



METRO WASTE FEE POLICY TASK FORCE

RECOMMENDATIONS

March 2024

OVERVIEW

Metro’s solid waste fee setting process is guided by a core set of criteria used to ensure effective management of the regional garbage and recycling system. The Waste Fee Policy Task force was convened in November 2023 to review Metro’s solid waste fee setting policy and provide recommendations to the Metro Council to guide development of FY 24-25 solid waste fees. The Task Force was asked to identify any additional policy objectives and outcomes that the Council should consider in their fee setting process and to recommend how the criteria for fee setting are prioritized.

The task force membership included stakeholders with relevant subject matter expertise and active participants in the operations of the broader garbage and recycling system. Metro Councilor Mary Nolan served as Task Force Chair and Metro Councilor Christine Lewis served as the Vice-Chair.

TASK FORCE MEMBERS

Mary Nolan, Task Force Chair	Metro Councilor
Christine Lewis, Task Force Vice Chair	Metro Councilor
Ashton Simpson	Metro Councilor
Tim Rosener	City of Sherwood Mayor
Pam Treece	Washington County Commissioner
Arianne Sperry	Oregon Dept. of Environmental Quality
Wendy Lawton	East County System User
Will Mathias	B&B Leasing Company
AJ Simpson	City of Roses
Jason Jordan	Republic
Terrell Garrett	Greenway Recycling
Beth Vargas Duncan	Oregon Refuse and Recycling Association
Laura Tokarski	Trash for Peace
Jackie Kirouac-Fram	ReBuilding Center

RECOMMENDATIONS

The Task Force held six meetings that took place December 2023 through February 2024. They reviewed information about how the garbage and recycling system is financed, existing fee policy criteria, and primary policy drivers for fee setting, including material subsidies and incentives for waste reduction. The group discussed how the fee setting policy criteria should be updated and suggested new policy criteria. They considered how to prioritize both the new and current criteria and reviewed examples of how prioritization

could impact fees. Based on these discussions the task force identified the following recommendations:

1. **Improve engagement and collaboration on budget and fee development.**
This includes an advisory and oversight committee with public, private, nonprofit and community partners to advise Metro Council on budget and fee development. This process should also ensure that community member voices are heard and considered in budget and fee development. Consider Washington County's Garbage and Recycling Advisory Committee as a model or expanding the Regional Waste Advisory Committee scope and membership.
2. **Improve public information and increase dissemination of information about how Metro's fees are developed and used.**
This includes simplifying information so it is clear and easy to understand and sharing outcomes achieved through fees, including environmental outcomes and program and service performance metrics.
3. **Continue to maintain separate fund balance reserves for transfer station operations and Regional System Fee-funded activities.**
This includes uses of transfer station operations, capital improvements and Regional System Fee fund balance reserves should be restricted to uses within the same sub-fund. Any exceptions to this should require Council approval. This is important for transparency, accountability and to maintain trust.
4. **Update Metro's financial policy to include fiscal responsibility and accountability criteria as good financial practices that Metro should continue to follow in the fee development process.**
This includes revising Metro's financial policy to include the following criteria.

Credit Rating Impacts: The fee structure should not negatively impact Metro's credit rating.

Authority to Implement: Metro should ensure that it has the legal ability to implement the fee structure; or, if such authority is not already held, evaluate the relative difficulty of obtaining the authority. And fees should be readily enforceable.

Revenue adequacy - Solid waste fees should be sufficient to generate revenues that fund the full cost of the solid waste system and provide fund balance reserves that are necessary for fee stabilization, policy compliance, and unexpected disruptions.

Reliability - Anticipated revenues used in the fee setting process should be considered stable and unlikely to deviate from financial plan expectations.

5. **Prioritize the following criteria in solid waste fee setting.**

This includes updating the fee setting policy to include new criteria and prioritization as outlined below.

Prioritized criteria in fee development:

Accessible and Equitable System (NEW): 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 (formerly Waste Reduction): 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 non-residential generators, as well as the economic effect on others in the region.

Public-Private System (NEW): Fees should give fair weight to the operational and capital needs of all providers: publicly owned, privately owned, and nonprofit.

The following priorities were discussed and developed as important considerations, but not priorities as those above:

Predictability: Metro fee adjustments should be predictable and orderly to allow local governments, haulers, and rate payers to perform effective planning.

Resilient Economy for All (NEW): Fee setting should consider the economic effects of short- and long-term fee changes.

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.

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.

Administration: Fee setting should evaluate the relative cost and benefits of administering the fees with financial and policy goals.