fee Setting Criteria
- Attachment 3 – Independent Review Letter

## Tons of Metro area waste subject to Metro's reduced rate or exempt from fees and taxes at a disposal site

July 1, 2022 - June 30, 2023

### Fiscal Year 2023

Reduced rate waste (cleanup material)	Tons
<b>Type:</b>	
Petroleum Contaminated Soil	197,706
Other	86,044
total	<u><u>283,750</u></u>

Exempt waste	Tons
<b>Generator:</b>	
Columbia Steel Casting Co Inc	6,358
Evraz NA	1,364
Greenway Recycling	7,761
Metro Paint	866
Metro South	21
RA Roth / NW Shingle	0
RB Recycling	3,250
Rivergate Scrap Metals	11,665
Schnitzer Steel	67,128
Siltronics Corp	395
Synagro Technologies	756
Tire Disposal and Recycling	2,668
Tualatin Valley Waste Recovery	8,749
Willamette Resources Inc	3,021
total	<u><u>114,003</u></u>

Special Exemption Permits	Tons
<b>Generator:</b>	
Oregon Department of Agriculture	2,421
(yard debris from beetle quarantined area - Wash Co) *	2,421
total	<u><u>2,421</u></u>

\* No lost revenue as material would have normally been composted

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catch basin, street sweepings, contaminated soil - other

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credits queries are static because they both pull from the monthly report.

## **Fee Setting Criteria**

### **April 2024**

**Rationale:** During the process of fee development, staff relies on Metro's legal authority as determined by Metro Code and Oregon Revised Statute, as well as policy adopted by the Metro Council and other informal guidance. In addition, the solid waste fee setting process is guided by core set of criteria used to ensure effective management of the regional solid waste system.

**Action:** Solid waste fee and rate setting guidance recommends that fee and rate setting policy be periodically reviewed. The fee setting principles below are based on recommendations from the Waste Fee Policy Task Force appointed by the Metro Council in FY2023-24. By adopting fees and the fee setting criteria, Council has reviewed the below fee setting criteria that are to be used during fee development.

#### **Prioritized criteria in fee development:**

**Accessible and Equitable System:** Fee setting should encourage public, private, and nonprofit investment in services that provide regional benefit, emphasizing geographic equity, access to service and a reduction in local environmental and human health impacts.

**Healthy Environment:** The fee structure should encourage keeping valuable materials out of the landfill, reducing climate and environmental impacts through highest material use, and safe disposal of hazardous waste.

**Affordability:** Fee setting should consider the economic effects and distribution of benefits to the various types of users in the Solid Waste System, including the cost of living on residential waste generators and the cost of doing business on nonresidential generators, as well as the economic effect on others in the region. Public-

**Private System:** Fees should give fair weight to the operational and capital needs of all providers: publicly owned, privately owned, and nonprofit.

The following criteria are important considerations, but are not prioritize as those above:

- A. **Predictability:** Metro fee adjustments should be predictable and orderly to allow local governments, haulers, and rate payers to perform effective planning.
- B. **Resilient Economy for All:** Fee setting should consider the economic effects of short- and long-term fee changes.
- C. **Service Provision:** Charges to users of the waste disposal system should be directly related to disposal services received. Fee impacts to residents of the Metro service district who may not be direct users of the disposal system should be related to other benefits received.
- D. **Consistency:** Solid waste fee setting should be consistent with Metro's agency-wide planning policies and objectives, including but not limited to the Regional Waste Plan.

April 17, 2024

Metro

600 NE Grand Avenue  
Portland, OR 97232-2736

Subject: Review of Fiscal Year 2024-2025 Solid Waste Disposal Fees

Dear Ms. Madrigal, Chief Operating Officer,

Metro engaged FCS GROUP to provide an independent review of the methodology for calculating proposed solid waste disposal fees for Fiscal Year (FY) 2024-2025. In response to this request, we have reviewed Metro's updated Excel Fee Model (Model) and associated fees for accuracy, adequacy, reasonableness and compliance with industry practices. This review is in accordance with *Metro Code – Title V Solid Waste Section 5.03.070 “Independent Review of Fee Setting Process; Written Report”*.

This review focused on the overall methodology and resulting fees for compliance with industry practices for FY 2024-2025. The review did not validate the accuracy of source documents or formulae and structure utilized in the Model.

The FY 2024-2025 findings and comments are summarizing below:

- The methodology utilized in the fee setting process follows best practices in the industry. The overall analysis is structured around three (3) fee setting components, or steps:
  1. *Revenue requirement*: evaluates the overall revenue needs of the utility on a self-supporting basis, considering operating and maintenance expenditures, capital/equipment funding needs, debt requirements and fiscal policies.
  2. *Cost-of-service*: equitably distributes costs to services based on their proportional demand and use of the system.
  3. *Rate / fee design*: includes the development of fees that generate sufficient revenue to support the revenue requirement and address Metro's policy goals and objectives.
- The recommended overall fee strategy (step 1, revenue requirement) for FY 2024-2025 projects revenues after increase to be sufficient to cover annual obligations and generate a positive cash flow. The cash flow is utilized to meet existing reserve policy targets and continue funding projected capital expenditures. The benefit of projecting revenue requirements beyond the immediate test year period is the ability to level out impacts over time, if necessary. The Model does project the revenues after increase for subsequent years to meet the estimated revenue needs, assuming the proposed fees are implemented.
  - » This year's model includes an updated tonnage forecast, reflecting the latest economic conditions and actual utilization of Metro's transfer stations. The tonnage forecast is key to the analysis and affects both revenues and expenses. Based on the updated projections, the overall tons are forecasted to increase compared to the prior year's Model, which has a net positive impact on rate revenue projections. It will be important to continue monitoring

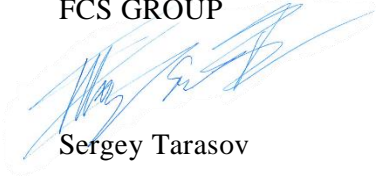
- tonnage and its impact on both revenues and expenses and modify the projections as necessary if significant deviation in the forecast occurs.
- » The operating and maintenance (O&M) expense projection for this year's Model update does include the most recent contract with Recology Oregon Recovery – Central Inc. (Recology) for the Metro Central Transfer Station operations. The contract reflects updated costs from Recology to operate the Central Transfer Station.
  - » With the proposed fee adjustments, FY 2024-2025 ending cash balances are projected to meet or exceed minimum target levels.
- The cost allocation (step 2, cost of service) utilized in developing service level charges appears technically sound and consistent with that deemed acceptable by industry practices. Costs appear to be allocated with cost causation principles, mimicking the nature of how they are incurred. Primary allocation occurs based on actual time spent by employees within each service level, contractual costs associated with each service level or a direct assignment of costs to a specific service level.
    - » Building onto the expanded O&M expense line-item budget detail that was added during the prior year's update, Metro has added additional detail to identify the capital related components of the budget (e.g., Operating Support & Planning, Engineering & Tech Support, etc.). The primary driver behind this cost separation was related to the fact that any capital-related expenses included in the O&M budget were not associated with the Regional System; therefore, cost should not be allocated to the Regional System Fee. Instead, the expenses were allocated to the municipal solid waste (MSW) cost pool.
    - » The results of the cost-of-service analysis indicate that cost differences are present between existing fees and the cost-based allocation. It should be noted that, typically, if the result of each individual service is within plus (+) or minus (–) 5.0 to 10.0 percent of the overall system average, they are generally considered to be within cost-of-service. This range of reasonableness is given since although there is an industry accepted methodology, the specific classification and allocation of expenses reflect cost and waste characteristics at a given point in time. With time, waste patterns, composition and facility requirements change resulting in changes to cost-of-service. The flexibility to work within the range of reasonableness can minimize annual peaks and valleys and help maintain stable fees from year to year.
  - The proposed fees (step 3, rate / fee design) phase-in cost-of-service results over a 5-year period. Staffed and automated fee, mixed solid waste, residential organics and commercial organics are phased-in to within 5.0 percent of their cost-of-service level, with the majority projected to be within 1.0 percent. By the end of the 5-year period, clean wood fees are projected to be within 37.0 percent of their cost-of-service, which is outside the 10.0 percent range of reasonableness. The updated contract for the Central Transfer Station increased the cost of wood processing impacting the results of the cost-of-service analysis compared to the prior year's Model. The yard waste fee is projected to be held constant to allow it to phase-in towards cost-of-service, which is projected to end the 5-year period within 12.0 percent of cost.
    - » The proposed rate design, when reconciled with projected billing units, does project a lower revenue generation in comparison to the total revenue requirement targets identified in step 1, revenue requirement. The deficiency ranges from \$2.0 million in FY 2024-2025 down to

\$713,000 in FY 2028-2029. Metro's existing fund balances are projected to be sufficient to cover the deficiency.

We appreciate the opportunity to work with Metro on this project. Please do not hesitate to contact me if you have any questions regarding this letter or if additional information is needed.

Sincerely,

FCS GROUP



Sergey Tarasov

Principal

cc: Financial Planning Director Cinnamon Williams, Chief Financial Officer Brian Kennedy, and Councilors Peterson, Simpson, Lewis, Rosenthal, Gonzalez, Nolan and Hwang



Metro

# FY 2024-25 Solid Waste Fees

May 2, 2024



# Overview

- FY 2023-24 Process and Outcomes
- Budget and Fee Engagement
- Waste Fee Policy Task Force
- Proposed Fees

# Current FY Process and Outcomes

- Prior Council recommendation was focused on predictability for users – limiting increases to 7-8%
- Adopted fees were 11% higher than the previous fiscal year



# Budget and Fee Engagement

- Multiple budget roundtables with local government, industry and non-profits
- Waste Fee Policy Task Force
- Regional Waste Advisory Committee
- Direct communications to interested parties

# Waste Fee Policy Task Force

- Prioritized four criteria:
  - Accessible and equitable system
  - Healthy environment
  - Affordability
  - Private system
- Highlighted other criteria: Predictability, Resilient economy for all, Service provision, Consistency <sup>5</sup>

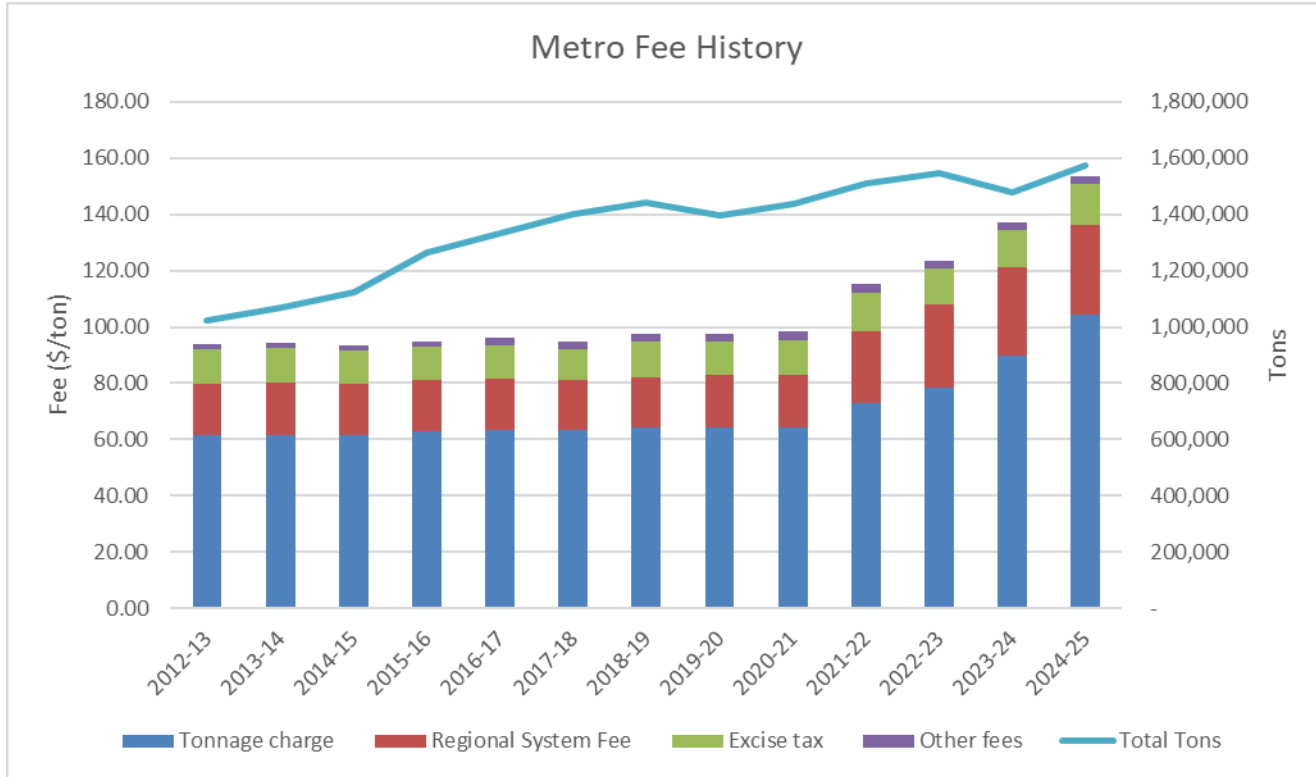
# Fee Setting Criteria Key Outcomes

- Prioritizes setting fees at the full cost of service
- Maintaining separate reserves and operating funds for transfer station operations and Regional System Fee activities
- Prioritizes other investments that are part of the budget process

# Recent Feedback & Questions

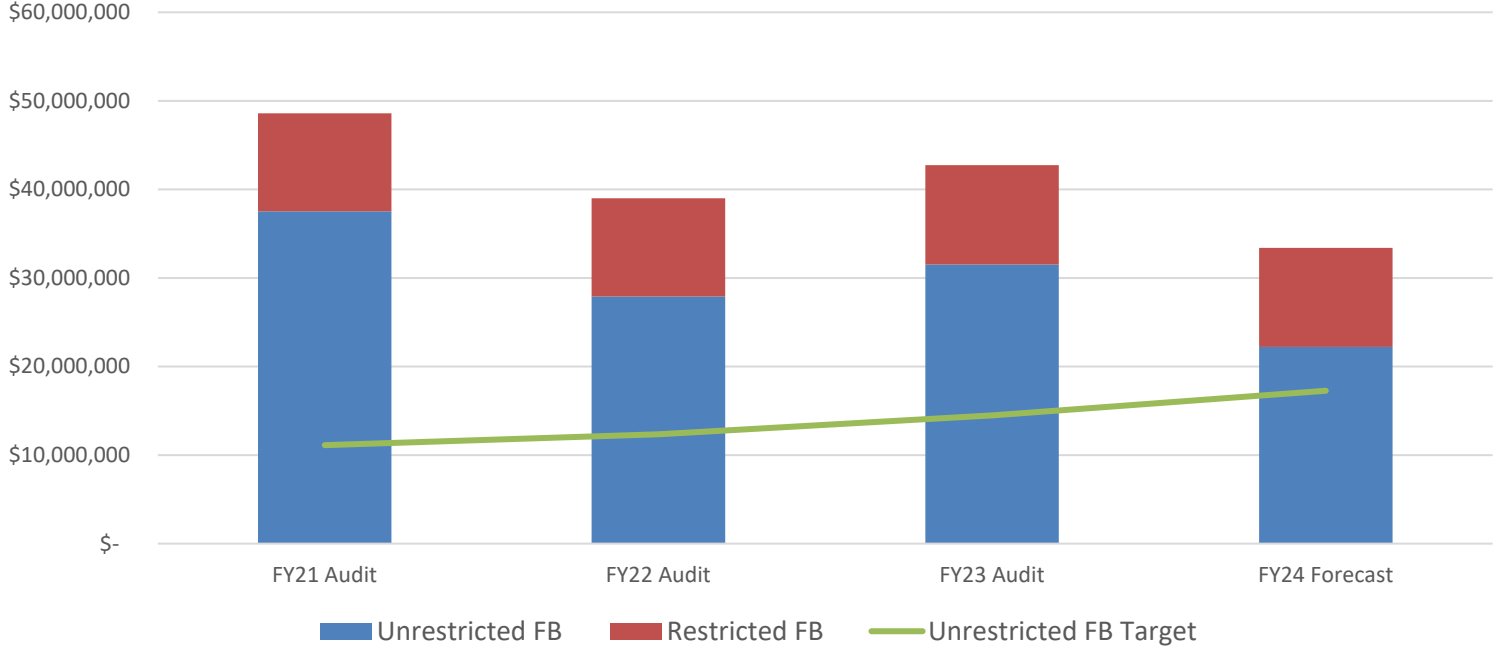
- Metro's solid waste expenses
- Contracts and vendor assessments
- Oversight and accountability
- Future fee projections

# Fee History



# Solid Waste Fund Balance

## Ending Fund Balance Reserve Target Analysis



# Contracts & Vendor Assessments

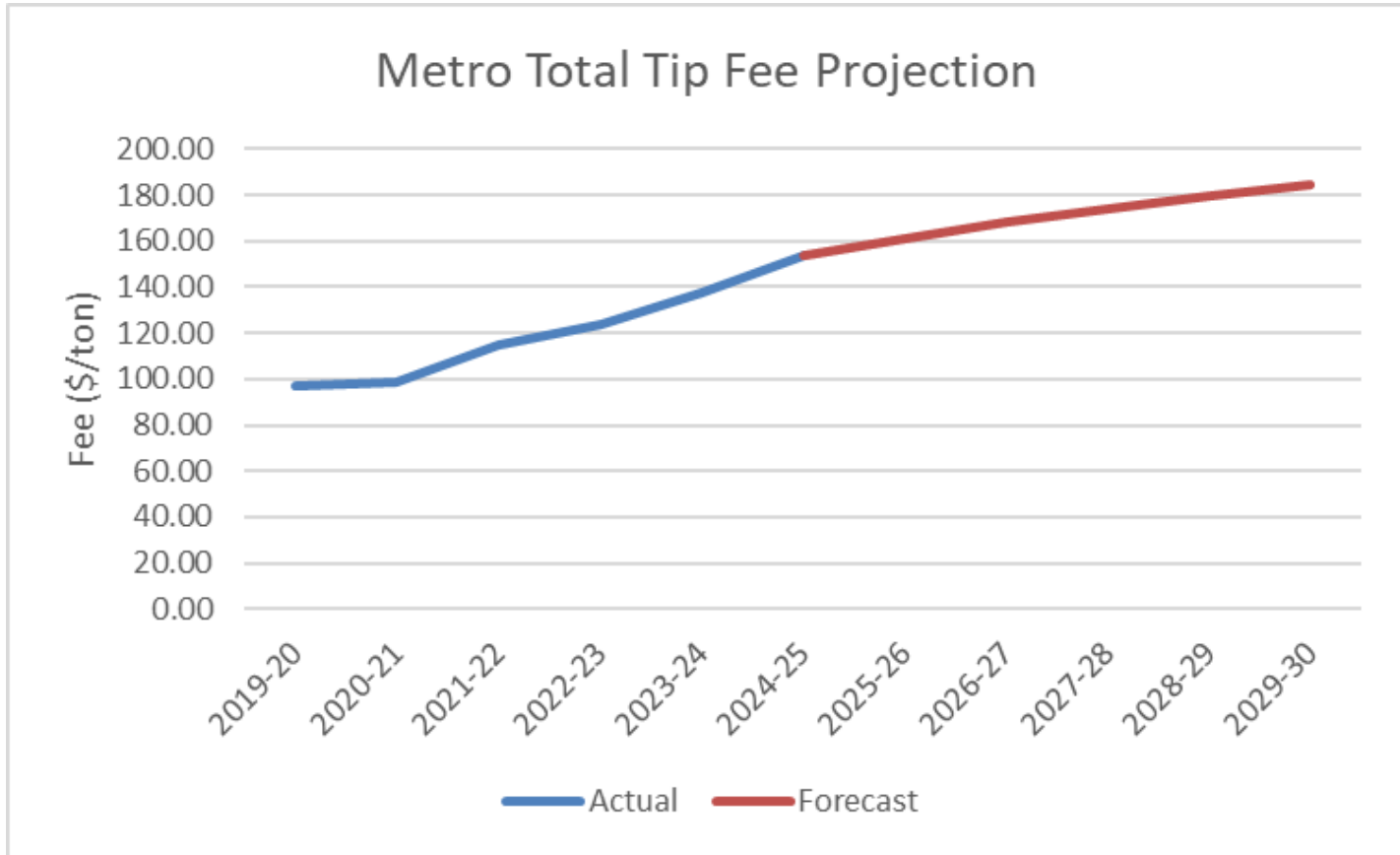
- Renegotiated since 2019:
  - Landfill
  - Metro Central Operations
  - Metro South Operations
  - Waste Transport

# Oversight and Accountability

- Elected Internal Auditor
  - 2 solid waste audits since 2021
- Tax Supervising and Conservation Commission
- Annual independent review of solid waste fees



# Future Fee Projections



# Metro Values & Solid Waste Fees

- Equity
- Health
- Environment

# Proposed Fees for FY 2024-25

	FY23-24	FY24-25	% Change
Staffed scalehouse	\$24.00	\$27.00	12.5%
Automated scalehouse	\$6.75	\$7.25	7.4%
Minimum load charge	\$40.00	\$45.00	12.5%
Mixed solid waste	\$89.72	\$104.37	16.3%
Regional system fee	\$31.41	\$31.72	1.0%
Total tip fee	\$137.30	153.67	11.9%

# Fee Impacts and Conclusions

- Fees represent full cost of service for all services except organics processing
- There is no other cross-subsidization between RSF and transfer station operations
- Cost of organics subsidy is approximately \$400,000
- Estimated residential cost increase - \$12/year

# Fee Predictability

- Utilizing the fee predictability approach would limit total tip fee increase to 9%
- Would require budget reductions in WPES of \$4.5 million
  - Reduce hours and services at Metro transfer stations
  - Reduce RSF programs and services

# Staff Recommendation

- Adopt Resolution 24-5404
- Set Metro's solid waste fees at the cost of service
- Fully fund WPES for FY 2024-25 consistent with the COO's Proposed Budget



Metro

Arts and events  
Garbage and recycling  
Land and transportation  
Oregon Zoo  
Parks and nature

**[oregonmetro.gov](http://oregonmetro.gov)**

**From:** [Wufoo](#)  
**To:** [Legislative Coordinator](#)  
**Subject:** [External sender]Submit testimony to Metro Council [#226]  
**Date:** Monday, April 29, 2024 3:54:25 PM

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Name \* Monique Bertram

Email \* [mumbertram1970@gmail.com](mailto:mumbertram1970@gmail.com)

Your testimony

I am appalled at hearing Metro is looking to increase taxes on the Oregon metro citizens. You seem to have zero awareness as to the burden that the increase in costs including taxes, as a result of a failed government in this state and nationally, has imposed on the taxpayers of this area. We are one of the highest taxed areas in the country all ready and you think we should pay more! Unbelievable. To bloat an all ready failing and mismanaged government which is Metro. Metro has not figured out how to manage the budget they have, has not provided any accountability for the taxes they have all ready imposed and want to just keep pushing more taxes so you feel like you are doing something? Folks can't afford groceries at this point or gas yet you think they should be punished for driving as well. You are a bunch of idealogues and not serious people. It's sad what Oregon has become and no wonder why people have left in droves. Everyone I know is making a plan to leave Oregon. I will be one soon enough. How awful to have leaders like you with so no common sense.

Is your testimony related to an item on an upcoming agenda? \* Yes

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Home of the Tualatin River National Wildlife Refuge

City of Sherwood  
22560 SW Pine St.  
Sherwood, OR 97140  
Tel 503-625-5522  
Fax 503-625-5524  
www.sherwoodoregon.gov

April 29, 2024

**Mayor**  
Tim Rosener

**Council President**  
Kim Young

**Councilors**  
Renee Brouse  
Taylor Giles  
Keith Mays  
Doug Scott  
Dan Standke

**City Manager Pro Tem**  
Craig Sheldon

**Assistant City Manager**  
Kristen Switzer

## **Sherwood Comments on proposed Resolution No. 24-5404 For the Purpose of Adopting Solid Waste Fees at the Metro Transfer Stations and the Regional System Fee for 2024-25**

Dear Members of the Metro Council,

I am writing to express the City of Sherwood's interest in understanding the proposed 11.95% increase in tipping fees for the upcoming rate cycle. While we recognize the need for sustainable waste management practices, we are concerned that a steep increase will significantly impact our community. This letter will provide more details about our concerns and my perspective on the Waste Fee Policy Task Force recommendations.

Cities are responsible for determining commercial and waste collection rates for their local communities. As such, they will be directly affected by any proposed fee increases Metro puts forward. Under the current rate-setting paradigm, Metro has little to no accountability to the residents of our communities for the rates they set. While Metro has made strides in increasing transparency, transparency alone is insufficient. For true collaboration to occur, impacted parties must be able to influence outcomes that benefit the community.

This is a unique regulatory environment where cities are empowered to set curbside rates, and Metro is empowered to set fees and policies that directly impact those rates. This is further complicated because Metro is a regulator and competitor in delivering services to our communities. This requires extra diligence, transparency, and stakeholder collaboration.

This document critiques the current situation, aiming for rich collaboration as we move forward. Our collective goal is to collaborate with Metro and other cities to find a solution that balances the need for sustainable waste

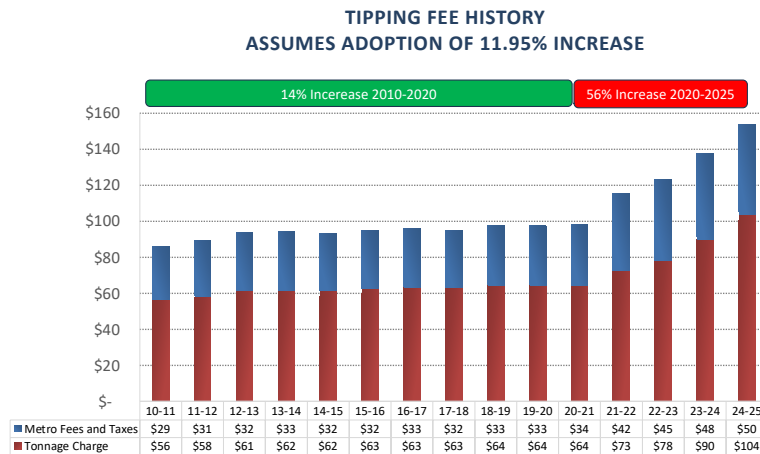
management practices with affordability and flexibility of service for our communities. With that in mind, I hope to provide some details, perspective, and recommendations on moving forward.

## Historical Fee Trends and Their Effects on the Curbside Service Rates

While we understand the complexities involved in managing regional waste management infrastructure and services, it is crucial to consider the historical context, trends, and the direct impact such increases have on the citizens of our communities, particularly regarding the rates they pay for curbside waste service. These trends should act as red flags that more work is required to understand and appropriately set rates and scope for the programs they pay for.

A significant shift in tipping fee trends that began rising in 2021 i (ii) has impacted our local communities.

- Since 2021, assuming the 11.95% increase is adopted for 2025, fees will have increased by 56%, translating to an average annual rate increase of 11.96%. If you account for Metro holding rates flat in 2020, it is still an average increase of 9.46% per annum since 2020.<sup>i</sup>
- Between 2010 and 2020, fees increased by 14% or, on average, 1.3% per annum.
- An 11.95% 2025 increase will lead to a 4.5% increase in rates for our 90-gallon bins and a 3.9% increase for our most popular 60-gallon bin in Sherwood<sup>ii</sup>.
- Since 2020, curbside rates will have increased 21%.



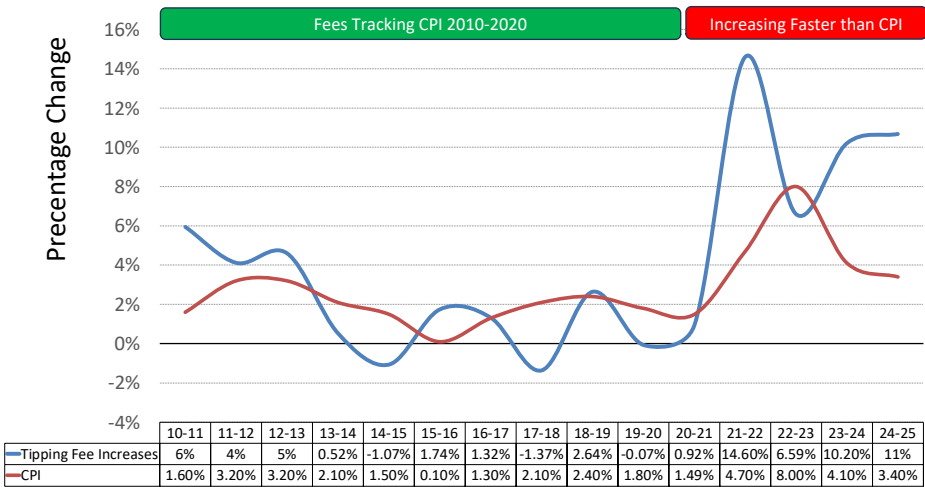
## Tipping Fees Compared to CPI Analysis

Comparing the growth of our fees to other economic indicators can help us determine if more work is required. If fees grow at a higher rate than the underlying inflation, this points to other challenges related to costs that are potentially within Metro’s control or influence.

Before 2020, tipping fees closely followed the CPI; however, since then, they have risen much faster than the CPI<sup>iii</sup>.

- Between 2010 and 2020, the average annual increase in CPI was 1.89%, effectively the same as the increase in tipping fees of 2% for the same period (**Error! Bookmark not defined.,iii**)
- The CPI increased by an average of 5% between 2020 and 2024. However, fees rose at twice that rate on average during that same period(**Error! Bookmark not defined.,iii**), even accounting for the rates being held flat in 2020.
- For 2025, CPI is tracking close to 3.4%, while Staff is proposing an 11.95% Increase, almost three times CPI.

Comparing Fee Increases to CPI 2020-2025  
(2025 Proposed)



## Ensuring a Collective Understanding of Costs, Drivers, and Options:

Extraordinary rate increases require extraordinary discussion and transparency. When the cost of delivering waste management services increases yearly, exceeding the consumer Price Index (CPI) by a factor of two, it becomes a matter of concern as is not sustainable.

Investigating cost drivers to understand the underlying reasons behind the cost increase and explore potential solutions is essential. As part of a review of fee increases, it is recommended that some best practice questions be answered. These questions should be included in a comprehensive staff report to the Metro Council, which will be made available as a public record. Here are some of the questions I recommend included in this process to create transparency, understanding, and acceptance.

### 1. Detailed Cost Breakdown:

- Can you provide a detailed breakdown of the current costs associated with Waste Management Services and the RSF-funded program, along with a year-over-year analysis?
- Which specific areas of the service have seen the highest cost increases?

### 2. Comparison with Past Data:

- How have these costs evolved over the past ten years compared to inflation and CPI?
- Are there any particular years or periods where the increase was significantly higher?

### 3. Factors Influencing Costs:

- What are the primary internal factors driving the increase in costs?
- Are external factors such as regulatory changes, market fluctuations in material costs, or contractor pricing affecting our costs? This informs vendor contract negotiations and lobbying efforts at the state and federal levels.

### 4. Operational Efficiencies:

- Have any recent changes in operational processes impacted costs?
- What efficiency measures are currently in place, and are there opportunities for further efficiencies?

5. Comparison with Other Regions:
  - How do our costs compare with similar services in other regions?
  - Are there best practices from these locations that we could consider implementing?
6. Budget Alignment and Financial Planning:
  - How well are the current expenditures aligning with our budgeted projections?
  - What financial strategies are in place to manage these escalating costs?
7. Contract and Vendor Assessments:
  - When was the last time we reviewed and renegotiated contracts with service providers?
  - Do vendor contracts have caps on year-over-year cost increases?
  - Are there more cost-effective alternatives or vendors that we should consider?
  - What aspects of our contract management strategy is to keep our vendor pricing competitive?
8. Community Impact and Feedback:
  - How has the community responded to waste management services and associated cost changes?
  - How are we communicating cost-related issues and increases to the public?
  - Does the public understand the relationship between the proposed rate increases and the value they get for those increases?
9. Future Projections and Strategic Planning:
  - What are the projected costs for the next 5 to 10 years based on current trends?
  - What strategic measures can we implement to manage or mitigate these projections?

These questions aim to uncover the complexities behind the cost increases and should help guide strategic decisions to control or reduce future expenses while maintaining effective waste management services.

Substantial rate increases require proactive communication, collaboration, and oversight.

## Regional Context

Many cities and local governments face financial shortfalls, forcing them to make difficult decisions such as reducing staff and services and delaying crucial projects. These challenges are structural. These challenges are driven by costs increasing at a faster rate than revenues. Unlike Metro, cities and counties can only increase revenue sources to meet their Cost of Services with voter approval, as Measure 5 and 50 capped allowed increases in property taxes to only 3%. For cities to increase property taxes, they need to receive approval from the voters. In the case of Sherwood, a residential fee increase of over 2% requires referral to the voters. These structural issues require cities to closely monitor costs as we strive to balance the need for critical services and the costs imposed on our constituents.

We must consider the broader context and lens of our constituents. Our community members have already faced high inflation rates for essential items such as food, housing, electricity, water, etc. In addition, numerous taxing districts and utilities are implementing and proposing significant increases in levy rates to tackle these structural issues.

- Essential food inflation has doubled in recent years.<sup>iv</sup>
- TVFR is renewing its Levy and proposing a 53% increase in the levy rate or \$17.54 per month for the average home in their service district<sup>(v vi)</sup>.
- PGE recently increased their rates by 17% in January of 2024 and filed for another 7.1% increase in the fall of 2025<sup>(vii viii)</sup>. These increases amount to \$34.91 for the average ratepayer.
- Northwest Natural Gas is proposing an 18% rate increase, which would result in the average customer paying \$14 more monthly<sup>(ix)</sup>.
- TVWD district increased rates in 2023 and again in the fall for a total increase of \$70 to \$100 per month per customer<sup>(x)</sup>.

The rate increases above result in a \$166.46 monthly increase in household expenses or \$1,997.48 yearly. This equals 3.5% of the median income for a household of four in the metro region, which is \$56,400<sup>xi</sup>.

When considering this broader context, we must consider the cumulative impacts of these rate increases in their full context and do our part to ensure we are not creating additional burdens on our communities.

The proposed tipping fee increases may seem insignificant, but we must consider their long-term cumulative impact. Over the last four years, the tipping fees have been increasing at an annual average rate of 11%, from \$98.21 to \$153.57, or 56%. If this trend persists for the next five years, the rate will be \$258.00, a 263% increase over nine years.

Waste Fee Policy is an integral part of this due diligence process and controlling costs for the long term.

## **The Waste Fee Policy Task Force Cost of Service Recommendation**

The Waste Fee Policy Task Force (WFPTF) recommended implementing the Cost-of-Service Model to ensure revenue streams align with service costs. However, this model can only be effective if all the recommendations provided by WFPTF are implemented. This includes comprehensive expense management and evaluating program costs in light of their impact on ratepayers. Simply put, the COS model will fail if you only look at the revenue required to cover your costs without a transparent process to understand how proposed and current programs impact costs that are driving rates. We have effectively used the COS model for the last four years and have seen costs increase faster than inflation. Our shared objective should be to balance operational needs and the financial realities experienced by our communities.

In retrospect, it was an oversight to not thoroughly analyze the current and historical cost drivers related to tipping fees as part of the WFPTF effort. These costs are increasing at an unsustainable rate, and a thorough examination of the underlying factors should have been included in the WFPTF work to inform rate-setting policy better. Vendor contracts, new service proposals, and enhancements to current programs all impact costs. Adapting policy to ensure balanced cost control and transparent communication with local leaders and their communities is critical to a cost-of-service (COS) model.

## **COS Model Best Practices**

COS models are not just a financial treatment but a set of principles, processes, partner collaboration, and transparency values that are part of the rate-setting process. They should encourage an outcome-focused, generative, cost-conscious culture. It would be helpful to outline the best practices for a COS model to spark conversation about how it should operate. Here are some key elements that a transparent COS program should include:

1. Cost Identification and Categorization broken down by service offering:
  - **Fixed Costs:** Expenses that remain constant regardless of the level of production.
  - **Variable Costs:** Expenses that vary directly with service or production levels.
  - **Capital Costs:** Expenses related to assets, including acquisition and maintenance.
  - **Indirect Costs:** Overhead and administrative expenses not directly tied to service delivery.
  
2. Revenue Requirements:
  - **Operating Expenses:** All costs for daily operations.
  - **Debt Service:** Payments for interest and principal on borrowed money.
  - **Return on Investment:** Adequate returns to justify investments in technology as well as results based KPI's
  - **Cash Reserves and Contingencies:** Funds for emergencies or future needs.
  - **Subsidy impacts:** Transparency and Impact on revenue and expenses for subsidies offered for services
  - **RSF Program and Services:** Impact on revenue and expenses for RSF programs.
  
3. Understanding Impact:
  - **Dynamic Modeling:** Develop models that dynamically reflect how changes in fixed and variable costs affect overall revenue requirements. This can help understand the sensitivity of revenue needs and the impact on ratepayers to operational efficiency or cost structure changes.
  - **Scenario Analysis:** Regularly conduct scenario analyses to anticipate how shifts in market conditions, regulatory changes, or operational adjustments affect costs and, consequently, revenue requirements.
  - **Five-year forecasting:** Understanding Impact on revenue requirements over time.
  
4. Rate Design:
  - **Equity:** Fair distribution of costs among user groups.
  - **Simplicity:** Easy-to-understand and administer pricing.



- **Stability:** Predictable pricing for better planning.
  - **Incentives:** Encouragement of desirable behaviors, such as resource conservation.
5. Regulatory and Legal Compliance:
- **Stakeholder collaboration:** Cities and Private hauler stakeholder engagement
  - **Public Hearings and Approvals:** Engagement with stakeholders and regulatory approvals.
  - **Legal Reviews:** Alignment with legal mandates and agreements.
6. Transparency and Communication:
- **Clear Communication:** Transparently communicate how rates are determined and funds are utilized to foster trust and acceptance.
  - **Feedback Mechanisms:** Implement channels for user feedback to continuously improve understanding and address concerns about the cost structure and its impact on pricing.
  - **Tell the whole story:** When proposing new programs and services, communicate the goal and costs in a way that an individual community member understands the cost, impact on consumer rates, and benefits of the program when providing feedback.
7. Customer Impact and Acceptability:
- Evaluate the economic and service quality impacts on customers and consider measures to mitigate adverse effects, especially for vulnerable groups.
8. Monitoring and Adjustment:
- Establish ongoing monitoring to adjust rates based on operational changes, economic conditions, or usage patterns.

## **Recommendations to the Metro Council:**

Given these factors, I strongly urge the Metro Council to reconsider the proposed increase. Instead, they should aim for a more moderate adjustment that aligns with the broader economic considerations of our constituents. This will ensure that the principles outlined in the WFPTF are adhered to. A lower and more measured rate increase would help mitigate the impact on our residents. It would also ensure that our shared sustainable waste management and community service objectives are met long-term.

I have three specific recommendations that I would like the metro council to consider.

1. Limit the 2024-2025 increase to 8%, as the metro council committed to last year, and give Metro and its stakeholders the time required to implement all the recommendations from the WFPTF as refined by a second look (see recommendation two).
2. Reconvene the WFPTF committee to review its policy recommendations and understand the current and historical financials that drive Metro costs. Make recommendations and provide oversight as the Metro implements the new rate-setting policies.
3. Per the WFPTF's initial recommendations, establish a rate-setting committee model like those in other programs like MISTP and WWCLS, where all cities and counties have representation on the committee and oversight authority over the rate-setting policy.

Thank you for your attention to this matter. We are committed to working collaboratively to find solutions that respect the needs of all parties involved and uphold our mutual commitment to the community's well-being.

A handwritten signature in black ink, appearing to read 'Tim Rosener', with a stylized flourish at the end.

Tim Rosener

Mayor City of Sherwood, Oregon

i Metro Rate History 1979 through 2023:

History of Metro Disposal Charges

Fiscal Year	Effective Date	Transaction Fee		Tip Fee			Total Metro Tip Fee
		Automated	Scalehouse	Tonnage Charge	Regional System Fee	Excise Tax	
1979-80				9.73			\$9.73
1980-81				9.73			\$9.73
1981-82				10.41			\$10.41
1982-83				13.48			\$13.48
1983-84				14.97			\$14.97
1984-85				15.73			\$15.73
1985-86				17.38			\$17.38
1986-87				17.38	0.00		\$17.38
1987-88				16.50	3.20		\$19.70
1988-89				41.50	4.25		\$45.75
1989-90				40.50	4.25		\$44.75
1990-91	7/1/1990			47.00	7.00	1.50	\$55.50
1991-92	7/1/1991			53.75	13.00	1.25	\$68.00
1992-93	7/1/1992			54.25	19.00	1.75	\$75.00
1993-94				54.25	19.00	1.75	\$75.00
1994-95				55.95	17.50	1.55	\$75.00
1995-96				55.95	17.50	1.55	\$75.00
1996-97				55.95	17.50	1.55	\$75.00
1997-98	7/1/1997			53.33	15.00	1.67	\$70.00
1998-99	6/1/1998	\$5.00		46.76	14.00	1.74	\$62.50
1999-00		\$5.00		46.76	14.00	1.74	\$62.50
1999-00	2/1/2000	\$5.00		47.86	12.90	1.74	\$62.50
2000-01		\$5.00		47.86	12.90	1.74	\$62.50
	12/1/2000	\$5.00		38.86	12.90	1.74	\$53.50
2001-02	7/1/2001	\$5.00		42.82	12.90	5.04	\$62.50
2002-03	7/1/2002	\$6.00		43.10	15.00	6.39	\$66.25
2003-04	7/1/2003	\$6.00		42.55	16.57	6.32	\$67.18
2004-05	7/1/2004	\$6.00		42.55	16.57	6.61	\$67.47
2004-05	9/1/2004	\$7.50		45.55	15.09	8.58	\$70.96
2005-06	9/1/2005	\$7.50		46.80	14.54	8.33	\$71.41
2006-07 <sup>1</sup>	9/1/2006	\$3.00	\$8.50	46.20	13.57	8.35	\$69.86
2007-08	9/1/2007	\$3.00	\$8.50	47.09	14.08	8.23	\$71.14
2008-09	9/1/2008	\$3.00	\$8.50	49.00	16.04	8.97	\$75.75
2009-10	8/6/2009	\$3.00	\$10.00	51.65	17.53	9.83	\$80.75
2010-11	8/1/2010	\$3.00	\$11.00	56.45	16.72	10.94	\$85.85
2011-12	8/1/2011	\$3.00	\$12.00	58.35	17.64	11.80	\$89.53
2012-13	8/1/2012	\$3.00	\$12.00	61.35	18.56	12.19	\$93.94
2013-14	9/1/2013	\$3.00	\$12.00	61.74	18.56	12.29	\$94.33
2014-15	7/1/2014	\$3.00	\$12.00	61.62	18.21	11.76	\$93.33
2015-16 <sup>2</sup>	7/1/2015	\$3.00	\$12.00	62.87	18.39	11.48	\$94.98
2016-17 <sup>3</sup>	7/1/2016	\$2.00	\$10.00	63.19	18.48	11.76	\$96.25
2017-18	7/1/2017	\$2.00	\$10.00	63.20	18.12	10.81	\$94.95
2018-19 <sup>3</sup>	7/1/2018	\$2.00	\$10.00	64.41	17.81	12.41	\$97.52
2019-20	7/1/2019	\$2.00	\$10.00	64.41	18.58	11.57	\$97.45
2020-21	7/1/2020	\$2.00	\$10.00	64.41	18.58	12.47	\$98.35

<sup>1</sup> On September 1, 2006 Metro implemented a split transaction fee.  
<sup>2</sup> On July 1, 2015 Enhancement Fee (collected on behalf of host communities) increased to \$1.00  
<sup>3</sup> On July 1, 2016 Oregon DEQ fees increased to \$1.82, and to \$1.89 on April 1, 2019

ii Sherwood Curbside Rate Impact Analysis:

Date	July 2020	July 2021	July 2022	July 2023	July 2024		
Provider	Metro	Metro	Metro	Metro	Metro		
Transfer, Transport, and Disposal	\$ 64.41	\$ 72.81	\$ 78.17	\$ 89.72	\$ 103.82		
Metro Fees and Taxes	\$ 33.94	\$ 42.34	\$ 45.12	\$ 47.58	\$ 49.89		
<b>Total Disposal Fee</b>	\$ 98.35	\$ 115.15	\$ 123.29	\$ 137.30	\$ 153.71		
		17.08%	7.07%	11.36%	11.95%		
<b>Tip Fee Increase</b>	<b>\$ 16.41</b>						
Service Level	Set Out Weight	Monthly Weight	Tip Fee Increase	Monthly Disposal \$	Increase with Margin & FF	Current Rate	% Increase
One 20 gallon cart	13	56	\$ 16.41	\$ 0.46	\$ 0.54	\$ 29.92	1.80%
One 35 gallon cart	22	95	\$ 16.41	\$ 0.78	\$ 0.92	\$ 32.99	2.79%
One 60 gallon cart	40	173	\$ 16.41	\$ 1.42	\$ 1.67	\$ 43.29	3.86%
One 90 gallon cart	58	251	\$ 16.41	\$ 2.06	\$ 2.42	\$ 53.73	4.50%
2 yard weekly container	220	953	\$ 16.41	\$ 7.82	\$ 9.20	\$ 211.52	4.35%
4 yard weekly container	440	1,905	\$ 16.41	\$ 15.63	\$ 18.39	\$ 358.83	5.15%
6 yard weekly container	660	2,858	\$ 16.41	\$ 23.45	\$ 27.59	\$ 501.84	5.50%

iii CPI History: <https://www.minneapolisfed.org/about-us/monetary-policy/inflation-calculator/consumer-price-index-1913->

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<sup>iv</sup>US Inflation Calculator: [https://www.usinflationcalculator.com/inflation/food-inflation-in-the-united-states/#:~:text=10%2C%202024%2C%20by%20the%20U.S.,the%20highest%20since%20May%201979.&text=Food%20is%20a%20major%20component,Consumer%20Price%20Index%20\(CPI\)](https://www.usinflationcalculator.com/inflation/food-inflation-in-the-united-states/#:~:text=10%2C%202024%2C%20by%20the%20U.S.,the%20highest%20since%20May%201979.&text=Food%20is%20a%20major%20component,Consumer%20Price%20Index%20(CPI))

<sup>v</sup> TVFR Proposed 2024 Levy: <https://www.tvfr.com/101/Local-Option-Levy>

<sup>vi</sup> TVFR Rate Increase Detail: [https://www.beavertonvalleytimes.com/news/tvfr-officials-explain-new-local-option-levy-on-ballot-this-may/article\\_b3ae24e7-444c-59ac-9e9d-e0edeb98fbce.html](https://www.beavertonvalleytimes.com/news/tvfr-officials-explain-new-local-option-levy-on-ballot-this-may/article_b3ae24e7-444c-59ac-9e9d-e0edeb98fbce.html)

<sup>p</sup>PGE 2024 Rate Increases: <https://portlandgeneral.com/news/2023-10-30-customer-price-changes-to-take-effect-january-2024>

<sup>viii</sup> PGE 2025 Rate Increase: <https://www.opb.org/article/2024/02/29/portland-electric-proposes-2025-rate-hike-as-many-still-reel-from-january-bump/>

<sup>ix</sup> Northwest Natural Gas Increases: <https://www.koin.com/news/oregon/nw-natural-gas-rate-increase-proposal-customer-utility-bill/>

<sup>x</sup> TVWD Rate Increases: [https://www.hillsboronewstimes.com/news/local/tualatin-valley-water-district-to-ask-for-extra-30-per-month-by-2025-in-proposed/article\\_5a977640-38a2-11ee-8ae0-e7a12a223bad.html](https://www.hillsboronewstimes.com/news/local/tualatin-valley-water-district-to-ask-for-extra-30-per-month-by-2025-in-proposed/article_5a977640-38a2-11ee-8ae0-e7a12a223bad.html)

<sup>xi</sup> Metro Median Income: <https://www.oregonmetro.gov/public-projects/affordable-housing-bond-program>



April 29, 2024

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**Sherwood Comments on proposed Resolution No. 24-5404 For the Purpose of Adopting Solid Waste Fees at the Metro Transfer Stations and the Regional System Fee for 2024-25**

**Mayor**  
Tim Rosener

**Council President**  
Kim Young

**Councilors**  
Renee Brouse  
Taylor Giles  
Keith Mays  
Doug Scott  
Dan Standke

**City Manager Pro Tem**  
Craig Sheldon

**Assistant City Manager**  
Kristen Switzer

Dear Members of the Metro Council,

I am writing to express my concern about the proposed increase of 11.95% in tipping fees for the fiscal year 2024-25. This letter complements and expands on the previous one, in which I made three recommendations for moving forward, but it does not change them.

According to the 2024-25 proposed budget on the Metro website, total expenditures for WPES are projected to be down by 6.09% next year. This is in contrast to presentations we have received in which we have been told expenditures are increasing. Please refer to the Solid Waste Fund Detail attached to this document.<sup>1</sup>

The task force recommending rate policy has suggested using a cost-of-service (COS) model. However, for this model to work effectively, the inputs provided must be accurate and reflect the actual costs incurred. Adequate cost control measures should also be implemented, and there should be an overall culture of cost control and management. In other words, if inaccurate data is used or costs are not managed, the results will be unreliable.

The proposed budget for the years 2024-25 indicates a decrease in costs, while staff presentations suggest an increase. It needs to be made clear which one is accurate and transparently supported by the underlying data.

Based on a review of budget proposal documents on the Metro website, it appears that the COS input to the rate-setting model was based on cost data from both the 2023-24 budget **and** the 2024-25 proposed budget. Inputs for setting rates in a COS framework for the 2024-25 fiscal year should only come from the projections (Budget Proposal) for the same fiscal year.

Additionally, the WPES budget proposal shows an increase of over 9 FTE, seven of which are being transferred from the central services communications department into the WPES budget. Based on the 2023-24 budget, this moves roughly 1.4 million in expenses to the WPES budget; there should also be an offsetting adjustment because the WPES fund is no longer being charged by central services for communications specialist support in the proposed budget. With that in mind, the WPES budget shows a 22% increase for a total of 20 million in inter-fund transfers back to central services for overhead support. This gives the perception that WPES is subsidizing central services at a rate that is not commensurate with the services that they receive.

Before voting to approve resolution 24-5404, I asked the Metro Council to clarify the inputs to the COS model and how they are reconciled with the 2024-25 budget proposal for the WPES and to clarify that the cost allocation models fairly allocate costs across funds for central support.

I have heard from multiple people that we must move quickly because our municipalities need time to set rates. Metro can delay the implementation of a rate increase by several months to give us the time to work through this and then allow cities to set rates.

I cannot speak on behalf of all cities, but I am willing to grant Metro ample time to ensure that the proposed rates and inputs into the COS model are accurate and reasonable before you vote on them. Even if it means we must act quickly once we have the relevant data to set the rates, it's worth it. As I have emphasized, these proposed rate changes will directly impact our communities' residents.

A handwritten signature in black ink, appearing to read 'Tim Rosener', with a long horizontal line extending to the right.

Tim Rosener  
Mayor, City of Sherwood

<sup>i</sup> Solid Waste Revenue Fund detail taken from the 2024-25 proposed budget on the Metro Website

**Solid Waste Revenue Fund**

	Audited FY 2021-22	Audited FY 2022-23	Amended FY 2023-24	Proposed FY 2024-25	Approved FY 2024-25	Adopted FY 2024-25	% Change from Amended FY 2023-24
<b>RESOURCES</b>							
Beginning Fund Balance	\$36,645,186	\$39,008,325	\$44,005,131	\$34,884,593	\$-	\$-	(20.73%)
<b>Current Revenues</b>							
Interest Earnings	323,111	1,108,024	838,020	774,092	-	-	(7.63%)
Grants	14,000	6,587,581	2,500,000	392,000	-	-	(84.32%)
Charges for Services	96,448,911	105,130,487	114,681,215	125,642,793	-	-	9.56%
Miscellaneous Revenue	165,582	148,745	10,127,000	482,000	-	-	(95.24%)
Other Financing Sources	4,451	19,200	-	-	-	-	-
<b>Subtotal Current Revenues</b>	<b>96,956,056</b>	<b>112,994,037</b>	<b>128,146,235</b>	<b>127,290,885</b>	-	-	<b>(0.67%)</b>
<b>Interfund Transfers</b>							
Internal Service Transfers	20,764	50,000	50,000	50,000	-	-	-
Interfund Loans	422,086	438,590	524,116	-	-	-	(100.00%)
Fund Equity Transfers	113,089	-	-	-	-	-	-
<b>Subtotal Interfund Transfers</b>	<b>555,939</b>	<b>488,590</b>	<b>574,116</b>	<b>50,000</b>	-	-	<b>(91.29%)</b>
<b>TOTAL RESOURCES</b>	<b>\$134,157,181</b>	<b>\$152,490,952</b>	<b>\$172,725,482</b>	<b>\$162,225,478</b>	<b>\$-</b>	<b>\$-</b>	<b>(6.08%)</b>
<b>REQUIREMENTS</b>							
<b>Current Expenditures</b>							
Personnel Services	\$21,793,507	\$24,119,601	\$28,108,313	\$32,477,361	\$	\$	15.54%
Materials and Services	62,342,622	72,386,498	79,660,441	78,711,214	-	-	(1.19%)
Debt Service	-	-	1,350,000	-	-	-	-
Capital Outlay	1,785,410	2,359,098	14,145,000	3,200,000	-	-	(77.38%)
<b>Subtotal Current Expenditures</b>	<b>85,921,540</b>	<b>98,865,198</b>	<b>123,263,754</b>	<b>114,388,575</b>	-	-	<b>(7.20%)</b>
<b>Interfund Transfers</b>							
Internal Service Transfers	962,731	-	482,153	365,100	-	-	(24.28%)
Interfund Reimbursements	8,064,585	10,675,126	16,519,079	20,296,890	-	-	22.87%
Fund Equity Transfers	200,000	200,000	-	-	-	-	-
<b>Subtotal Interfund Transfers</b>	<b>9,227,316</b>	<b>10,875,126</b>	<b>17,001,232</b>	<b>20,661,990</b>	-	-	<b>21.53%</b>
Contingency	-	-	15,206,150	15,758,837	-	-	3.63%
Unappropriated Fund Balance	39,008,325	42,750,628	17,254,346	11,416,076	-	-	(33.84%)
<b>Subtotal Contingency/Ending Balance</b>	<b>39,008,325</b>	<b>42,750,628</b>	<b>32,460,496</b>	<b>27,174,913</b>	-	-	<b>(16.28%)</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$134,157,181</b>	<b>\$152,490,952</b>	<b>\$172,725,482</b>	<b>\$162,225,478</b>	<b>\$-</b>	<b>\$-</b>	<b>(6.08%)</b>
<b>FULL-TIME EQUIVALENTS</b>	<b>192.80</b>	<b>195.25</b>	<b>191.90</b>	<b>201.30</b>	-	-	<b>4.90%</b>
<b>FTE CHANGE FROM FY 2023-24 AMENDED BUDGET</b>							<b>9.40</b>

<sup>i</sup>Due to rounding, numbers presented in the above schedule may not add up precisely to the totals provided.