



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

Council meeting agenda

Thursday, May 15, 2025

10:30 AM

Metro Regional Center, Council chamber,
<https://zoom.us/j/615079992> (Webinar ID:
615079992) or 253-205-0468 (toll free),
www.youtube.com/live/_Hm9DaWsPZ0

This Council meeting will adjourn into a work session.

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). Stream on YouTube:

https://www.youtube.com/live/_Hm9DaWsPZ0

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. Written comments received by 4:00 p.m. the day before the meeting will be provided to the council prior to 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. 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 using the "Raise Hand" feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Consent Agenda

- 3.1 Resolution No. 25-5497 For the Purpose of Confirming the Reappointment of Members to the Metro Committee on Racial Equity (CORE)

[RES 25-5497](#)

Attachments: [Resolution No. 25-5497](#)
[Exhibit A to Resolution No. 25-5497](#)
[Staff Report](#)

4. Resolutions

- 4.1 Resolution No. 25-5488 For the Purpose of Adopting

[RES 25-5488](#)

Regional System Fee for FY 2025-26

Presenter(s):

Patrick Dennis, WPES Finance Manager

Cinnamon Williams, Financial Planning Director

Attachments: [Resolution No. 25-5488](#)

[Staff Report](#)

[Attachment 1 - Annual Credit and Exemptions Report for FY2024-24](#)

[Attachment 2 - Fee Setting Criteria](#)

[Attachment 3 - Independent Review Letter](#)

4.2 Resolution No. 25-5489 For the Purpose of Adopting Solid Waste Fees at the Metro Transfer Stations and Metro's Community Enhancement Fee for FY 2025-26 [RES 25-5489](#)

Presenter(s): Cinnamon Williams, Financial Planning Director
Patrick Dennis, WPES Finance Manager

Attachments: [Resolution No. 25-5489](#)

[Exhibit A to Resolution No. 25-5489](#)

[Staff Report](#)

[Attachment 1 - Annual Credit and Exemptions Report for FY2023-24](#)

[Attachment 2 - Fee Setting Criteria](#)

[Attachment 3 - Independent Review Letter](#)

5. **Adjourn to work session**

Metro respects civil rights

Metro fully complies with Title VI of the Civil Rights Act of 1964, Title II of the Americans with Disabilities Act, Section 504 of the Rehabilitation Act and other statutes that ban discrimination. If any person believes they have been discriminated against regarding the receipt of benefits or services because of race, color, national origin, sex, age or disability, they have the right to file a complaint with Metro. For information on Metro's civil rights program, or to obtain a discrimination complaint form, visit oregonmetro.gov/civilrights or call 503-797-1890. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1890 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 5 business days before the meeting. All Metro meetings are wheelchair accessible. Individuals with service animals are welcome at Metro facilities, even where pets are generally prohibited. For up-to-date public transportation information, visit TriMet's website at trimet.org

Thông báo về sự Metro không kỳ thị của

Metro tôn trọng dân quyền. Muốn biết thêm thông tin về chương trình dân quyền của Metro, hoặc muốn lấy đơn khiếu nại về sự kỳ thị, xin xem trong www.oregonmetro.gov/civilrights. Nếu quý vị cần thông dịch viên ra dấu bằng tay, trợ giúp về tiếp xúc hay ngôn ngữ, xin gọi số 503-797-1700 (từ 8 giờ sáng đến 5 giờ chiều vào những ngày thường) trước buổi họp 5 ngày làm việc.

Повідомлення Metro про заборону дискримінації

Metro з повагою ставиться до громадянських прав. Для отримання інформації про програму Metro із захисту громадянських прав або форми скарги про дискримінацію відвідайте сайт www.oregonmetro.gov/civilrights. або Якщощо вам потрібен перекладач на зборах, для задоволення вашого запиту зателефонуйте за номером 503-797-1700 з 8.00 до 17.00 у робочі дні за п'ять робочих днів до зборів.

Metro 的不歧視公告

尊重民權。欲瞭解Metro民權計畫的詳情，或獲取歧視投訴表，請瀏覽網站 www.oregonmetro.gov/civilrights。如果您需要口譯方可參加公共會議，請在會議召開前5個營業日撥打503-797-1700（工作日上午8點至下午5點），以便我們滿足您的要求。

Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo www.oregonmetro.gov/civilrights. Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullan dadweyne, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqa ka hor kullanka si loo tixgaliyo codsashadaada.

Metro의 차별 금지 관련 통지서

Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 www.oregonmetro.gov/civilrights. 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1700를 호출합니다.

Metro의差別禁止通知

Metroでは公民権を尊重しています。Metroの公民権プログラムに関する情報について、または差別苦情フォームを入手するには、www.oregonmetro.gov/civilrights。までお電話ください。公開会議で言語通訳を必要とされる方は、Metroがご要望に対応できるよう、公開会議の5営業日前までに503-797-1700（平日午前8時～午後5時）までお電話ください。

សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានការប្រឹក្សាស្តីពីការរើសអើងសូមទូរស័ព្ទទៅលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃច័ន្ទ) ។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃច័ន្ទ) ។ ប្រសិនបើលោកអ្នកមានសំណើសុំប្រើប្រាស់ភាសាខ្មែរ ឬភាសាដទៃទៀត ក្នុងអំឡុងពេលប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃច័ន្ទ) ។

إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإيداع شكوى ضد التمييز، يُرجى زيارة الموقع الإلكتروني www.oregonmetro.gov/civilrights. إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1700 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang www.oregonmetro.gov/civilrights. Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan.

Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a www.oregonmetro.gov/civilrights. Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте www.oregonmetro.gov/civilrights. Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1700 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

Avizul Metro privind nediscriminare

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați www.oregonmetro.gov/civilrights. Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntxuj weekdays) 5 hnuv ua hauj lwv ua ntej ntawm lub rooj sib tham.



Metro

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

Agenda #: 3.1

File #: RES 25-5497

Agenda Date:5/15/2025

Resolution No. 25-5497 For the Purpose of Confirming the Reappointment of Members to the Metro Committee on Racial Equity (CORE)

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE) RESOLUTION NO. 25-5497
RE-APPOINTMENT OF MEMBERS TO THE)
METRO COMMITTEE ON RACIAL EQUITY) Introduced by Council President Lynn
(CORE) Peterson

WHEREAS, in compliance with Metro’s Strategic Plan to Advance Racial Equity, Diversity and Inclusion (“Strategic Plan”) the Metro Council created the Committee on Racial Equity (“CORE”), approved its charter and confirmed the appointment of its two founding co-chairs on March 16, 2017; and

WHEREAS, CORE is a Metro Advisory Committee under Metro Code Chapter 2.19.270; and

WHEREAS, by a fair and open process, Metro has recruited applicants for CORE and the Metro Council President has appointed selected applicants consisting of individuals from the public who have a commitment to advancing racial equity and the skills, knowledge and lived experience to assist Metro Council and staff on the implementation and evaluation of the Strategic Plan; and

WHEREAS, Metro Code Chapter 2.19.030 requires that the Metro Council confirm re-appointments and new appointments made by the Council President to Metro’s Advisory Committees.

BE IT RESOLVED that the Metro Council confirms the re-appointments of Abe Vega, Joseph Sullivan, Saerom Yoo and Jeremy Thomas as set forth in Exhibit A attached hereto for the Committee positions and terms set forth therein.

ADOPTED by the Metro Council this 15th day of May, 2025.

Lynn Peterson, Council President

Approved as to Form:

Carrie MacLaren, Metro Attorney

Exhibit A to Resolution No. 25-5497, For the Purpose of Confirming the Re-Appointment of Members to the Metro Committee on Racial Equity (CORE)

Re-Appointments to Metro’s Committee on Racial Equity

May 15, 2025

Table 1. Individuals recommended for re-appointment to Metro’s Committee on Racial Equity.

Name	County	End of term
Abe Vega	Multnomah	May 2026
Joseph Sullivan	Clackamas	May 2026
Jeremy Thomas	Multnomah	May 2027
Saerom Yoo	Multnomah	May 2027

IN CONSIDERATION OF RESOLUTION NO. 25-5497 FOR THE PURPOSE OF
CONFIRMING THE RE-APPOINTMENT OF MEMBERS TO THE METRO COMMITTEE ON
RACIAL EQUITY (CORE)

Date: Monday, April 28, 2025

Meeting Date: May 15, 2025

Department: Diversity, Equity, and
Inclusion

Prepared by: CeCe Ridder
(cece.ridder@oregonmetro.gov)

ISSUE STATEMENT

Resolution No. 25-5497 requests Metro Council confirm the re-appointment of four current members to Metro's Committee on Racial Equity (CORE). The re-appointments contribute to a fully seated committee and its ability to fulfill its advisory role to Metro Council and staff.

ACTION REQUESTED

The Metro Council re-appoints four current members to Metro's Committee on Racial Equity for one-year or two-year terms, according to the committee member's preference.

IDENTIFIED POLICY OUTCOMES

This action supports CORE in its ongoing advisory role to Metro Council and staff on the implementation of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion by retaining institutional knowledge and capacity developed during committee members' first term. The re-appointment of the four committee members supports CORE's representation of individuals from the public who have commitment to advancing racial equity and the skills, knowledge and lived experience to assist Metro Council and staff on the implementation and evaluation of the Strategic Plan.

STAFF RECOMMENDATIONS

Staff recommends that the Metro Council re-appoint Abe Vega, Joe Sullivan, Jeremy Thomas and Saerom Yoo to Metro's Committee on Racial Equity as outlined in Exhibit A.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The Committee on Racial Equity (CORE) is a committee that was created and chartered by the Metro Council in 2017 to advise the Council and staff in advancing racial equity to fulfill the purpose of good government, which is to serve all people effectively and create greater opportunities for people of color to thrive in the region. Further, CORE was added to Metro Code as a permanent advisory committee in 2020. CORE's purpose is to:

- Advise Metro Council on the implementation of the [Strategic Plan to Advance Racial, Equity, Diversity, and Inclusion](#) and other racial equity strategies and initiatives,
- Provide the opportunity to meaningfully engage powerful community advocates,
- Maintain relationships and building trust with communities of color,
- Provide a concrete mechanism for keeping Metro accountable to its racial equity goals, and
- Play a critical advisory role in fulfilling the agency's commitments to Black, Indigenous and people of color communities.

BACKGROUND

In January 2023, DEI staff conducted a fair and open process, including extended outreach, to recruit community members across the region, and a month later, received twenty applications. Both CORE co-chairs and four Metro staff reviewed and evaluated the applications received using the criteria in the CORE bylaws and charter.

At the conclusion of committee members' first term, they have the option of being reappointed for an additional 1 or 2 year term. Exhibit A outlines the reappointment terms for each of the four committee members.

ATTACHMENTS

None



Metro

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

Agenda #: 4.1

File #: RES 25-5488

Agenda Date: 5/15/2025

Resolution No. 25-5488 For the Purpose of Adopting Regional System Fee for FY 2025-26

Patrick Dennis, WPES Finance Manager
Cinnamon Williams, Financial Planning Director

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE REGIONAL SYSTEM FEE FOR FY 2025-26) RESOLUTION NO. 25-5488) Introduced by Chief Operating Officer Marissa) Madrigal with the concurrence of Council) President Lynn Peterson

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

WHEREAS, any person who transports solid waste generated from inside the Metro jurisdictional boundary must pay the regional system fee to Metro at the time the waste is disposed; and

WHEREAS, the regional system fee funds regional waste reduction programs and services; and

WHEREAS, the regional system fee is distinct from Metro’s solid waste tonnage fees, which are governed by Metro Code Chapter 5.03, and which recover the costs of operating and managing Metro’s two solid waste transfer stations, Metro South and Metro Central; and

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

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

THE METRO COUNCIL RESOLVES AS FOLLOWS:

In accordance with Metro Code Chapter 5.02, Metro will assess the following regional system fees on solid waste, effective July 1, 2025:

Regional System Fees by waste class

- (1) Cleanup material\$ 2.50
(2) All other solid wastes\$32.60

ADOPTED by the Metro Council this 15th day of May 2025.

Lynn Peterson, Council President

APPROVED AS TO FORM:

Carrie MacLaren, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF:

RESOLUTION NO. 25-5488 FOR THE PURPOSE OF ADOPTING THE REGIONAL SYSTEM FEE FOR FY 2025-26.

RESOLUTION NO. 25-5489 FOR THE PURPOSE OF ADOPTING SOLID WASTE FEES AT THE METRO TRANSFER STATIONS AND METRO'S COMMUNITY ENHANCEMENT FEE FOR FY 2025-26.

Date: May 8, 2025
Department: Finance and Regulatory Services
Meeting Date: May 15, 2025

Prepared by: Patrick Dennis, WPES
Finance Manager
Presenters: Cinnamon Williams, Financial Planning Director
Length: 30 minutes

ISSUE STATEMENT

Resolution 25-5488 will authorize an increase to the regional system fee, effective July 1, 2025. Resolution 25-5489 will authorize an increase to the solid waste fees at the Metro transfer stations and authorize collection of a community enhancement fee effective July 1, 2025.

ACTION REQUESTED

Council adoption of Resolution 25-5488 and Resolution 25-5489.

IDENTIFIED POLICY OUTCOMES

Council adoption of these resolutions will:

1. Increase the solid waste fees at the Metro transfer stations, effective July 1, 2025;
2. Increase the regional system fee, effective July 1, 2025;
3. Authorize Metro to impose and collect a community enhancement fee on waste disposed under certain conditions, effective July 1, 2025;
4. Provide Council with the annual report of the amount of solid waste that was subject to reduced fees and taxes or exempted during FY 2023-24.

POLICY QUESTION

Should Council increase the solid waste fees at the Metro transfer stations and the regional system fee to cover the costs of service of Metro transfer station operations and the regional waste system?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Adoption of the resolutions to increase solid waste fees at the Metro transfer stations and regional system fee to fund projected FY2025-26 department expenses.

2. Reject the resolution to increase the solid waste fees at the Metro transfer stations; and/or reject the resolution to increase the regional system fee. These actions will result in future operational budget shortfalls. This will require Metro to 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 25-5488 and Resolution 25-5489.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

In March 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 response to the Waste Fee Policy Task Force's recommendations, Metro updated its financial policies with the adoption of Resolution 24-5406, clarifying that Metro's solid waste fees should be sufficient to fund the full cost of the solid waste system and that Metro will maintain separate fund balance reserves for transfer station operations and Regional System Fee-funded activities.

Metro convened the Regional Waste Advisory Committee (RWAC) with the intended purpose of improving engagement and collaboration on budget and fee development. RWAC held three meetings on February 27, 2025, March 27, 2025, and April 24, 2025, where they learned about the FY 2025-26 proposed budget and fee development processes, and engaged with staff to review and provide input on the Waste Prevention and Environmental Services (WPES) budget and fee development as it relates to the implementation of the 2030 Regional Waste Plan, as the committee's defined function is stated in Metro Code Section 2.19.130.

Additionally, Metro held a Local Government Budget Forum on April 16th, 2025, where attendees could ask questions of Metro staff about the WPES FY 2025-26 budget and fees. Metro also proactively e-mailed monthly updates to local governments about key information related to budget and fee development in February, March and April 2025.

On May 8, 2025, Council received the input from RWAC and the Local Government Budget Forum to consider different perspectives on the WPES budget and associated fees from public, private, nonprofit and community partners. At this meeting, Council received the finalized proposed fees after FCS Group, an independent third-party consultant, had reviewed the fee models for year-over-year consistency and industry best-practice conformity.

In alignment with the Waste Fee Policy Task force's recommendation and Metro Council direction, WPES has been diligent in keeping transfer station operations and Regional System Fee-funded activities separated. To forecast the rates for FY 2025-26, a transformation of the rate development model was required, resulting in two separate forecasting models, one to forecast solid waste fees and the other to forecast regional system fees.

Independent Solid Waste Fee Review: As required by Metro Code Chapter 5.03.070, staff has had the Solid Waste Fee model and the Regional System Fee model reviewed by an independent reviewer. Metro employs consultant FCS Group who reviews the models 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 2023-24 is provided in **Attachment 1**.

Known Opposition: Local government partners and RWAC members have expressed concerns about increasing any 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 2025-26 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. Proposed fee schedule

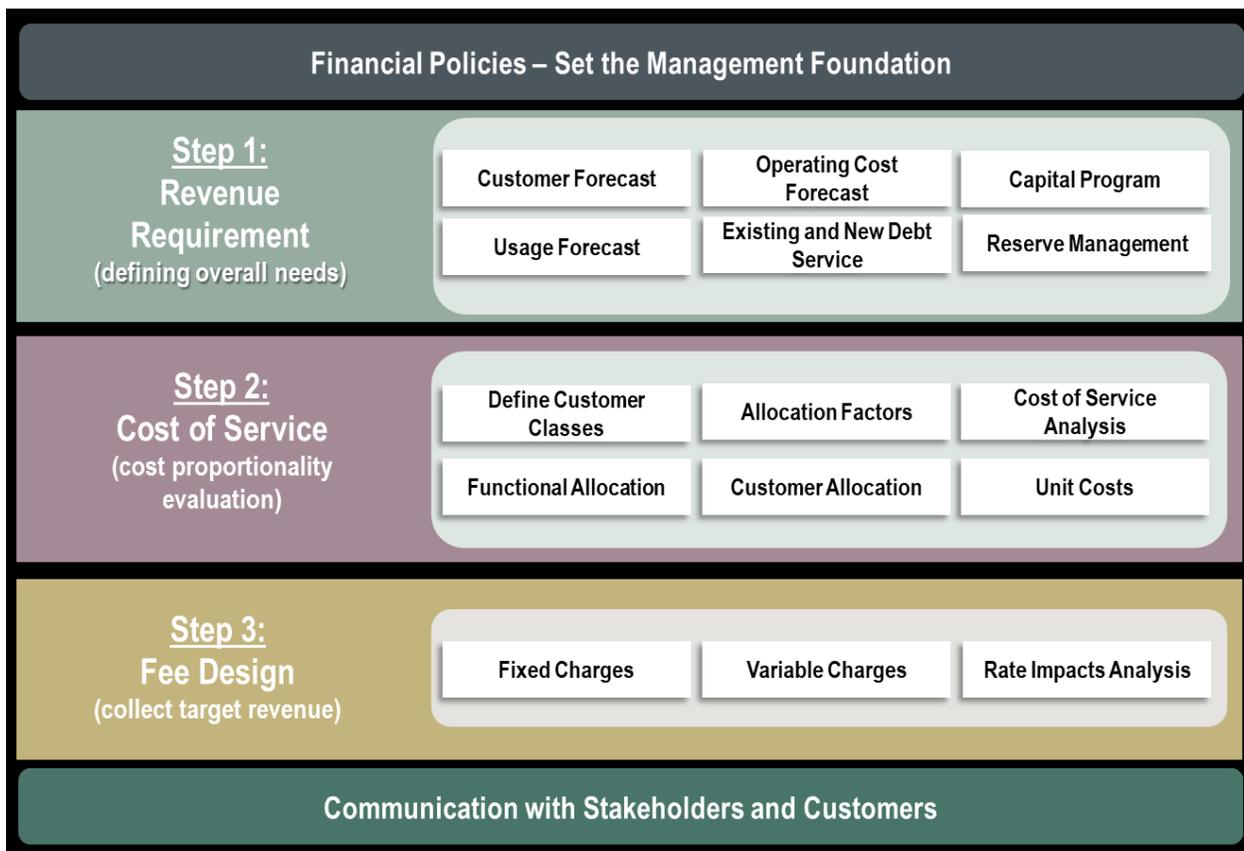
Proposed Fee Schedule				
	Existing	Proposed	Difference	
	2025	2026	\$	%
Transaction Fee				
Staffed Scalehouse	\$27.00	\$28.00	\$1.00	3.70%
Automated Scalehouse	\$7.25	\$7.85	\$0.60	8.28%
Tonnage Charge				
Solid Waste Fee (SWF)	\$104.37	\$112.19	\$7.82	7.49%
Clean Wood	\$80.92	\$87.39	\$6.47	8.00%
Yard Debris	\$55.00	\$55.00	\$0.00	0.00%
Residential Organics	\$93.04	\$100.48	\$7.44	8.00%
Commercial Organics	\$81.41	\$87.92	\$6.51	8.00%
Fees and Taxes				
Enhancement Fee	\$1.00	\$1.00	\$0.00	0.00%
Regional System Fee (SWF Only)	\$31.72	\$32.60	\$0.88	2.77%
Metro Excise Tax (SWF Only)	\$14.69	\$14.46	-\$0.23	-1.57%
DEQ Fees (SWF Only)	\$1.89	\$1.89	\$0.00	0.00%
Environmental Cleanup Fee	\$2.50	\$2.50	\$0.00	0.00%
SWF Tipping Fee (including taxes)	\$153.67	\$162.14	\$8.47	5.51%
Minimum Fee (SWF)	\$45.00	\$47.00	\$2.00	4.44%

Financial and budget Impacts: The fees established by this resolution are designed to raise \$79 million in Solid Waste Fee revenue and \$50 million in Regional System Fee revenue for FY 2025-26. WPES *budgeted* Operating and Materials (O&M) expenses for Solid Waste Fee programs at \$84 million and for Regional System Fee programs at \$58 million for FY 2025-26.

BACKGROUND

Metro establishes the Solid Waste fee and Regional System Fee 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 and Regional System 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 2025-26 *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 the workers and 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, 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 core service areas included in the budget are:

- Household Hazardous Waste
- Metro Paint
- Community Grants
- Dumped Garbage Clean Up
- Environmental Education Programs
- Youth Internship Program
- Direct Funding to Local Governments
- Policy & Planning
- Compliance

Figure 3. Revenue Requirement from proposed budget

Solid Waste Revenue Fund		
CURRENT FY 2025-26 Proposed Budget		
Personnel Services	\$	35,807,632
Materials & Services		84,160,111
Indirect Transfers for internal cost allocation plan		21,636,792
Proposed Budget Current Expenditures (excluding Capital Outlay)	\$	141,604,535
TOTAL OPERATING EXPENSES IN THE COMBINED MODELS	\$	141,604,535

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

Figure 4. Total amount of revenue to be recovered by the Metro fees

Revenue by Fee Type	
	2026
Staffed Transactions	\$ 8,793,255
Automated Transactions	961,637
Mixed Solid Waste Tip Fee	62,181,674
Clean Wood Tip Fee	69,418
Yard Waste Tip Fee	946,313
Residential Organics Tip Fee	4,590,014
Commercial Organics Tip Fee	1,438,995
Regional System Fee Tip Fee	49,663,860
<i>Cleanup Material</i>	554,253
Total	\$ 129,199,419

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, and regional programs. 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.

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 2025-26 fee development, staff used the Fall 2024 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 5. Recommended fees and charges for FY 2025-26

Description	(Mixed) Solid Waste	Clean Wood	Yard Debris	Residential Organics	Commercial Organics
Transaction Fee:					
Staffed Scalehouse	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
Automated Scalehouse	\$7.85	\$7.85	\$7.85	\$7.85	\$7.85
Tip Fee:					
Tonnage Charge	\$112.19	\$87.39	\$55.00	\$100.48	\$87.92
Regional System Fee	\$32.60	-	-	-	-
Excise Tax	\$14.46	-	-	-	-
DEQ Fees	\$1.89	-	-	-	-
Community Enhancement Fee	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total Tip Fee	\$162.14	\$88.39	\$56.00	\$101.48	\$88.92
Min Load Fee (240 lbs.)	\$47.00	\$39.00	\$35.00	\$40.00	\$39.00

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 2023-24 is provide in **Attachment 1**.

ATTACHMENTS

- Attachment 1 – Annual Credit and Exemptions Report for FY 2023-24
- Attachment 2 – 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, 2023 - June 30, 2024

Fiscal Year 2024

Reduced rate waste (cleanup material)		Tons
Type:		
Petroleum Contaminated Soil		102,128
Other		94,354
	total	<u><u>196,482</u></u>

Exempt waste		Tons
Generator:		
Columbia Steel Casting Co Inc		0
Evraz NA		911
Greenway Recycling		20,874
Pride Recycling		610
Metro Paint		746
Metro South		16
RA Roth / NW Shingle		0
Rivergate Scrap Metals		7,804
Schnitzer Steel		83,457
Siltronics Corp		308
Synagro Technologies		4,327
Tire Disposal and Recycling		5,503
Tualatin Valley Waste Recovery		5,449
Willamette Resources Inc		2,709
	total	<u><u>132,713</u></u>

Special Exemption Permits		Tons
Generator:		
Oregon Department of Agriculture		0
(yard debris from beetle quarantined area - Wash Co) *	total	<u><u>0</u></u>

* No lost revenue as material would have normally been composted

Fee Setting Criteria May 2025

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 FY 2023-24. The fee setting criteria were presented to both the Metro Council and the Regional Waste Advisory Committee in FY 2024-25. 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.



May 7, 2025

Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Subject: Review of Fiscal Year 2025-2026 Solid Waste Disposal Fees

Dear Ms. Madrigal, Chief Operating Officer,

Metro engaged FCS to provide an independent review of the methodology for calculating proposed solid waste disposal fees for Fiscal Year (FY) 2025-2026. In response to this request, we have reviewed Metro's updated Excel Fee Model (Model), as well as the newly developed Regional System Fee Model (RSF 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 2025-2026. The review did not validate the accuracy of source documents, formulae or structure utilized in the Model or RSF Model.

The FY 2025-2026 findings and comments are summarized 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.
- For this year's fee development process Metro separated the Regional System Fee into an independent RSF Model. This process was done by isolating RSF specific expenditures from all other solid waste related costs. While the majority of the expenditures are direct costs attributable to the RSF, the operating forecast does include a transfer to the Model for shared expenses (e.g., organics support, disaster debris, administrative and system facilities plan). The methodology used to allocate RSF's portion of shared expenses was consistent with the prior combined model approach. It should be noted that since there are two models being tracked for the RSF and all other fee development, caution should be taken to ensure consistent inputs are being used in both toolsets. By isolating the RSF expenditures into an independent model, the fee development process is simplified. Fees are calculated by dividing the projected annual cost forecast by the projected annual tonnage. No additional allocation is required within the RSF Model.

- » The operating and maintenance (O&M) expense projection for the RSF model does include a budget realization factor of approximately 90 percent on personnel services, material and services and system facilities plan expenditures. The budget realization factor reduces the overall budget for the associated expenses down to 90 percent of the total. This practice is common in the rate setting industry and is often utilized if a utility has historically expensed less than budgeted or if the utility anticipates the test year to be below budget due to factors identified after the budget has been adopted. The budget realization factor reduces the overall operating budget by approximately \$4.2 million for the FY 2025-2026 test year. Metro should continue to closely monitor actual annual expenditures and compare them to the figures used in the current rate strategy and adjust the overall strategy if necessary.
- For the non RSF fee development Model, the recommended overall fee strategy (step 1, revenue requirement) for FY 2025-2026 projects revenues after increase to be below annual operating obligations, requiring the use of \$1.7 million in reserves in FY 2025-2026 and another \$0.4 million in FY 2026-2027. When evaluating reserve levels, it is important to recognize that the value of reserve lies in their potential use. A reserve strategy that deliberately avoids any use of reserves negates their purpose. Fluctuations of reserve levels may indicate that the system is working, while lack of variation over many years may suggest that the reserves are, in fact, unnecessary. 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 that revenues after increase for subsequent years 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. 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.
 - » As discussed on the RSF Model review above, RSF related expenditures were removed from this year's fee development. While the costs removed were directly attributable to the RSF, shared expenses were left in the non RSF Model. To account for the RSF's portion of shared expenses, the Model includes a non-rate revenue transfer from RSF based on the RSF's proportional share. The allocation used to establish the RSF transfer was consistent with the prior combined model approach. As noted above, since there are two models being tracked for the RSF and non RSF Model fee development process, caution should be taken to ensure consistent inputs are being used in both toolsets.
 - » While the RSF model assumed a budget realization factor for O&M expenses related to personnel services, material and service and system facilities plan expenditures, the Model does not include a similar adjustment. Based on discussion with Metro staff, the adjustment for the Model was not incorporated because the majority of costs in the Model are tied to contract related costs. Metro should continue monitoring budgeted versus actual expenditures and, if warranted, incorporate similar budget realization factor in future updates in the Model.
- The Model's 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.

- » The major update for this year's fee development process was associated with the removal of RSF related expenses. The allocation of non RSF expenses remained consistent with prior updates. The shared expenses, including the non-rate revenue transfer from the RSF for its portion of shared expenses, followed consistent logic and allocation as was performed in the combined modeling approach from prior updates.
- » 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 Model's 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 50.6 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 Model results with prior contract costs. 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 15.0 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 \$1.8 million in FY 2025-2026 down to \$0.3 million in FY 2029-2030. While Metro's existing fund balances are projected to be sufficient to cover the additional deficiency, they may decrease below the minimum target levels in FY 2026-2027 through FY 2028-2029, before recovering in FY 2029-2030. In addition, the overall system wide rate increase in FY 2025-2026 would be lower than identified in step 1. Metro should continue monitoring annual cash flow and revisit the rate strategy if reserves decrease below minimum target levels in future years.



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

A handwritten signature in blue ink, appearing to read 'Sergey Tarasov', enclosed in a light blue circular stamp.

Sergey Tarasov

Principal

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



Metro

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

Agenda #: 4.2

File #: RES 25-5489

Agenda Date: 5/15/2025

Resolution No. 25-5489 For the Purpose of Adopting Solid Waste Fees at the Metro Transfer Stations and Metro's Community Enhancement Fee for FY 2025-26

Cinnamon Williams, Financial Planning Director
Patrick Dennis, WPES Finance Manager

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING SOLID WASTE FEES AT THE METRO TRANSFER STATIONS AND METRO’S COMMUNITY ENHANCEMENT FEE FOR FY 2025-26) RESOLUTION NO. 25-5489) Introduced by Chief Operating Officer Marissa Madrigal with the concurrence of Council President Lynn Peterson

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

WHEREAS, Metro’s solid waste disposal fees pay for cost of operating the transfer stations, including the costs related to transportation and ultimate disposal of solid waste; and

WHEREAS, ORS 459.284 authorizes a local government to impose and collect a community enhancement fee on waste disposed under certain conditions, and Metro Code Chapter 5.06 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 disposal services 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:

Solid Waste Fees. The Metro Council approves the schedule of solid waste fees as set forth in Exhibit A and the fees become effective on July 1, 2025.

ADOPTED by the Metro Council this 15th day of May 2025.

Lynn Peterson, Council President

APPROVED AS TO FORM:

Carrie MacLaren, Metro Attorney

Exhibit A to Resolution No. 25-5489

SCHEDULE OF SOLID WASTE FEES

Effective July 1, 2025

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.....\$ 112.19
- (2) Clean Wood87.39
- (3) Yard Debris.....55.00
- (4) Residentially generated organic waste.....100.48
- (5) Commercially generated organic waste87.92

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.....\$ 28.00
- (2) For users of automated scales7.85

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.....\$ 47.00
- (2) Clean Wood39.00
- (3) Yard Debris.....35.00
- (4) Residentially generated organic waste.....40.00
- (5) Commercially generated organic waste39.00

Community Enhancement Fee on Disposal of Solid Waste

In accordance with Metro Code Chapter 5.06, Metro will impose and 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

Miscellaneous Fees at Metro's Transfer Stations

- (1) Passenger vehicle, motorcycle and ATV solid core tires.....\$27
 - \$27 for first tire, each additional tire \$2 off rim or \$4 on rim, limit 15 per day
- (2) Coolant Appliances (cost per appliance)\$30

STAFF REPORT

IN CONSIDERATION OF:

RESOLUTION NO. 25-5488 FOR THE PURPOSE OF ADOPTING THE REGIONAL SYSTEM FEE FOR FY 2025-26.

RESOLUTION NO. 25-5489 FOR THE PURPOSE OF ADOPTING SOLID WASTE FEES AT THE METRO TRANSFER STATIONS AND METRO'S COMMUNITY ENHANCEMENT FEE FOR FY 2025-26.

Date: May 8, 2025
Department: Finance and Regulatory Services
Meeting Date: May 15, 2025

Prepared by: Patrick Dennis, WPES
Finance Manager
Presenters: Cinnamon Williams, Financial Planning Director; Patrick Dennis, WPES
Finance Manager
Length: 30 minutes

ISSUE STATEMENT

Resolution 25-5488 will authorize an increase to the regional system fee, effective July 1, 2025. Resolution 25-5489 will authorize an increase to the solid waste fees at the Metro transfer stations and authorize collection of a community enhancement fee effective July 1, 2025.

ACTION REQUESTED

Council adoption of Resolution 25-5488 and Resolution 25-5489.

IDENTIFIED POLICY OUTCOMES

Council adoption of these resolutions will:

1. Increase the solid waste fees at the Metro transfer stations, effective July 1, 2025;
2. Increase the regional system fee, effective July 1, 2025;
3. Authorize Metro to impose and collect a community enhancement fee on waste disposed under certain conditions, effective July 1, 2025;
4. Provide Council with the annual report of the amount of solid waste that was subject to reduced fees and taxes or exempted during FY 2023-24.

POLICY QUESTION

Should Council increase the solid waste fees at the Metro transfer stations and the regional system fee to cover the costs of service of Metro transfer station operations and the regional waste system?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Adoption of the resolutions to increase solid waste fees at the Metro transfer stations and regional system fee to fund projected FY2025-26 department expenses.

2. Reject the resolution to increase the solid waste fees at the Metro transfer stations; and/or reject the resolution to increase the regional system fee. These actions will result in future operational budget shortfalls. This will require Metro to 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 25-5488 and Resolution 25-5489.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

In March 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 response to the Waste Fee Policy Task Force's recommendations, Metro updated its financial policies with the adoption of Resolution 24-5406, clarifying that Metro's solid waste fees should be sufficient to fund the full cost of the solid waste system and that Metro will maintain separate fund balance reserves for transfer station operations and Regional System Fee-funded activities.

Metro convened the Regional Waste Advisory Committee (RWAC) with the intended purpose of improving engagement and collaboration on budget and fee development. RWAC held three meetings on February 27, 2025, March 27, 2025, and April 24, 2025, where they learned about the FY 2025-26 proposed budget and fee development processes, and engaged with staff to review and provide input on the Waste Prevention and Environmental Services (WPES) budget and fee development as it relates to the implementation of the 2030 Regional Waste Plan, as the committee's defined function is stated in Metro Code Section 2.19.130.

Additionally, Metro held a Local Government Budget Forum on April 16th, 2025, where attendees could ask questions of Metro staff about the WPES FY 2025-26 budget and fees. Metro also proactively e-mailed monthly updates to local governments about key information related to budget and fee development in February, March and April 2025.

On May 8, 2025, Council received the input from RWAC and the Local Government Budget Forum to consider different perspectives on the WPES budget and associated fees from public, private, nonprofit and community partners. At this meeting, Council received the finalized proposed fees after FCS Group, an independent third-party consultant, had reviewed the fee models for year-over-year consistency and industry best-practice conformity.

In alignment with the Waste Fee Policy Task force's recommendation and Metro Council direction, WPES has been diligent in keeping transfer station operations and Regional System Fee-funded activities separated. To forecast the rates for FY 2025-26, a transformation of the rate development model was required, resulting in two separate forecasting models, one to forecast solid waste fees and the other to forecast regional system fees.

Independent Solid Waste Fee Review: As required by Metro Code Chapter 5.03.070, staff has had the Solid Waste Fee model and the Regional System Fee model reviewed by an independent reviewer. Metro employs consultant FCS Group who reviews the models 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 2023-24 is provided in **Attachment 1**.

Known Opposition: Local government partners and RWAC members have expressed concerns about increasing any 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 2025-26 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. Proposed fee schedule

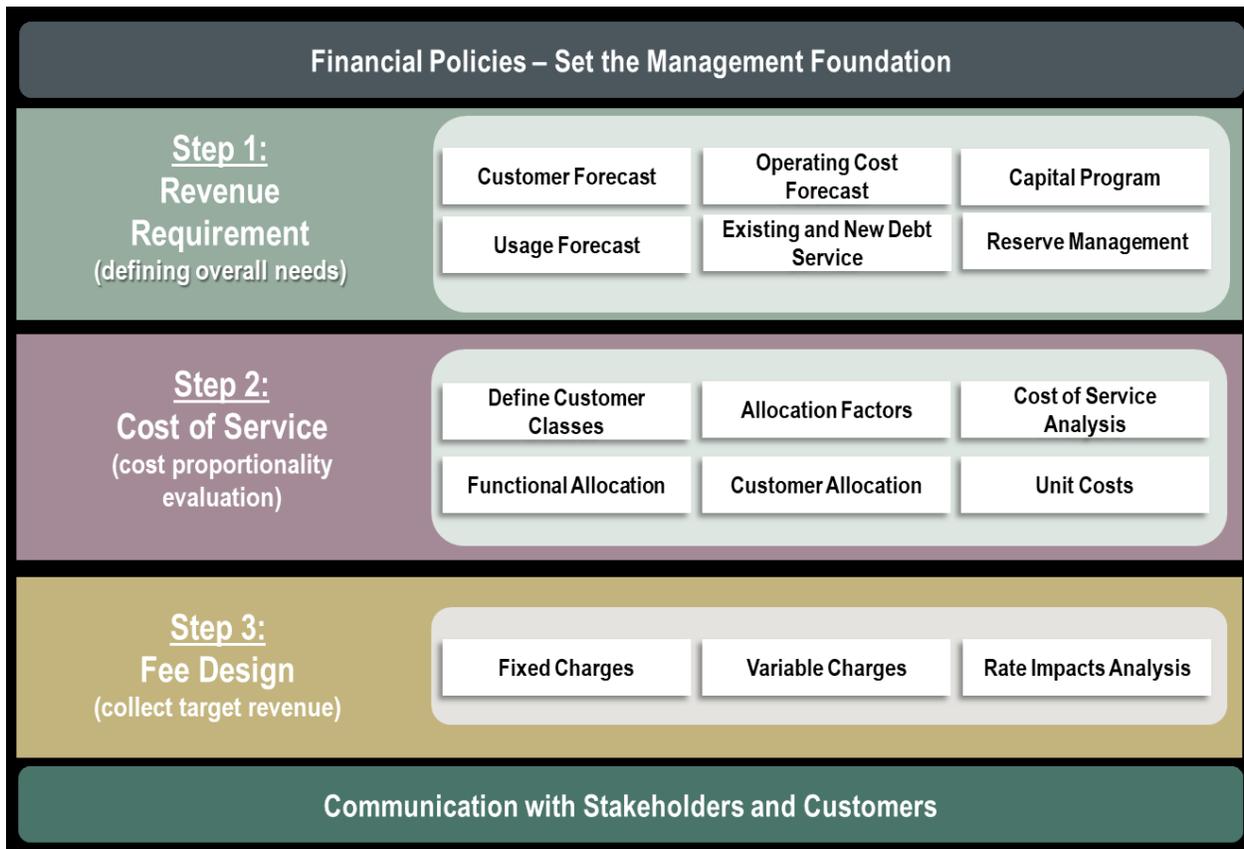
Proposed Fee Schedule				
	Existing	Proposed	Difference	
	2025	2026	\$	%
Transaction Fee				
Staffed Scalehouse	\$27.00	\$28.00	\$1.00	3.70%
Automated Scalehouse	\$7.25	\$7.85	\$0.60	8.28%
Tonnage Charge				
Solid Waste Fee (SWF)	\$104.37	\$112.19	\$7.82	7.49%
Clean Wood	\$80.92	\$87.39	\$6.47	8.00%
Yard Debris	\$55.00	\$55.00	\$0.00	0.00%
Residential Organics	\$93.04	\$100.48	\$7.44	8.00%
Commercial Organics	\$81.41	\$87.92	\$6.51	8.00%
Fees and Taxes				
Enhancement Fee	\$1.00	\$1.00	\$0.00	0.00%
Regional System Fee (SWF Only)	\$31.72	\$32.60	\$0.88	2.77%
Metro Excise Tax (SWF Only)	\$14.69	\$14.46	-\$0.23	-1.57%
DEQ Fees (SWF Only)	\$1.89	\$1.89	\$0.00	0.00%
Environmental Cleanup Fee	\$2.50	\$2.50	\$0.00	0.00%
SWF Tipping Fee (including taxes)	\$153.67	\$162.14	\$8.47	5.51%
Minimum Fee (SWF)	\$45.00	\$47.00	\$2.00	4.44%

Financial and budget Impacts: The fees established by this resolution are designed to raise \$79 million in Solid Waste Fee revenue and \$50 million in Regional System Fee revenue for FY 2025-26. WPES *budgeted* Operating and Materials (O&M) expenses for Solid Waste Fee programs at \$84 million and for Regional System Fee programs at \$58 million for FY 2025-26.

BACKGROUND

Metro establishes the Solid Waste fee and Regional System Fee 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 and Regional System 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 2025-26 *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 the workers and 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, 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 core service areas included in the budget are:

- Household Hazardous Waste
- Metro Paint
- Community Grants
- Dumped Garbage Clean Up
- Environmental Education Programs
- Youth Internship Program
- Direct Funding to Local Governments
- Policy & Planning
- Compliance

Figure 3. Revenue Requirement from proposed budget

Solid Waste Revenue Fund		
CURRENT FY 2025-26 Proposed Budget		
Personnel Services	\$	35,807,632
Materials & Services		84,160,111
Indirect Transfers for internal cost allocation plan		21,636,792
Proposed Budget Current Expenditures (excluding Capital Outlay)	\$	141,604,535
TOTAL OPERATING EXPENSES IN THE COMBINED MODELS	\$	141,604,535

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

Figure 4. Total amount of revenue to be recovered by the Metro fees

Revenue by Fee Type	
	2026
Staffed Transactions	\$ 8,793,255
Automated Transactions	961,637
Mixed Solid Waste Tip Fee	62,181,674
Clean Wood Tip Fee	69,418
Yard Waste Tip Fee	946,313
Residential Organics Tip Fee	4,590,014
Commercial Organics Tip Fee	1,438,995
Regional System Fee Tip Fee	49,663,860
<i>Cleanup Material</i>	554,253
Total	\$ 129,199,419

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, and regional programs. 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.

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 2025-26 fee development, staff used the Fall 2024 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 5. Recommended fees and charges for FY 2025-26

Description	(Mixed) Solid Waste	Clean Wood	Yard Debris	Residential Organics	Commercial Organics
Transaction Fee:					
Staffed Scalehouse	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
Automated Scalehouse	\$7.85	\$7.85	\$7.85	\$7.85	\$7.85
Tip Fee:					
Tonnage Charge	\$112.19	\$87.39	\$55.00	\$100.48	\$87.92
Regional System Fee	\$32.60	-	-	-	-
Excise Tax	\$14.46	-	-	-	-
DEQ Fees	\$1.89	-	-	-	-
Community Enhancement Fee	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total Tip Fee	\$162.14	\$88.39	\$56.00	\$101.48	\$88.92
Min Load Fee (240 lbs.)	\$47.00	\$39.00	\$35.00	\$40.00	\$39.00

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 2023-24 is provide in **Attachment 1**.

ATTACHMENTS

- Attachment 1 – Annual Credit and Exemptions Report for FY 2023-24
- Attachment 2 – 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, 2023 - June 30, 2024

Fiscal Year 2024

Reduced rate waste (cleanup material)		Tons
Type:		
Petroleum Contaminated Soil		102,128
Other		94,354
	total	196,482

Exempt waste		Tons
Generator:		
Columbia Steel Casting Co Inc		0
Evraz NA		911
Greenway Recycling		20,874
Pride Recycling		610
Metro Paint		746
Metro South		16
RA Roth / NW Shingle		0
Rivergate Scrap Metals		7,804
Schnitzer Steel		83,457
Siltronics Corp		308
Synagro Technologies		4,327
Tire Disposal and Recycling		5,503
Tualatin Valley Waste Recovery		5,449
Willamette Resources Inc		2,709
	total	132,713

Special Exemption Permits		Tons
Generator:		
Oregon Department of Agriculture		0
(yard debris from beetle quarantined area - Wash Co) *	total	0

* No lost revenue as material would have normally been composted

Fee Setting Criteria May 2025

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 FY 2023-24. The fee setting criteria were presented to both the Metro Council and the Regional Waste Advisory Committee in FY 2024-25. 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.



May 7, 2025

Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Subject: Review of Fiscal Year 2025-2026 Solid Waste Disposal Fees

Dear Ms. Madrigal, Chief Operating Officer,

Metro engaged FCS to provide an independent review of the methodology for calculating proposed solid waste disposal fees for Fiscal Year (FY) 2025-2026. In response to this request, we have reviewed Metro’s updated Excel Fee Model (Model), as well as the newly developed Regional System Fee Model (RSF 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 2025-2026. The review did not validate the accuracy of source documents, formulae or structure utilized in the Model or RSF Model.

The FY 2025-2026 findings and comments are summarized 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.
- For this year’s fee development process Metro separated the Regional System Fee into an independent RSF Model. This process was done by isolating RSF specific expenditures from all other solid waste related costs. While the majority of the expenditures are direct costs attributable to the RSF, the operating forecast does include a transfer to the Model for shared expenses (e.g., organics support, disaster debris, administrative and system facilities plan). The methodology used to allocate RSF’s portion of shared expenses was consistent with the prior combined model approach. It should be noted that since there are two models being tracked for the RSF and all other fee development, caution should be taken to ensure consistent inputs are being used in both toolsets. By isolating the RSF expenditures into an independent model, the fee development process is simplified. Fees are calculated by dividing the projected annual cost forecast by the projected annual tonnage. No additional allocation is required within the RSF Model.

- » The operating and maintenance (O&M) expense projection for the RSF model does include a budget realization factor of approximately 90 percent on personnel services, material and services and system facilities plan expenditures. The budget realization factor reduces the overall budget for the associated expenses down to 90 percent of the total. This practice is common in the rate setting industry and is often utilized if a utility has historically expensed less than budgeted or if the utility anticipates the test year to be below budget due to factors identified after the budget has been adopted. The budget realization factor reduces the overall operating budget by approximately \$4.2 million for the FY 2025-2026 test year. Metro should continue to closely monitor actual annual expenditures and compare them to the figures used in the current rate strategy and adjust the overall strategy if necessary.
- For the non RSF fee development Model, the recommended overall fee strategy (step 1, revenue requirement) for FY 2025-2026 projects revenues after increase to be below annual operating obligations, requiring the use of \$1.7 million in reserves in FY 2025-2026 and another \$0.4 million in FY 2026-2027. When evaluating reserve levels, it is important to recognize that the value of reserve lies in their potential use. A reserve strategy that deliberately avoids any use of reserves negates their purpose. Fluctuations of reserve levels may indicate that the system is working, while lack of variation over many years may suggest that the reserves are, in fact, unnecessary. 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 that revenues after increase for subsequent years 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. 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.
 - » As discussed on the RSF Model review above, RSF related expenditures were removed from this year's fee development. While the costs removed were directly attributable to the RSF, shared expenses were left in the non RSF Model. To account for the RSF's portion of shared expenses, the Model includes a non-rate revenue transfer from RSF based on the RSF's proportional share. The allocation used to establish the RSF transfer was consistent with the prior combined model approach. As noted above, since there are two models being tracked for the RSF and non RSF Model fee development process, caution should be taken to ensure consistent inputs are being used in both toolsets.
 - » While the RSF model assumed a budget realization factor for O&M expenses related to personnel services, material and service and system facilities plan expenditures, the Model does not include a similar adjustment. Based on discussion with Metro staff, the adjustment for the Model was not incorporated because the majority of costs in the Model are tied to contract related costs. Metro should continue monitoring budgeted versus actual expenditures and, if warranted, incorporate similar budget realization factor in future updates in the Model.
- The Model's 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.

- » The major update for this year's fee development process was associated with the removal of RSF related expenses. The allocation of non RSF expenses remained consistent with prior updates. The shared expenses, including the non-rate revenue transfer from the RSF for its portion of shared expenses, followed consistent logic and allocation as was performed in the combined modeling approach from prior updates.
- » 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 Model's 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 50.6 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 Model results with prior contract costs. 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 15.0 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 \$1.8 million in FY 2025-2026 down to \$0.3 million in FY 2029-2030. While Metro's existing fund balances are projected to be sufficient to cover the additional deficiency, they may decrease below the minimum target levels in FY 2026-2027 through FY 2028-2029, before recovering in FY 2029-2030. In addition, the overall system wide rate increase in FY 2025-2026 would be lower than identified in step 1. Metro should continue monitoring annual cash flow and revisit the rate strategy if reserves decrease below minimum target levels in future years.



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

A handwritten signature in blue ink, appearing to read 'Sergey Tarasov', enclosed in a light blue circular stamp.

Sergey Tarasov

Principal

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

Materials following this page were distributed at the meeting.



Metro

Waste Prevention and Environmental Services FY 2025-26 Proposed Fees Adoption

May 15, 2025



Presentation Overview

Engagements

Fee Setting Criteria

Review of Models

Proposed Fees

Resolutions



Engagements



April 15 - Metro Council Budget Presentation



April 16 - WPES Budget Forum



April 24 - Regional Waste Advisory Committee (RWAC)



May 8 - Metro Council Presentation on RWAC Input



May 13 & 14 – RWAC Session on Updated Proposed Fees



May 14 – Local Government Administrators Policy Work Group



May 15 - Metro Council Consideration of Solid Waste Fees

Prioritized Fee Setting Criteria



Accessible & Equitable System

Encourage investments that provide regional benefits with emphasis on geographic equity and waste reduction



Healthy Environment

Encourage keeping valuable materials out of the landfill through highest use



Affordability

Consider economic effects and benefits to users and impact on cost of living



Public-Private System

Fees should give fair weight to the operational and capital needs of all providers: publicly owned, privately owned, and nonprofits

Independent Review

- Metro Code 5.03.070
- FCS Group consultant
- Accuracy, adequacy, reasonableness and compliance with industry practices



FY 2025-26 Proposed Fee Summary



	Current FY25	Proposed FY26		\$ Change	% Change
Staffed scale house	\$27.00	\$28.00		\$1.00	3.70%
Automated scale house	\$7.25	\$7.85		\$0.60	8.28%
Minimum load charge	\$45.00	\$47.00		\$2.00	4.44%
Solid waste fee	\$104.37	\$112.19		\$7.82	7.49%
Regional System fee	\$31.72	\$32.60		\$0.88	2.78%

Resolutions

Resolution 25-5488

For the Purpose of Adopting the Regional System
Fee for FY 2025-26

Resolution 25-5489

For the Purpose of Adopting Solid Waste Fees at the
Metro Transfer Stations and Metro's Community
Enhancement Fee for FY 2025-26



Metro

Thank you.



Hello, members of the Portland Metro Council. My name is Shaniya Berry, I am a student at Portland State University and I am taking a course on Housing and Homelessness issues in the Portland Area, and have experience working in the field building tiny Homes for Unhoused community members.

As a student studying homelessness this has made me more aware of the difficulties the unhoused face in their day to day lives, especially when it comes to healthcare. Living on the streets is hard and it makes you more susceptible to all kinds of illnesses. It's difficult for those with infectious and non-infectious diseases, such as heart and lung disease, diabetes, mental health issues, disabilities, and more to be checked on when they don't have a way of getting to hospital, which is why organizations that offer on the street care have had a major impact on the unhoused population in keeping them feeling physically and mentally supported.

Today I would like to discuss organization's such as these need for funding. The Joint Office of Homelessness Services is one such organization which provides funding for services like Portland Street Medicine; who completed over 6000 care engagements in 2024, Street Services Coordination Center, and Cascadia health- a community based Behavioral health provider.

These organizations take the funding that this council provides and turn it into direct action on our streets, aiding in Homelessness prevention services, Medical care, emergency housing and hiring staff to help execute their mission. According to the 2023-24 Joint office Housing Service's budget report approximately 110 Million dollars in funding accounting for 47% of their funding for that year, comes from Metro government funding with the majority of this funding coming from Measure 26-210, the same measure which this very body is tasked with managing. Because of this funding, together these organizations were able to provide services for many individuals in crisis, including transportation services, in-field medical care, and much needed behavioral health services to those in need. Unfortunately, Multnomah may be facing a \$104 million dollar budget shortfall for homeless services.

Although these organizations are providing much needed services to our community, they do not have the capacity to support everyone who may need their services on such tight budgets. Right now there are approximately 14 thousand unhoused people in the metro area, who all could benefit from the services provided by these organizations. Yet these budget cuts could mean that even less people receive the care they need. Because of this, I ask for an increase in funding that could further close the gap between Supported and Unsupported unhoused people in our community.

Hello, Council President and members of council. For the record, my name is Birch Clark, and I'm a student at Portland State University. I come here today as a person born and raised in Oregon, a current resident of Multnomah County, and someone who has experienced housing insecurity. As we look towards November's ballot when the Supportive Housing Services Measure 26-210 is up for renewal, I am proposing that additional language be included to dedicate a percentage of funds to serve homeless youth. I am asking that a housing first model be adopted that specifically includes youth.

Even though I have lived experience navigating supportive housing services, it wasn't until this year, when I took a class at PSU about housing and homelessness, that I understood I had experienced housing insecurity as a young person. I hadn't known that sleeping in a living room with blankets hung as walls and spending over half of my income on rent had a term, which is rent burden. Housing insecurities and homelessness are so commonplace in the queer community, especially among young people, that the experience can easily slip through the cracks. Intersecting identities, including race, class, addiction, and mental health status, often compound to create more barriers for at-risk communities. Housing First is a solution that at-risk populations need. I advocate for the Housing First model to be utilized locally. Specifically, the need for immediate long-term housing for youth 16-24 with an emphasis on the legal hurdles that youth 16-18 face when attempting to obtain housing as minors

According to the National Alliance to End Homelessness, youth make up 10–15% of the homeless population on average. Still they are often underrepresented in funding because adult homelessness is more visible, politically prioritized, and already has

systems in place to provide assistance. According to the Oregon Department of Education, “in 2023, Oregon had the highest rate of families with children and unaccompanied youth navigating housing instability of any state” (Oregon Department of Education).

These stats show why additional language in regards to housing first for youth to the SHS measure is crucial to supporting this underserved population. A group of fellow PSU students and I have taken the initiative to craft an example of that language could look like:

Population C: A dedicated percent of funds will be devoted to housing first services for the population C, defined as: youth 16-24, with an emphasis on the legal hurdles that youth 16-18 face when attempting to obtain housing as minors who are experiencing homelessness or have a substantial risk of experiencing homelessness.

We are asking you to add the language in this upcoming measure to specifically include youth in a housing first approach.

Thank you for your time and consideration.

Works Cited

National Alliance to End Homelessness. (n.d.). *Youth and young adult homelessness*.
<https://endhomelessness.org/homelessness-in-america/who-experiences-homelessness/youth/>

Oregon Department of Education. (n.d.). *Students navigating housing instability: Education overview.*

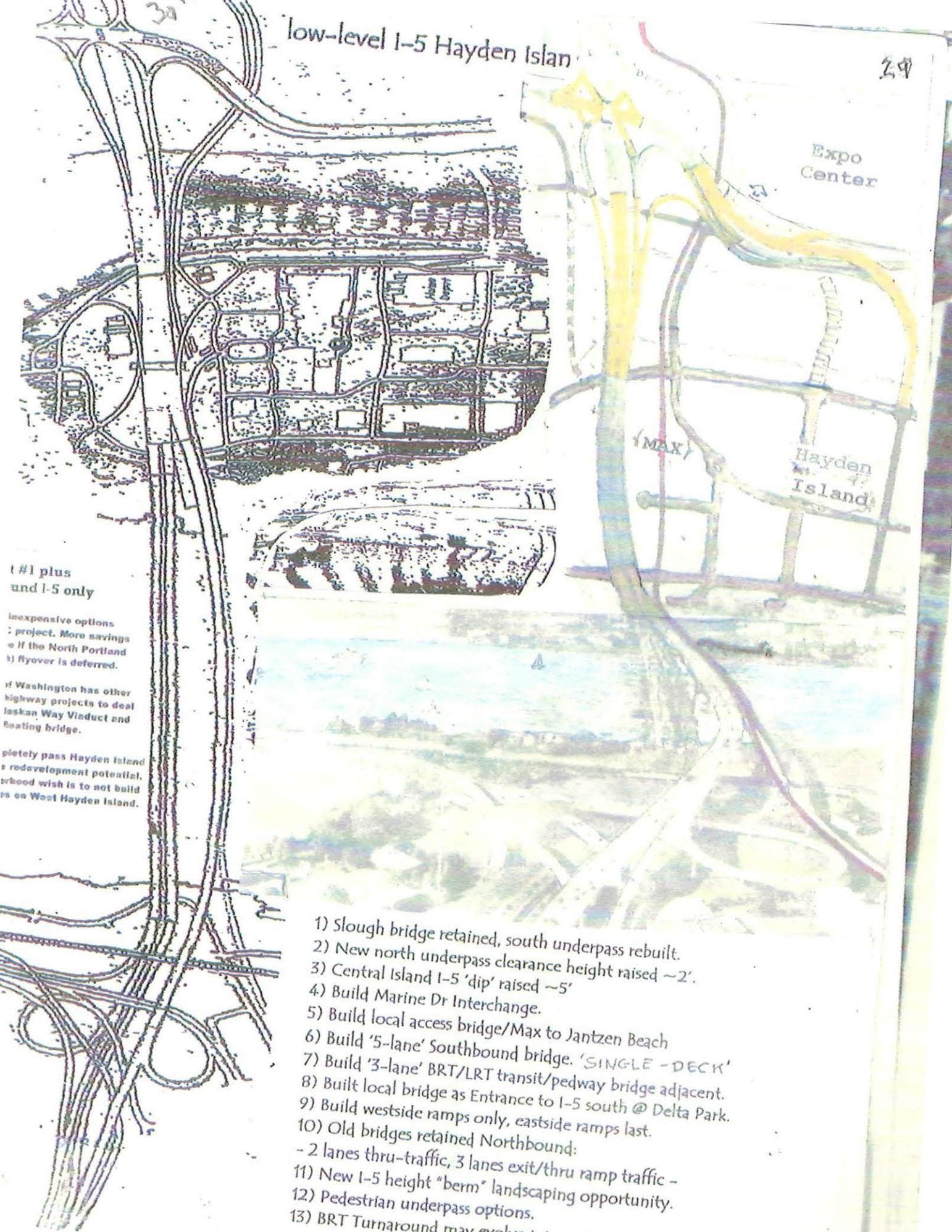
<https://www.oregon.gov/ode/StudentSuccess/Documents/SNHIREsearchBrief1.pdf>

Good morning members of Metro Council. My name is Connor Lynch. I am a PSU student of Public Health and Nursing and I live in Goose Hollow, Portland. Lately, I have taken more of an interest in the civic processes of local Housing and Homelessness-related issues. Today, I am here to recommend steps towards a more inclusive and accessible path for hosting public voices in these meetings. Portland and Metro government parties have made it clear that they are interested in prioritizing what the public deems important, but –speaking very generally– so few individuals make their way in before you all. I appreciate when committee members invite community organizations or service providers to weigh-in on agenda issues, but further social media promotion of these meetings will reach even more everyday individuals. To continue, I found the Metro Council website very unintuitive and likely to create barriers to this ideal, informed public participation. Even considering myself a more “tech-savvy” person, I had issues navigating through many links and unclear information while trying to attend meetings online. I noticed the preservation of many recorded meetings under the ‘live’ tab on the eGov PDX youtube channel. Maybe displaying a dedicated link to that page, alongside a schedule of meetings on the website can be a straightforward solution. Having clarity within information systems, and with things spoken aloud, may break down many potential barriers for people. Finally, to comment on what happens during meetings, I’ve noted the lack of a mediator to remind members of the governing body to speak inclusively when deliberating such important issues. This can look like providing appropriate context when referring to agendas of previous meetings, or offering a glossary or explanation of acronyms beforehand. Ultimately, my ask remains that the delivery and promotion of local government meetings, especially looking forward to topics of the ONE housing plan and the Metro Supportive Housing Services renewal,

are made accessible to as many people as possible.

Thank you.

low-level I-5 Hayden Island



I-5 plus
and I-5 only

inexpensive options
: project. More savings
e if the North Portland
e flyover is deferred.

if Washington has other
highway projects to deal
askan Way Viaduct and
Boating bridge.

pletely pass Hayden Island
e redevelopment potential.
rhood wish is to not build
s on West Hayden Island.

- 1) Slough bridge retained, south underpass rebuilt.
- 2) New north underpass clearance height raised ~2'.
- 3) Central Island I-5 'dip' raised ~5'
- 4) Build Marine Dr Interchange.
- 5) Build local access bridge/Max to Jantzen Beach
- 6) Build '5-lane' Southbound bridge. 'SINGLE-DECK'
- 7) Build '3-lane' BRT/LRT transit/pedway bridge adjacent.
- 8) Built local bridge as Entrance to I-5 south @ Delta Park.
- 9) Build westside ramps only, eastside ramps last.
- 10) Old bridges retained Northbound:
- 2 lanes thru-traffic, 3 lanes exit/thru ramp traffic -
- 11) New I-5 height "berm" landscaping opportunity.
- 12) Pedestrian underpass options.
- 13) BRT Turnaround may evolve into LRT.

Wsdot preferred since 2006!

NO NO NO NO

"Breakaway" exits safety

100%

No 3rd central Underpass
ONLY -Pedestrian-
-BICYCLER-