



November 30, 2020

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Marissa Madrigal
Chief Operating Officer
Metro
600 NE Grand Avenue
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Dear Marissa,

On behalf of the Sherwood City Council, I wanted to again thank you and your staff for participating in our special meeting on November 24, 2020. It was a very informative and helpful discussion about both the proposed Tipping Fee Increase and the potential Cornelius transfer station. We discussed a wide range of topics related to both proposals, but there were some key takeaways that I wanted to share with you from the work session, including:

1. Metro Council has delayed consideration of the original proposed Tipping Fee increase until December 17, 2020. In addition, Metro staff indicated that alternatives to the original proposal are being created that could include only one Tipping Fee increase (versus the original two) in 2021. This includes making the effective date of July 1, 2021 which is the normal implementation cycle for such fee adjustments.
2. The sophisticated Metro rate model that was shared with the City of Sherwood and reviewed by Chris Bell, our financial analyst contains projected costs, tons and rates for the next fifteen years. However, Brian Kennedy, CFO stated in our work session that this current rate model has "no validity".
3. There have been no significant labor reductions within WPES over the past year due to the decreased tonnage volumes according to Brian Kennedy.
4. Metro has an adequate fund balance to postpone a Tipping Fee increase until July 1, 2021.
5. A commitment was made to allow Sherwood officials to more actively participate in the ongoing discussions about future Tipping Fee adjustments.
6. A feasibility study will be conducted by Metro prior to moving forward with any design and construction of the proposed Cornelius transfer station facility. This critical step is outlined in the Metro Solid Waste Management Plan. Sherwood Council members request that the feasibility study focuses on the entire region – on what is needed and includes a broad look at solutions to those needs rather than a study that is designed to validate the aspirational goals within the SWMP. Sherwood recommends setting up a

committee where cities and haulers are represented and provide critical input to the feasibility study. Sherwood would like to have a representative on that committee.

Roy Brower stated that before the design stage, Metro will take a pause to take a look at regional, global look at needs and facilities, and gaps in the system. The feasibility study will look at the facility amenities proposed in Cornelius and one in the south and also look at the broad system-wide needs.

For Sherwood, it is important for the Regional Feasibility Study to give us answers to the following questions:

- A) If a facility is constructed (and/or existing one rebuilt), how will it be funded? Through the tonnage fee paid by users of that facility, by the Regional System Fee, or a combination of the two?
- B) How will future tonnage volume allowances be determined? If Metro uses the current method, 60% of the wet tons will be directed to Metro's facilities, with the remaining tonnages allotted to the non-Metro facilities. If a new or rebuilt transfer facility is built, this method will have a significant impact on the fee charged at non-Metro facilities.

We look forward to additional details about potential alternatives to the original Tipping Fee increase over the coming weeks and encourage you to work with all other local jurisdictions and industry members. These are important decisions in a normal year, but certainly heightened during the ongoing Covid-19 pandemic.

Sincerely,



Keith Mays
Mayor

CC: Sherwood City Council
Joseph Gall, ICMA-CM, City Manager
Metro Council
Metro Mayors Consortium
Metro area City Managers