

# Metro

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Metro

## Minutes

Thursday, May 11, 2023

10:30 AM

Metro Regional Center, Council chamber,  
<https://www.youtube.com/live/0ChRrn6UviM?feature=share>,  
<https://zoom.us/j/615079992> Webinar ID: 615 079 992

888-475-4199 (toll free)

Council meeting

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://www.youtube.com/live/OChRrn6UviM?feature=share>,

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

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

**2. Public Communication**

**3. Consent Agenda**

3.1 **Resolution No. 23-5325**, For the Purpose of Amending the 2021-24 MTIP to Add Three New Projects to the MTIP Allowing Them to Initiate Preliminary Engineering and Meet Future Federal Delivery Requirements

Attachments: [Resolution 23-5325](#)  
[Exhibit A](#)  
[Staff Report](#)

Deputy Council President Peterson introduced Brian Kennedy to present on the FY-2023-23 Budget

Staff pulled up FY-2023-25 Budget to present to Council.

Summary of presentation:

Brian Kennedy explained resolution 23-5321 budget by funds, property tax levy's, important dates regarding the proposed budget.

Council discussion:

There was no council discussion.

**A motion was made by Councilor Nolan, seconded by Councilor Gonzalez, that this item be amended. The motion passed by the following vote:**

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

#### 4. Resolutions

- 4.1 **Resolution 23-5321** For the Purpose of Approving the FY 2023-24 Budget, Setting Property Tax Levies and Transmitting the Approved Budget to the Multnomah County Tax Supervising and Conservation Commission (TSCC)

Attachments: [Resolution No. 23-5321](#)  
[Exhibit A](#)  
[Exhibit B](#)  
[Staff Report](#)

**A motion was made by Council President Peterson, seconded by Councilor Gonzalez, that this item be amended. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Rosenthal, Hwang, and Simpson

**Nay:** 1 - Councilor Nolan

- 4.2 Resolution No. 23-5320 For the purpose of adopting solid waste fees at the metro transfer stations and the regional system fee for FY 2023-24

Attachments: [Resolution No. 23-5320](#)  
[Exhibit A to Resolution No. 23-5320](#)  
[Staff Report](#)  
[Attachment 1 to Staff Report](#)  
[Attachment 2 to Staff Report](#)  
[Attachment 3 to Staff Report](#)  
[Attachment 4 to Staff Report](#)

Deputy Council President Peterson introduced Brian Kennedy to present on Resolution 23-5320: Solid Waste fees

Staff pulled up Resolution 23-5320: Solid Waste fees to present to Council.

Summary of presentation:

Brian Kennedy explained the engagement activities, staff recommendations which will increase 8%, and council consideration for option 3b for an 11% increase

Council Discussion

Councilor Gonzales asked Brian Kennedy "What steps Metro can take to divide the regional system fee and the tip fee and provide more clarity and transparency to our partners?"

Brian Kennedy explained the fees for mixed solid waste and the regional system are not blended but kept separate. However, stakeholders may perceive a lack of transparency due to how reserves are tracked. The reserves generated are primarily used for capital expenditures related to transfer stations and regional system activities. To address transparency concerns, the council plans to separate transfer station operations and regional fee operations for better tracking of reserves.

Councilor Gonzales asked Brian Kennedy another question: "Can Metro be a lienor? How would you respond? What efforts can we take to be more efficient and lean while being respectful of public resources?"

Brian Kennedy explained Metro has already undergone reductions and reimagined programs to become leaner over the past three years due to the economic and financial impacts of the pandemic. The organization has made efforts to cut costs, such as holding vacant positions. However, the budget increases are related to investments aligned with Metro's values, including paying workers fair wages and benefits. If further budget reductions were necessary, it would require making difficult choices and doing fewer things rather than maintaining the same level of work with less revenue.

Councilor Nolan asked Does this package include anything that is setting a rate or a practice that will be executed in future years?

Brian Kennedy explained he does not believe so. He then explained There is a case to be made for strategic spending within the environmental services department.

End of presentation.

Council President Peterson asked for a second to amend Exhibit A from Resolution 23-5320. Councilor Simpson seconded.

Councilor Nolan expressed her appreciation for the staff's accessibility and acknowledged the importance of involving stakeholders in the decision-making process. She commended the leadership of the President in focusing on defining the vision and policy around the rate structure and services of the WPEZ. However, she expressed concerns about an amendment that contradicted the recent commitment to capping increases at 8%. Councilor Nolan suggested an alternative approach of freezing or minimally increasing the regional system fee to align with the

commitment. She emphasized her willingness to contribute to future efforts to rationalize and clarify policies and implementations.

Councilor Gonzales expressed his appreciation for President Peterson's leadership and acknowledged their limited experience in the matter, having missed previous discussions. He highlighted the tension between the commitment made to cap increases at 8% and the importance of operating at a cost of service. Councilor González emphasized the value of a diverse industry landscape and expressed concerns about potential consolidation by larger companies if cost recovery is not achieved. He recognized the challenges and changing circumstances, such as the impact of inflation and the need for further conversation. Councilor González supported the amendment and continued the conversation and stressed the importance of communication, transparency, and conveying a vision for the system amidst changing variables. He then acknowledged the inherent tension in rate setting but expressed support for previous decisions to improve employee conditions and enhance services.

Councilor Simpson expressed gratitude to the haulers and stakeholders for providing insights. He emphasized concern for small local haulers, particularly family businesses, and highlighted the challenges posed by inflation, labor costs, fuel costs, and the uncertainty of budget issues at the national level. He then questioned the potential impact of freezing the regional systems fee, as suggested by Councilor Nolan, and how it would affect the agency. Councilor

Simpson acknowledged the need for further discussions with stakeholders, emphasizing the importance of clear communication and transparency. He ended his comments with raised concerns about the potential consequences of freezing the fee and going with an 11% increase.

Brian Kennedy came to answer Councilor Simpson and explained that Freezing the current system fee at \$29.37 would result in budget reductions of approximately \$2 million, potentially more depending on tonnage forecasts. In actuality, the decrease would be around \$3 million, considering a \$2 per ton reduction and an expected 1.5 million tons in the region. To avoid depleting reserves below policy levels, budget reductions in services and programs would be necessary.

Council Deputy Lewis expressed gratitude towards Metro staff for their patience and engagement with stakeholders and community members. She emphasized the importance of transparency and being out in the community to discuss the services provided by the agency. Councilor Lewis reflected on past efforts to study rate setting and transparency, acknowledging the diverse nature of the waste industry and the need for continued conversations. She then expressed her appreciation for the constructive discussion among colleagues and recognized the imperfect nature of the compromise but considered it a way forward given the unpredictable circumstances.

Council President Peterson expressed discomfort with making a late shift, she then explained she will be supporting the amendment. She acknowledged the challenges of being a partner when decisions are made quickly and emphasize the need to address real issues raised during the process. She also acknowledged the concerns of businesses and the

need to balance affordability with service provision.

Council President Peterson then called motion to approve Resolution 23-5320 for the purpose of adopting solid waste fees at the Metro transfer stations and the regional system fee for fiscal year 2023-24 as amended.

Councilor Nolan explained that the overall measure does not meet their objective, as a cap is a cap and 8.4% is not 8%. She then emphasized the importance of considering communication that goes beyond trying to persuade people to take a specific point of view. She then highlights the significance of listening to local business owners who have brought their expertise to the discussions. She then explained that she hopes in the, the voices of these business owners are included and valued.

**A motion was made by Councilor Gonzalez, seconded by Councilor Rosenthal, that this item be amended. The motion passed by the following vote:**

**Aye:** 6 - Council President Peterson, Councilor Lewis, Councilor Gonzalez, Councilor Rosenthal, Hwang, and Simpson

**Nay:** 1 - Councilor Nolan

#### 4.2.1 Public Comment Opportunity for Resolution No. 23-5320

Deputy Council President Lewis opened the meeting to members of the public wanting to testify on a non-agenda items.



Evan Polk, the solid waste recycling manager for the bureau of planning and sustainability: Evan Polk explained that Metro's delayed decision on disposal fees may result in the need for two rate increases in a short period of time. He then spoke about the proposed 8.4% increase, along with the potential 11.2% increase, raises concerns about the overall fees for garbage and recycling services, impacting residents.

He then went over the Regional System Fee and explained how the framework for the regional system fee needs further discussion to ensure clarity, understandability, and consensus-driven priorities and that private transfer stations evaluate fees, but the regional disposal system lacks the same accountability, which should be addressed for a fair and reliable funding process.

Kristin Likener, with pride recycling company:

Kristin expressed concerns about the blending of reserve funds from the Regional System Fee (RSF) and operating costs, which creates an uneven playing field for private facilities. She also points out the unequal treatment between private and Metro facilities, where private facilities have tonnage limitations and Metro facilities can build reserves. They advocate for an operational proposal that aligns more closely with the cost of service model and emphasizes the need for cost-based charging.

Alondo Simpson, City of Rose disposal and recycling: During the meeting, the speaker summarized the brand's evolution towards embracing the circular economy and transitioning the solid-waste system for future generations. They highlighted option 3B, which aimed to cost recover operational deficiencies and address unaccounted costs. The speaker expressed gratitude for the fruitful discussions and emphasized the need for transparency in this evolving system due to the impacts of the pandemic on costs. They

urged the elected leaders and agency staff to be accountable and push for necessary changes to avoid remaining in a detrimental status quo. The speaker reaffirmed their commitment to working alongside stakeholders to create a transformative solid waste and recycling ecosystem that leads the country and the planet.

#### **5. Chief Operating Officer Communication**

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

there are two main points discussed. Firstly, Marissa reminds everyone to be aware of heat-related illnesses as the weather gets warmer, emphasizing the importance of recognizing symptoms and following Metro's heat illness prevention policy. Secondly, she expresses excitement about Metro parks and nature's outreach efforts on water safety, including partnerships with sports teams like the Timbers and the Hops.

#### **6. Councilor Communication**

Councilors provided updates on the following meetings and events:

- Council President Peterson thanked Margi for all the work she has done at Metro.
- Councilor Gonzales wished everybody a happy Mexican mother day.
- Council Deputy Lewis, Councilors Gonzales, Hwang and Rosenthal all expressed their gratitude for Margi and all the work she had done for Metro.

#### **7. Adjourn**

There being no further business, Deputy Council President Lewis adjourned the Metro Council Meeting at 11:58am

Respectfully submitted,

*Sermad Mohamad*

Sermad, Mohamad Legislative Assistant