



City Council Meeting December 7, 2020

Executive Session 5:00pm

Work Session 5:25 pm

Council Meeting 7:00pm

(All held in Council Chambers)

This meeting is taking place with social distancing precautions in place:

- Councilors are participating virtually, via Zoom videoconferencing.

To Provide Public Comment:

- Written comments may be submitted to the City Recorder (Wilsonville City Hall, 29799 SW Town Center Loop East, Wilsonville, OR 97070).
- Digital comments (email) may be submitted to cityrecorder@ci.wilsonville.or.us.
- Individuals may participate online through the Zoom videoconferencing platform.
- Contact City Recorder at (503) 570-1506 cityrecorder@ci.wilsonville.or.us to register.

You can watch the City Council Meeting here:

You Tube: [youtube.com/c/CityofWilsonvilleOR](https://www.youtube.com/c/CityofWilsonvilleOR)

Zoom: <https://us02web.zoom.us/j/81536056468>

City of Wilsonville

City Council Meeting

December 7, 2020



**AMENDED
AGENDA**

**WILSONVILLE CITY COUNCIL MEETING
DECEMBER 7, 2020
7:00 P.M.**

**CITY HALL
29799 SW TOWN CENTER LOOP EAST
WILSONVILLE, OREGON**

Mayor Tim Knapp

Council President Kristin Akervall
Councilor Charlotte Lehan

Councilor Joann Linville
Councilor Ben West

CITY COUNCIL MISSION STATEMENT

To protect and enhance Wilsonville's livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

**Executive Session, Work Session and City Council meetings
will be held in the Council Chambers, City Hall, 1st Floor**

- | | | |
|------------------|---|-----------|
| 5:00 P.M. | EXECUTIVE SESSION | [25 min.] |
| | A. Pursuant to: ORS 192.660 (2)(e) Real Property Transactions
ORS 192.660(2)(h) Legal Counsel / Litigation | |
| 5:25 P.M. | REVIEW OF AGENDA AND ITEMS ON CONSENT | [5 min.] |
| 5:30 P.M. | COUNCILORS' CONCERNS | [5 min.] |
| 5:35 P.M. | PRE-COUNCIL WORK SESSION | |
| | A. Street Maintenance Program Update (Huffman) | [20 min.] |
| | B. Restaurant Relief Program (Neamtzu) | [30 min.] |
| | C. Credit Card Processing Software (Stone) | [20 min.] |
| 6:45 P.M. | ADJOURN | |
-

CITY COUNCIL MEETING

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a regular session to be held, Monday, December 7, 2020 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10 a.m. on November 17, 2020. Remonstrances and other documents pertaining to any matters listed in said summary filed at or prior to the time of the meeting may be considered there with except where a time limit for filing has been fixed.

7:00 P.M. CALL TO ORDER

- A. Roll Call
- B. Pledge of Allegiance
- C. Motion to approve the following order of the agenda and to remove items from the consent agenda.

7:05 P.M. MAYOR'S BUSINESS

- A. Placeholder for Appointments/Reappointments
- B. Upcoming Meetings

7:25 P.M. COMMUNICATIONS

- A. None.

7:25 P.M. CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

7:35 P.M. COUNCILOR COMMENTS, LIAISON REPORTS AND MEETING ANNOUNCEMENTS

- A. Council President Akervall
- B. Councilor Lehan
- C. Councilor West
- D. Councilor Linville

7:50 P.M. CONSENT AGENDA

- A. **Resolution No. 2863**
A Resolution Of The City Council Creating The Kitakata Sister City Advisory Board. (Monahan)
- B. **Resolution No. 2866**
A Resolution Of The City Of Wilsonville, Acting In Its Capacity As The Local Contract Review Board, Authorizing The City Manager To Execute A Contract With Automated Merchant Services And Merrick Bank. (Stone/Rodocker)
- C. **Resolution No. 2867**
A Resolution Adopting The Canvass Of Votes Of The November 3, 2020 General Election. (Veliz)

8:00 P.M. NEW BUSINESS

- A. **Resolution No. 2864**
A Resolution And Order Amending Resolution No. 2858 To Further Extend The Local State Of Emergency And Emergency Measures, As Authorized By Resolution No. 2803. (Jacobson)
- B. **Resolution No. 2865**
A Resolution Of The City Of Wilsonville Adopting The Findings And Recommendation Of The 2020 Solid Waste Franchise Rate Review Process As Documented In The "Solid Waste Collection Report, November 2020." (Ottenad)

12/3/2020 1:10 PM Last Updated

C. **Resolution No. 2868** - Placeholder

A Resolution of the City of Wilsonville Establishing a Restaurant Relief Program to Address Impacts Associated with COVID-19. (Neamtzu)

8:30 P.M. CONTINUING BUSINESS

A. None.

8:30 P.M. PUBLIC HEARING

A. None.

8:30 P.M. CITY MANAGER'S BUSINESS

8:40 P.M. LEGAL BUSINESS

8:50 P.M. ADJOURN

Time frames for agenda items are not time certain (i.e. Agenda items may be considered earlier than indicated.) Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting if required at least 48 hours prior to the meeting. The city will also endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting: Qualified sign language interpreters for persons with speech or hearing impairments. Qualified bilingual interpreters. To obtain services, please contact the City Recorder, (503) 570-1506 or cityrecorder@ci.wilsonville.or.us.

Street Maintenance Program Update

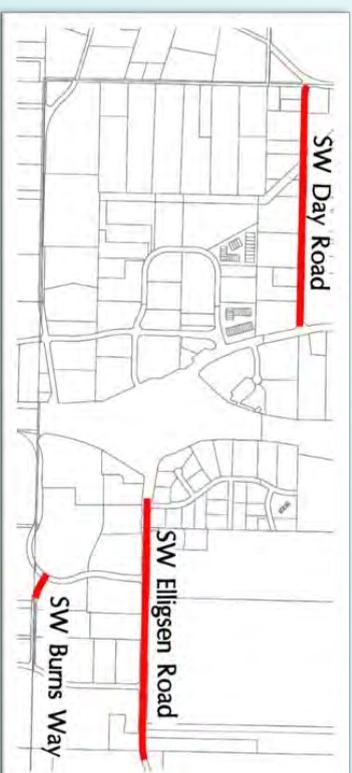
December 7, 2020





2020

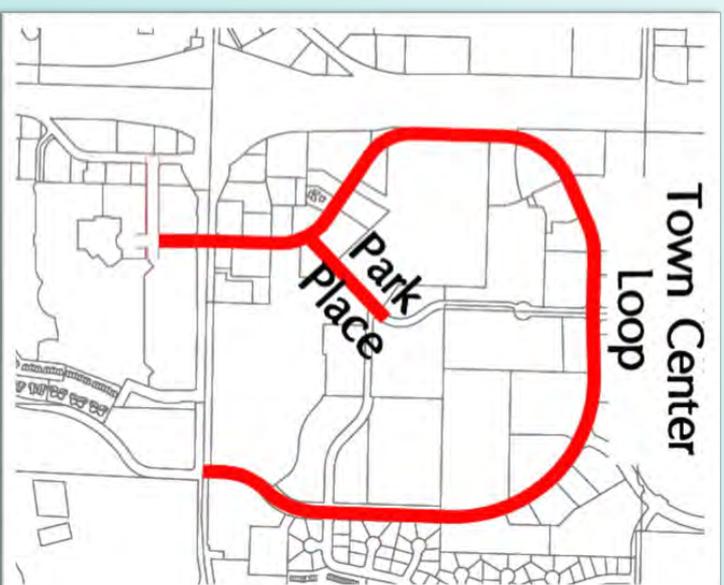
- Elligsen Road
- Day Road
- Burns Way
- Main Street
- Parkway Avenue





2021

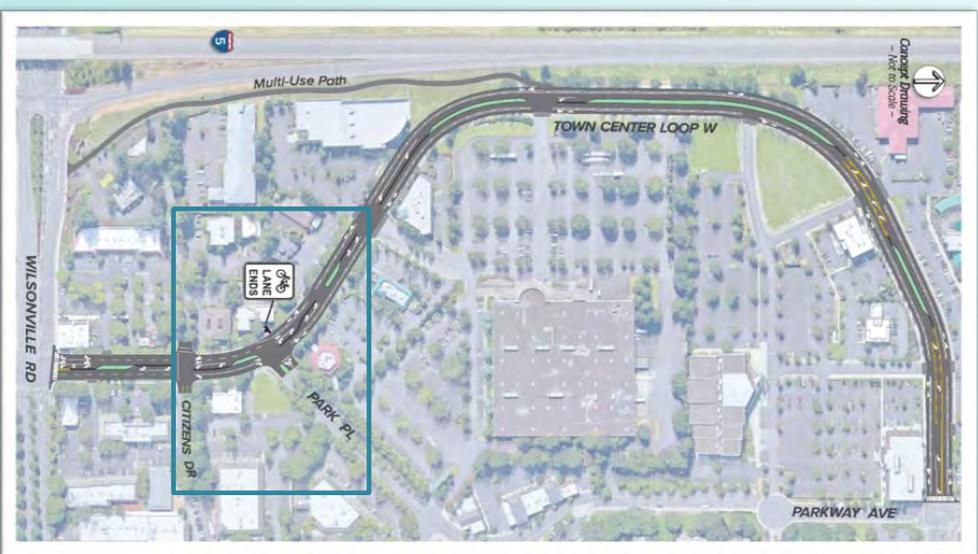
- Town Center Loop
- Park Place





2021

- Buffered Bike Lane





2021

- Remove striped crossing at Citizens Drive





2022

- Local Streets
- Crack Seal & Slurry Seal





Questions?

CITY COUNCIL ROLLING SCHEDULE Board and Commission Meetings 2020

Items known as of 12/02/20

December

DATE	DAY	TIME	EVENT	LOCATION
12/9	Wednesday	6:00 p.m.	Planning Commission - Cancelled	Council Chambers
12/14	Monday	6:30 p.m.	DRB Panel A - Cancelled	Council Chambers
12/21	Monday	7:00 p.m.	City Council Meeting	Council Chambers
12/28	Monday	6:30 p.m.	DRB Panel B	Council Chambers

January

DATE	DAY	TIME	EVENT	LOCATION
1/4	Monday	7:00 p.m.	City Council Meeting	Council Chambers
1/11	Monday	6:30 p.m.	DRB Panel A	Council Chambers
1/13	Wednesday	6:00 p.m.	Planning Commission	Council Chambers
1/14	Thursday	4:30 p.m.	Parks and Recreation Advisory Board	Parks and Recreation Administration Building
1/21	Thursday	7:00 p.m.	City Council Meeting	Council Chambers
1/25	Monday	6:30 p.m.	DRB Panel B	Council Chambers
1/26	Tuesday	6:00 p.m.	Budget Committee Meeting	Council Chambers

Community Events:

- 11/2 – 12/11** Fill a Stocking for a Wilsonville Senior! Filled stockings can be donated to the Parks and Recreation. Administrative Building from 8:00 a.m. to 5 p.m., Monday thru Friday.
- 12/8** Diversity, Equity, and Inclusion (DEI) Community Listening Session; 6:00 p.m. to 8:00 p.m. via Zoom.
- 12/11** American Red Cross Blood Drive; 10:00 a.m. – 3:00 p.m. at the Library.
- 12/24** Library Closes at 2 p.m. Offices in for of Christmas Eve.
- 12/25** City Offices Closed in Observance of Christmas Day.
- 1/1** City Offices Closed in Observance of New Year's Day.

All dates and times are tentative; check the City's online calendar for schedule changes at www.ci.wilsonville.or.us.



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: December 7, 2020		Subject: Resolution No. 2863 Kitakata Sister City Advisory Board	
		Staff Member: Zoe Monahan, Assistant to the City Manager	
		Department: Administration	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A	
Staff Recommendation: Staff recommends that Council adopt the Consent Agenda.			
Recommended Language for Motion: I move to approve the Consent Agenda.			
Project / Issue Relates to:			
<input type="checkbox"/> Council Goals/Priorities:	<input type="checkbox"/> Adopted Master Plan(s):	<input checked="" type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Adoption of a resolution establishing the creation of the Kitakata Sister City Advisory Board.

EXECUTIVE SUMMARY & BACKGROUND:

The City of Wilsonville has had a Sister City Relationship with Kitakata, Japan for the last 32 years (Est. Oct. 17, 1988). This relationship was established to:

“... deepen the understanding and friendship between the two cities through programs in such fields as education, culture, and economy. It is our intent that this relationship will contribute to promoting better relations between the two countries and consequently to the peace and prosperity of the world.”

For the duration of this Sister City relationship, a small non-profit group, The Wilsonville Sister City Association (WSCA), has provided a program through cultural exchanges, home stay programs, constant communication via letters and email, fundraising, student exchanges, etc. The group has a limited ability to receive funding and continue the same level of programing that was offered in the past.

Over the last two years, the strengthened relationship between the WSCA and the City of Wilsonville, it has come to City Staff and WSCA member’s attention that the group is no longer sustainable as a group of volunteer citizens. The WSCA is in need of not only a dedicated staff liaison, but of City advisory board status, which would allow for greater structure, consistency, financial stability, and allow the program to not only continue, but to grow.

During the October 2019 visit to Kitakata, which was made up of members of the WSCA and a City of Wilsonville staff liaison, it became very apparent that our counterparts in Kitakata are eager to grow the sister city relationship. Mayor Endo and City staff in Kitakata are eager to expand relationships between local business owners, sports organizations, school boards, and Council members, and an invitation for a trip to Kitakata, Japan in August or October has been proposed to help achieve this goal. The details and logistics of the trip are being discussed.

At the November 16, 2020 Council Work Session, bylaws for the future Kitakata Sister City Advisory Board were discussed at work session.

EXPECTED RESULTS:

The Kitakata Sister City Advisory Board has three main functions as stated in the bylaws:

1. Help guide and support the development and activities of the Sister City Program, whose mission is to encourage cross-cultural understanding and to promote educational and economic exchange between the citizens of Wilsonville and our Sister City Kitakata, Japan.
2. Serve in an advocacy, supporting and ambassadorial capacity and assist in organizing events and promoting a positive image and good relations for the Sister City Program and the City of Wilsonville within the community, the region, the state and internationally.
3. Work to further advance the planning and implementation of initiatives that support the Sister City Program. The Board may recommend general policies and activities and otherwise advise and support the Mayor and City Council. The Board may recommend policy to the Mayor and City Council.

TIMELINE:

Staff has notified interested parties of the expected creation of the Kitakata Sister City Advisory Board, and is promoting available positions on the board through direct outreach, media releases, web and social media postings. Applications for the Mayor’s consideration and nomination to the board are being accepted until November 30, 2020 or when the positions are filled. Positions on the board will be filled as soon as possible, with the first official board meeting planned in early 2021.

During the first few meetings of the board, the board will undergo Oregon Public Meetings Law training, as well as goal setting and priorities training.

CURRENT YEAR BUDGET IMPACTS:

The Parks & Recreation General Services Department anticipates the need for a current year \$15,000 budget supplemental request in support. Subsequent funding will be evaluated on an annual basis.

FINANCIAL REVIEW / COMMENT:

Reviewed by: KAK Date: 11/18/2020

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 11/18/2020

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

This program is a unique opportunity for the City to strengthen our Sister City relationship and provide community members to engage with students from Japan. The program invites citizens of Wilsonville to host student and chaperones from Kitakata Japan and similarly, when students from Wilsonville travel to Japan, families in Kitakata will host the students from Wilsonville.

This direct interaction between citizens has many benefits to the community including cultural exchange, universal understanding, and friendship. For students in particular this program also promotes education, self-awareness, planning and organization, and a broadening of cultural understanding and appreciation.

The City also hopes to strengthen the relationship with Kitakata, Japan to increase economic partnerships and exchanges in the future.

ALTERNATIVES:

WSCA continues as a group of volunteers, which will not be sustainable for growth.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 2863
 - A. Bylaws of the Kitakata Sister City Advisory Board

RESOLUTION NO. 2863

A RESOLUTION OF THE CITY COUNCIL CREATING THE KITAKATA SISTER CITY ADVISORY BOARD.

WHEREAS, the City has had a Sister City Relationship with Kitakata, Japan for over 32 years; and

WHEREAS, the former non-profit, Wilsonville Sister City Association (WSCA) has facilitated cultural exchanges between the City of Wilsonville and Kitakata, Japan for about 32 year; and

WHEREAS, the WSCA can no longer fund the program as needed; and

WHEREAS, staff has prepared bylaws and a budget to administer the program and support an official Kitakata Sister City Advisory Board; and

WHEREAS, the program is intended to help guide and support the development and activities of the Sister City Program, whose mission is to encourage cross-cultural understanding and to promote educational and economic exchange between the citizens of Wilsonville and our Sister City Kitakata, Japan; and

WHEREAS, to serve in an advocacy, supporting and ambassadorial capacity and assist in organizing events and promoting a positive image and good relations for the Sister City Program and the City of Wilsonville within the community, the region, the state and internationally; and

WHEREAS, work to further advance the planning and implementation of initiatives that support the Sister City Program. The Board may recommend general policies and activities and otherwise advise and support the Mayor and City Council. The Board may recommend policy to the Mayor and City Council; and

WHEREAS, on November 16, 2020 the City Council reviewed a proposal outline to create a Kitakata Sister City Board and directed staff to proceed as outlined.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

Section 1. Kitakata Sister City Advisory Board:

1. The Wilsonville Kitakata Sister City Board (“Board”) is hereby created as a deliberative and recommending body that reports to the City Council.

Section 2. Mission:

1. The Kitakata Sister City Advisory Board's mission is to encourage cross-cultural understanding and to promote educational and economic exchange between the citizens of Wilsonville and our Sister City Kitakata, Japan.

Section 3. The Committee shall have two primary areas of responsibility:

1. The Board serves in an advocacy, supporting and ambassadorial capacity and will assist in organizing events and promoting a positive image and good relations for the Sister City Program and the City of Wilsonville within the community, the region, the state and internationally.
2. Board members work to further advance the planning and implementation of initiatives that support the Sister City Program. The Board may recommend general policies and activities and otherwise advise and support the Mayor and City Council. The Board may express its opinion on policy recommendations submitted to it by the Mayor and City Council.

Section 4. Appointment:

1. The Mayor recommends and the City Council confirms Committee members, who serve at the pleasure of the Council.

Section 5. Membership:

1. The Board shall consist of five (5) to nine (9) members. Official terms of office of Board member terms begin January 1st of the year immediately following appointment, unless the member is appointed to fill an unexpired term, in which case the Board member shall serve until the end of the term the Board member was appointed to fill. Board member terms shall be staggered. All recommendations for appointments to the Board shall be made by the Mayor and ratified by the Council.
2. Appointments shall be for a term of three years.
3. No Board member shall be appointed for more than two full consecutive terms (not counting a partial term served), but any person may be appointed again to the Board after an interval of one year.

4. Upon completion of a term, a member who does not continue with the Board shall be designated an "emeritus board member" upon request. Emeritus board members will be kept informed of Board activities and invited to continue close association with the Program. Emeritus members are regarded as ex-officio members of the Board and are welcome to attend meetings regularly and be heard, though may not vote or be considered as a member of a quorum.
5. Members shall be deemed public officials for purposes of Oregon's government ethics laws.

Section 7. Organization and Conduct of Meetings:

1. At the first meeting of each fiscal year, the Committee will elect a chair and vice-chair from the voting members.
2. The Chair (Vice Chair in the absence of the Chair) will preside over all meetings.
3. Unless otherwise specified, Robert's Rules of Order shall govern the meetings.
4. Meetings will be held quarterly.
5. The Staff Liaison shall draft the minutes of all official Board meetings and retain the minutes in accordance with Oregon's public record laws.
6. A simple majority of the appointed Board members constitutes a quorum and is required in order to transact business or take official action. A majority of the Board members must be present to consider any item on the agenda.
7. All meetings will be announced and open to the public.

Section 8 – Duties of the Board

Duties of the Board shall be to fulfill the mandate set forth by the City of Wilsonville. In addition, the Board of Directors shall support the development of the Kitakata Sister Cities Program through:

- a. Assisting in the development of strategic plans
- b. Submitting recommendations and requests for the annual program budget
- c. Recommending program policies to the City Council
- d. Conducting activities through projects and events to support:

- 1) Resource development;
- 2) Promotion of cross-cultural understanding and exchange between the community of Wilsonville and its Sister Cities;
- 3) Community support and public relations and outreach.

Section 9. Effective Date:

This resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting on December 7, 2020, and filed with the Wilsonville City Recorder this date.

Tim Knapp, Mayor

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp –

Council President Akervall –

Councilor Lehan–

Councilor West

Councilor Linville

EXHIBIT:

- A. Bylaws of the Kitakata Sister City Advisory Board

BYLAWS OF THE KITAKATA SISTER CITY ADVISORY BOARD

I. CHARTER/PURPOSE.

The purpose of the Wilsonville Kitakata Sister City Advisory Board (“Board”) is to help guide and support the development and activities of the Sister City Program (“Program”). The Board’s mission is to encourage cross-cultural understanding and to promote educational and economic exchange between the City of Wilsonville and our Sister City Kitakata, Japan. This is an advisory board to the Wilsonville Mayor (“Mayor”) and the Wilsonville City Council (“Council”).

The Board serves in an advocacy, supporting, and ambassadorial capacity by promoting a positive image and good relations for the Program and the City of Wilsonville (“City”) within the community and internationally. The Board is a standing committee of the City.

Board members work to promote initiatives that support the Program. The Board will recommend general policies and activities and will otherwise advise and support the Mayor and Council with respect to advancement of the Program goals and aspirations.

II. BOARD MEMBERSHIP AND FORMATION.

The Board will consist of no less than five (5) and no more than nine (9) members. Official terms of office of Board member terms begin January 1st of the year immediately following appointment, unless the member is appointed to fill an unexpired term, in which case the Board member shall serve until the end of the term the Board member was appointed to fill. Board member terms shall be staggered. All recommendations for appointments to the Board shall be made by the Mayor and ratified by the Council.

Diversity in membership is encouraged. The Mayor will therefore attempt to achieve diversity by including, among others, local school district employees, Wilsonville high school students, past host family members and exchange students, and local business owners.

Board membership staggering will proceed as follows: Of the members first appointed, two members shall be appointed for a one-year term, two members shall be appointed for a two-year term, and three members shall be appointed for a three-year term. Subsequent appointments shall be for terms of three years. Decisions concerning reappointment of a Board member will be recommended by the Mayor and ratified by the Council.

Upon completion of a term, a Board member who does not continue with the Board may, upon request, be designated an “emeritus board member.” Emeritus board members will be invited to continue close association with the Program. Emeritus board members are regarded as ex-officio members of the Board and are welcome to attend meetings and be heard, but they will not have voting rights and will not be considered as members for the purpose of establishing a quorum.

Board members shall be deemed public officials for the purposes of Oregon's Public Meetings Law and State ethics laws.

No Board member shall be appointed for more than two full consecutive terms (not counting a partial term served), but any person may be appointed again to the Board after an interval of one year.

III. DUTIES OF THE BOARD.

The Board of Directors will report to and take direction from the Council. The Board of Directors shall support the development of the Program by:

- a. Assisting in the development of Sister City strategic plans.
- b. Submitting recommendations for the annual Program budget.
- c. Recommending Program policies to the Council.
- d. Conducting activities through projects and events to support Wilsonville and its Sister City, including:
 - 1) Resource development;
 - 2) Promotion of cross-cultural understanding and exchange between the community of Wilsonville and Kitakata;
 - 3) Community support and public relations and outreach.

IV. VACANCIES ON THE BOARD.

Vacancies on the Board shall be filled by appointment, upon recommendation from the Mayor and ratification by the Council. Those appointed Board members will hold office until such position would normally terminate.

V. BOARD OFFICERS AND STAFF LIAISON.

Officers of the Board will consist of a Chair and Vice-Chair, together with such other officers as the Board members from time to time may require.

- a. **DUTIES OF THE CHAIR.** The Chair shall preside over all meetings of the Board and generally discharge the duties as are properly required by the Board. The Chair, in consultation with the Staff Liaison, will set the meeting agenda for Board meetings.
- b. **DUTIES OF THE VICE-CHAIR.** The Vice-Chair shall preside over meetings of the Board in the absence of the Chair. The Vice-Chair will otherwise exercise those powers and perform such duties as assigned by the Chair.
- c. **DUTIES OF LIAISON.** The Sister City Staff Liaison will be a City staff person appointed by the City Manager to assist the Board with those duties, as assigned by the Chair or Vice-Chair.

Each Officer shall be elected by the Board for a one-year term. No member shall serve as an Officer for more than two consecutive one year terms, but may be appointed again after an interval of one year has passed.

Elections shall be held at the first meeting of the Board each year, and Officers shall assume office immediately following the election. With the exception of the initial year of the Board, Board members shall serve on the Board for at least one year before becoming eligible to serve as an Officer.

Vacancies in the position of Chair and Vice-Chair, regardless of cause, shall be filled by majority vote of the remaining Board members, and those elected to fill vacated positions shall hold office until the next regularly scheduled election.

VI. MEETINGS OF THE BOARD.

- a. REGULAR MEETINGS. Regular Board meetings will be held quarterly, at a designated time and at a location within Wilsonville.
- b. SPECIAL MEETINGS. Special meetings of the Board may be called at any time, at the discretion of the Board Chair, and shall be promptly called upon written request of any three members of the Board to the Chair. Such meetings shall be held at the location within the City of Wilsonville, as designated by the Chair.
- c. NOTICE OF BOARD MEETINGS. Notice of all regular and special Board meetings shall be given to the public in compliance with Oregon’s public meetings laws.
- d. QUORUM AND VOTE. A simple majority of the appointed Board members constitutes a quorum and is required in order to transact business or take official action. A majority of the Board members must be present to consider any item on the agenda.
- e. ORDER OF BUSINESS. Business at both regular and special meetings of the Board shall be conducted according to *Roberts Rules of Order Newly Revised*.
- f. RECORD KEEPING. The Staff Liaison shall draft the minutes of all official Board meetings and retain the minutes in accordance with Oregon’s public record laws.
- g. OPERATING BUDGET. The Staff Liaison shall be responsible for drafting requests for an operating budget in conjunction with the Board, to be submitted to Council through the annual budget process.

VII. AMENDMENTS.

Recommendations to alter, amend, or repeal these Bylaws may be made upon thirty days’ notice at any meeting of the Board, and approved by a vote of at least two-thirds of all the Board members. Such recommendations must be reviewed by the City Attorney for legal compliance and conformance to City Code, and thereafter be presented to Council for approval or denial before any changes to the Bylaws can be made.

Approved and adopted by the Wilsonville City Council on this ____ day of _____, 2020 by Resolution No. _____.



**CITY COUNCIL MEETING
STAFF REPORT**

<p>Meeting Date: December 7, 2020</p>	<p>Subject: Resolution No. 2866 Credit Card Processing Software</p> <p>Staff Member: Andy Stone, IT Director and Cathy Rodocker, Finance Director</p> <p>Department: IT and Finance</p>	
<p>Action Required</p>	<p>Advisory Board/Commission Recommendation</p>	
<p><input checked="" type="checkbox"/> Motion</p> <p><input type="checkbox"/> Public Hearing Date:</p> <p><input type="checkbox"/> Ordinance 1st Reading Date:</p> <p><input type="checkbox"/> Ordinance 2nd Reading Date:</p> <p><input type="checkbox"/> Resolution</p> <p><input type="checkbox"/> Information or Direction</p> <p><input type="checkbox"/> Information Only</p> <p><input type="checkbox"/> Council Direction</p> <p><input checked="" type="checkbox"/> Consent Agenda</p>	<p><input type="checkbox"/> Approval</p> <p><input type="checkbox"/> Denial</p> <p><input type="checkbox"/> None Forwarded</p> <p><input checked="" type="checkbox"/> Not Applicable</p>	<p>Comments: N/A</p>
<p>Staff Recommendation: Staff recommends that Council adopt the Consent Agenda.</p>		
<p>Recommended Language for Motion: I move to approve the Consent Agenda.</p>		
<p>Project / Issue Relates To:</p>		
<p><input type="checkbox"/> Council Goals/Priorities:</p>	<p><input type="checkbox"/> Adopted Master Plan(s):</p>	<p><input type="checkbox"/> Not Applicable</p>

ISSUE BEFORE COUNCIL:

Council will receive information on a sole source contract with Automated Merchant Systems (AMS) to process credit cards within the new Tyler Enterprise Resource Planning (ERP) software.

EXECUTIVE SUMMARY:

In October of 2019, the City of Wilsonville began the implementation of a new ERP software, replacing Eden. The new ERP consists of two software packages; Munis, which handles Financials, HR/Payroll and Utility Billing and EnerGov, which handles Community Development Permitting. The implementation of these modules are planned to take place over three years and will phase Eden out.

Three out of the four modules can accept credit cards for various payments, both in person and via the website. These processes are integrated into the ERP software but are handled by third party software separate from Tyler.

The credit card process is made up of two components, the gateway which interacts with the credit card and the merchant processor which handles the financial transaction between two parties. Over the life of Eden, multiple gateways and merchant processors have been used for different aspects of the credit card processing process. This prevents credit cards from being processed the same way across payments and creates inefficiencies for Finance staff to reconcile those payments. If issues occur during a transaction, troubleshooting can be a very time intensive process. The multiple gateways and merchant processors also have different requirements for maintaining Payment Card Industry Data Security Standards or "PCI" compliance and the associated fee structure.

Tyler, the parent company of Munis and EnerGov, has aligned with Automated Merchant Systems (AMS) and BridgePay to eliminate the need for multiple gateway and merchant processor systems. AMS is a merchant processor and BridgePay is a gateway software. BridgePay and Tyler have developed gateway software that integrates directly with the new Tyler cashiering system to securely process credit cards and integrate the information with the Tyler ERP software. AMS handles the merchant processing and the interaction with banks for the funds transfer to the City.

An additional benefit is that AMS tightly integrates with BridgePay and acts as a single vendor so the City would have a single point of contact for any credit card transaction issues that are processed through the Tyler ERP software. The services are bundled and contracted together with AMS as the managing partner.

In an analysis performed on our current credit card processes, staff anticipates saving between \$25-\$50K per year using the AMS solution as compared to our current processing solution. Much of the savings are based on lower overall processing costs, but some of the savings can be attributed to the ability to tailor credit card rates incurred by the City based on the type of purchase that is made. AMS makes it much easier to adjust costs based on the type of transaction. For instance, the cost to the City to process a utility bill is cheaper than to process a permit. The economies of scale in the AMS solution allows for savings that cannot be realized across multiple small platforms.

As the City implements the different modules of the Tyler ERP, the AMS and BridgePay solution will be brought on line. Full savings will be realized once the last module comes on line, currently anticipated to be on-line for Utility Billing in early 2022.

EXPECTED RESULTS:

If approved by Council, staff will work with AMS to implement the new Credit Card Processing system.

TIMELINE:

Upon approval of the contract the City will work with AMS to setup credit card processing in each ERP module as it is implemented starting with the financial module in the first quarter of 2021.

CURRENT YEAR BUDGET IMPACTS:

Costs will be incurred as the ERP modules are implemented but will be offset by reducing usage in the existing system. Modules will be brought on line through 2022. Overall, it is expected that the cost of credit card processing will decrease but the volume may increase causing overall processing costs to increase.

FINANCIAL REVIEW / COMMENT:

Reviewed by: KAK Date: 12/2/2020

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 12/2/2020

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

N/A

ALTERNATIVES:

N/A

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 2866

RESOLUTION NO. 2866

A RESOLUTION OF THE CITY OF WILSONVILLE, ACTING IN ITS CAPACITY AS THE LOCAL CONTRACT REVIEW BOARD, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH AUTOMATED MERCHANT SERVICES AND MERRICK BANK.

WHEREAS, the City is implementing a Tyler Technologies Enterprise Resource Planning (ERP) software system to manage its financial and permitting records; and

WHEREAS, the AMS Credit Card Processing system integrates directly with the Tyler Technologies ERP and there are no other viable products available from another source which would accomplish the cost and efficiency goals of the City; and

WHEREAS, the City determined that the Tyler ERP software will efficiently utilize the AMS Credit Card Processing software to reduce processing costs; and

WHEREAS, Wilsonville Code 2.312 exempts the purchase of software from competitive procurement; and

WHEREAS, Automated Merchant Services, Merrick Bank, and the City of Wilsonville are finalizing negotiations for a contract covering the implementation of the new software.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City of Wilsonville, acting as the Local Contract Review Board, authorizes the City Manager to enter into and execute, on behalf of the City of Wilsonville, a sole source, transaction fee based contract with Automated Merchant Services and Merrick Bank, with a value that may eventually exceed \$100,000, which contract shall be approved for legal sufficiency through the Office of the City Attorney.
2. This Resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 7th day of December, 2020 and filed with the Wilsonville City Recorder this date.

TIM KNAPP, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp

Council President Akervall

Councilor Lehan

Councilor West

Councilor Linville

RESOLUTION NO. 2867**A RESOLUTION ADOPTING THE CANVASS OF VOTES OF THE NOVEMBER 3, 2020 GENERAL ELECTION.**

WHEREAS, at the General Election held on November 3, 2020, the electorate of the City of Wilsonville cast ballots for the position of Mayor and for two City Councilor positions; and

WHEREAS, the terms for the Mayor and City Council positions are four-year terms; and

WHEREAS, the General Election of the registered voters of Clackamas and Washington Counties was conducted by mail; and

WHEREAS, the County Clerks of Clackamas and Washington Counties, respectively, are by statute, in charge of conducting all elections, and both counties have filed an abstract of the tally of votes cast at the election, which tally for Clackamas and Washington Counties was duly received by the City Recorder on November 23, 2020, copies of which are attached hereto and incorporated by reference.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. That the City Council of the City of Wilsonville does hereby adopt the votes of the November 3, 2020, General Election as follows, listed in the same order as the County provided:

FOR THE POSITION OF MAYOR

Clackamas County:	Precinct 201	Precinct 202	Precinct 203	Precinct 204	Totals
Ben West	1,695	1,938	583	1,093	5,309
Julie Fitzgerald	2,200	2,339	1,513	1,336	7,388
Write-In	8	15	2	11	36
Under Votes	406	625	256	270	1,557
Over Votes	2	3	0	1	6
Totals	4,311	4,920	2,354	2,711	14,296

Washington County:	Precinct 432
Ben West	118
Julie Fitzgerald	160
Write-In	3
Under Votes	35
Over Votes	0
Totals	316

TOTAL VOTES CAST IN BOTH COUNTIES

Ben West	5,427
Julie Fitzgerald	7,548

FOR THE POSITIONS OF CITY COUNCIL

Clackamas County:	Precinct 201	Precinct 202	Precinct 203	Precinct 204	Totals
Kristin Akervall	2,006	2,051	1,152	1,110	6,319
John Budiao	1,626	1,848	618	1,153	5,245
Imran Haider	886	1,110	275	613	2,884
Joann Linville	1,675	1,821	1,482	985	5,963
Write-Ins Line 1	10	17	0	10	37
Write-Ins Line 2	3	5	1	4	13
Under Votes	2,412	2,982	1,174	1,547	8,115
Over Votes	2	3	3	0	8
Totals	4,311	4,920	2,354	2,711	14,296

Washington County:	Precinct 432
Kristin Akervall	157
John Budiao	83
Imran Haider	74
Joann Linville	122
Write-In	6
Under Votes	190
Over Votes	0
Totals	442

TOTAL VOTES CAST IN BOTH COUNTIES

Kristin Akervall	6,476
John Budiao	5,328
Imran Haider	2,958
Joann Linville	6,085

2. Based upon the adopted canvass of votes, the City Council affirms that:
 - a. Julie Fitzgerald has been elected to the position of Mayor for a four-year term beginning January 1, 2021.
 - b. Kristin Akervall and Joann Linville have been elected to the position of City Councilor for four-year terms beginning January 1, 2021.

3. The City Recorder shall file the Certificates of Election in accordance with the above.

4. This Resolution shall be effective upon its adoption.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting this 7th day of December, 2020, and filed with the Wilsonville City Recorder this date.

TIM KNAPP, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp

Council President Akervall

Councilor Lehan

Councilor West

Councilor Linville

Attachments:

1. Certificate of Election

A. Abstract of Vote – Clackamas and Washington Counties

City of Wilsonville
Certificate of the November 3, 2020
General Election Results

State of Oregon)
)
Counties of Clackamas)
And Washington)
)
City of Wilsonville)

I, Kimberly Veliz, do hereby certify that I am the City Recorder and the Election Official for the City of Wilsonville, Clackamas and Washington Counties, Oregon, and I state:

1. A regular election was held November 3, 2020 for the electorate of the City of Wilsonville to cast ballots for the position of Mayor and for two City Councilor positions.
2. The November 3, 2020 General Election was conducted by mail by the Clackamas and Washington County Elections Division.
3. The County Clerks of Clackamas and Washington Counties, who by statute, are in charge of conducting all elections, have tallied the votes cast for this election and delivered to the City a final copy of the Abstract of Votes, a copy of which is attached as Exhibit A, and incorporated herein.

I hereby certify the results of the November 3, 2020 General Election voted upon by the qualified voters of the City of Wilsonville as follows:

- a. That **Julie Fitzgerald** is elected to the office of Mayor, for a four-year term commencing January 1, 2021.

- b. That **Kristin Akervall** is elected to the office of City Councilor, for a four-year term commencing January 1, 2021.
- c. That **Joann Linville** is elected to the office of City Councilor, for a four-year term commencing January 1, 2021.

Dated this 7th day of December 2020.

Kimberly Veliz, City Recorder

City of Wilsonville, Mayor - vote for one

	Clackamas County	Washington County		
Ben West	5,309	118	5,427	41.70%
Julie Fitzgerald	7,388	160	7,548	58.00%
Misc Write-Ins	36	3	39	0.30%
Cast Votes	12,733	281	13,014	100.00%
Undervotes	1,557	35	1,592	
Overvotes	6	0	6	



**CERTIFIED COPY OF THE ORIGINAL
SHERRY HALL, COUNTY CLERK**

BY: Sherry Hall

Canvass Results Report

Official Ballots
 Run Time 2:44 PM
 Run Date 11/19/2020

Clackamas County

November 3, 2020 General Election

11/3/2020
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Official Results

Registered Voters
 260538 of 308112 = 84.56%
 Precincts Reporting
 117 of 117 = 100.00%

City of Wilsonville, Mayor - Vote for one

Precinct	Ben West	Julie Fitzgerald	Miscellaneous Write-In (W)	Cast Votes	Undervotes	Overvotes	Vote by Mail Ballots Cast	Total Ballots Cast	Registered Voters	Turnout Percentage
201	1,695	2,200	8	3,903	406	2	4,311	4,311	4,856	88.78%
202	1,938	2,339	15	4,292	625	3	4,920	4,920	5,860	83.96%
203	583	1,513	2	2,098	256	0	2,354	2,354	2,526	93.19%
204	1,093	1,336	11	2,440	270	1	2,711	2,711	3,217	84.27%
Totals	5,309	7,388	36	12,733	1,557	6	14,296	14,296	16,459	86.86%



**CERTIFIED COPY OF THE ORIGINAL
 SHERRY HALL, COUNTY CLERK**

BY: *Sherry Hall*

Ballots Cast per Contest with Precincts
 Washington County, Nov 03, 2020 General
 All Precincts, All Districts, All ScanStations, All Contests, All Boxes
 Official Results

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 2020-11-23
 10:35:26

Total Ballots Cast: 322760, Registered Voters: 384808, Overall Turnout: 83.88%

City of Wilsonville, Mayor (Vote for 1)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Ben West	Julie Fitzgerald	Write-in	Over Votes	Under Votes
Precinct 432	316	378	281	118 41.99%	160 56.94%	3 1.07%	0	35
Total	316	378	281	118 41.99%	160 56.94%	3 1.07%	0	35



I, **Margaret Garza**, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, do hereby certify this to be a true and correct copy of the original.

Date: November 23, 2020
 By: M. Garza
Director of Assessment

City of Wilsonville, Councilor - vote for two

	Clackamas County	Washington County		
Kristin Akervall	6,319	157	6,476	30.98%
John Budiao	5,245	83	5,328	25.49%
Imran Haider	2,884	74	2,958	14.15%
Joann Linville	5,963	122	6,085	29.11%
Misc Write-Ins	50	6	56	0.27%
Cast Votes	20,461	442	20,903	100.00%
Undervotes	8,115	190	8,305	
Overvotes	8	0	8	



**CERTIFIED COPY OF THE ORIGINAL
SHERRY HALL, COUNTY CLERK**

BY: Sherry Hall

Canvass Results Report
 Official Ballots
 Run Time 2:44 PM
 Run Date 11/19/2020

Official Results
 Registered Voters
 260538 of 308112 = 84.56%
 Precincts Reporting
 117 of 117 = 100.00%

Clackamas County

November 3, 2020 General Election

11/3/2020

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City of Wilsonville, Councilor - Vote for two

Precinct	Kristin Akervall	John Budiao	Imran Haider	Joann Linville	Miscellaneous Write-In Line 1	Miscellaneous Write-In Line 2	Cast Votes	Undervotes	Overvotes	Vote by Mail Ballots Cast	Total Ballots Cast	Registered Voters	Turnout Percentage
201	2,006	1,626	886	1,675	10	3	6,206	2,412	2	4,311	4,311	4,856	88.78%
202	2,051	1,848	1,110	1,821	17	5	6,852	2,982	3	4,920	4,920	5,860	83.96%
203	1,152	618	275	1,482	0	1	3,528	1,174	3	2,354	2,354	2,526	93.19%
204	1,110	1,153	613	985	10	4	3,875	1,547	0	2,711	2,711	3,217	84.27%
Totals	6,319	5,245	2,884	5,963	37	13	20,461	8,115	8	14,296	14,296	16,459	86.86%



**CERTIFIED COPY OF THE ORIGINAL
 SHERRY HALL, COUNTY CLERK**

BY: *Sherry Hall*

Ballots Cast per Contest with Precincts
Washington County, Nov 03, 2020 General
All Precincts, All Districts, All ScanStations, All Contests, All Boxes
Official Results

Page: 114 of 170
2020-11-23
10:35:26

Total Ballots Cast: 322760, Registered Voters: 384808, Overall Turnout: 83.88%

City of Wilsonville, Councilor (Vote for 2)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Kristin Akervall	John Budiao	Imran Haider	Joann Linville
Precinct 432	316	378	442	157 35.52%	83 18.78%	74 16.74%	122 27.60%
Total	316	378	442	157 35.52%	83 18.78%	74 16.74%	122 27.60%



I, **Margaret Garza**, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, do hereby certify this to be a true and correct copy of the original.

Date: November 23, 2020

By: M. Garza

Election Manager

Ballots Cast per Contest with Precincts
Washington County, Nov 03, 2020 General
All Precincts, All Districts, All ScanStations, All Contests, All Boxes
Official Results

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2020-11-23
10:35:26

Total Ballots Cast: 322760, Registered Voters: 384808, Overall Turnout: 83.88%

City of Wilsonville, Councilor (Vote for 2)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Write-in	Write-in	Over Votes	Under Votes
Precinct 432	316	378	442	6 1.36%	0 0.00%	0	190
Total	316	378	442	6 1.36%	0 0.00%	0	190

RESOLUTION NO. 2864

A RESOLUTION AND ORDER AMENDING RESOLUTION NO. 2858 TO FURTHER EXTEND THE LOCAL STATE OF EMERGENCY AND EMERGENCY MEASURES, AS AUTHORIZED BY RESOLUTION NO. 2803.

WHEREAS, pursuant to Oregon Revised Statutes (ORS) 401.309 and ORS 401.305, as well as Wilsonville's own Wilsonville State of Emergency Resolution No. 1959, the City enacted Resolution 2803 on March 16, 2020 in response to the COVID-19 Coronavirus pandemic; and

WHEREAS, on April 6, 2020, the City enacted Resolution No. 2807 to extend the declared state of emergency to May 31, 2020; and

WHEREAS, on June 1, 2020, the City enacted Resolution No. 2818 to extend the declared state of emergency to July 21, 2020; and

WHEREAS, on July 20, 2020, the City enacted Resolution No. 2834 to extend the declared state of emergency to September 11, 2020; and

WHEREAS, on October 19, 2020, the City enacted Resolution No. 2858 to extend the declared state of emergency to December 31, 2020; and

WHEREAS, it is reasonable and prudent to anticipate that significant City resources will continue to be needed to respond to the COVID-19 threat for the foreseeable future and beyond the expiration date set forth in Resolution No. 2858; and

WHEREAS, pursuant to Executive Order 20-24, the Governor of Oregon extended the State of Emergency Declaration to July 6, 2020; and

WHEREAS, pursuant to Executive Order 20-30, the Governor of Oregon again extended the State of Emergency Declaration, to September 4, 2020; and

WHEREAS, pursuant to Executive Order 20-38, the Governor of Oregon again extended the State of Emergency Declaration for COVID-19, to November 3, 2020, with the possibility of a further extension that is reasonably anticipated to occur; and

WHEREAS, pursuant to Executive Order 20-59, the Governor of Oregon again extended the State of Emergency Declaration for COVID-19, through January 2, 2021, with the possibility of a further extension that is reasonably anticipated to occur.

NOW, THEREFORE, the Wilsonville City Council declares as follows:

In order to help ensure citizen safety by rapid response, the City Council hereby extends the expiration date of the Wilsonville Emergency Declaration, initially made pursuant to Resolution No. 2803, until February 2, 2021, with the possibility of further extension, unless otherwise earlier terminated by the City Council.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 7th day of December 2020, and filed with the Wilsonville City Recorder this date.

TIM KNAPP, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp

Council President Akervall

Councilor Lehan

Councilor West

Councilor Linville



**CITY COUNCIL MEETING
STAFF REPORT**

Meeting Date: December 7, 2020		Subject: Resolution No. 2865 Resolution Adopting the Findings and Recommendations of the Solid Waste Collection Rate Report, November 2020	
		Staff Member: Mark Ottenad, Public/Government Affairs Director	
		Department: Administration	
Action Required		Advisory Board/Commission Recommendation	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date <input type="checkbox"/> Ordinance 1 st Reading Date <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: The Solid Waste Collection Rate Report, November 2020, recommends no rate increase at this time.	
Staff Recommendation: Staff recommends that Council adopt Resolution No. 2865.			
Recommended Language for Motion: I move to approve Resolution No. 2865.			
Project / Issue Relates To:			
<input checked="" type="checkbox"/> Council Goals/Priorities	<input checked="" type="checkbox"/> Adopted Master Plan(s): Solid Waste Franchise	<input type="checkbox"/> Not Applicable	

ISSUE BEFORE COUNCIL:

Adoption of Resolution No. 2865, which adopts the findings and recommendations of the Solid Waste Collection Rate Report, November 2020, that finds a more than sufficient operating margin for franchise Republic Services and recommends no rate modification at this time.

EXECUTIVE SUMMARY:

The Solid Waste Collection Rate Report, November 2020, finds that the current rates are sufficient to maintain Republic Services at an operating margin higher than the franchise “target margin” of 10%, (11.3%) but below the 12% ceiling. Therefore, it is recommended to keep the current rate schedules unchanged until the 2020 results are submitted and reviewed in the second quarter of 2021, thereby continuing current rates effective as of Jan. 1, 2021. The City Council reviewed the Solid Waste Collection Rate Report during work session on Nov. 16, 2020.

Solid Waste Franchise Rate Review Background

When the City adopted a new Solid Waste Franchise Agreement with Republic Services (“Franchise Agreement”) in May 2018 (Ordinance No. 814), the Franchise Agreement provided the City ability to review Republic Services’ financial information to determine adequate collection rates on an annual basis. As a result, the City commissioned solid waste rate consultant Chris Bell, CPA, of Bell and Associates to undertake a financial review of the solid waste franchisee operations and make a determination of the firm’s operating margin, which is to be within the 8%–12% range, with a target of 10%. Mr. Bell’s latest review is attached hereto as Exhibit 1 to the Resolution.

The Solid Waste Collection Rate Report, November 2020, provides information on:

- Adjusted Results for 2019
- Projected Results for 2020
- Solid Waste Disposal
- Projected 2019 to Actual 2019 Results
- Year-to-Year Comparison of Expenses: 2019 Adjusted to 2020 Projected Results
- Rate Recommendation

Results from the November 2020 review found the operating margin for Republic Services was greater than the 10% target operating margin of the Franchise Agreement:

- 2019 Adjusted Results: 16.1% operating margin, or 61% greater than target operating margin of 10%
- 2020 Projected Results: 11.3% operating margin, or 13% greater than target operating margin of 10%

Due in part to Covid-19 pandemic impacts to operations and other issues, compilation of financial data was delayed. Republic Services has indicated agreement with the financial data contained within the Solid Waste Collection Rate Report. The Report does note a potential increase by Metro of the Regional System Fee and a decrease in local tonnage transferred allocation that may impact expenses in 2021.

Results From Prior 2019 Rate Review Process: New Services

On September 5, 2019, the City Council reviewed solid waste collection rates and approved Resolution No. 2768, A Resolution of the City of Wilsonville Adopting the Findings of the 2019 Solid-Waste Franchise Rate Review. At that time, the operating margin of the franchisee exceeded the target operating profit of 10% by 61%, as noted above. As a result the City Council instructed staff to work with Republic Services on services enhancements for both residential and business customers that could have the effect of bringing that profit margin back into alignment. The following is an update on the status of new solid waste service enhancements requested by City Council in 2019:

1. **Residential Food-Scraps Program:** This new program, requested by some residents, was implemented in February 2020 and allows food scraps to be collected with yard debris. The City Council agreed to support a Wilsonville-Metro Community Enhancement Program Grant request for distribution of up to 500 compost pails during 2021 to further encourage residential participation.
2. **Bulky Waste Pick-up for ADA/Senior Citizens:** This temporary program was suspended in March 2020 due to the Covid-19 pandemic but resumed in July. The program offers Wilsonville residents who have disability or are meet the definition of senior citizen the option of home pick-up of large/bulky waste items free of charge. A total of 46 pick-ups have occurred to-date of the projected estimated 100 total for 2020.
3. **Polystyrene Recycling Collection Station:** Republic Services set up a collection station at its facility where residents and commercial/industrial customers can deposit block polystyrene foam for recycling. Initial utilization has been good, but with a fair amount of contamination of 26% at the outset. City staff is working with Republic Services on improved customer communications.
4. **Commercial Business Fluorescent Tube and Battery Recycling:** This limited-duration program aimed at commercial and industrial businesses was suspended due to Covid-19 pandemic and subsequent wildfire disruption. The City is working with Clackamas County Sustainability, Republic Services and other potential partners to re-launch a business outreach program with appropriate protocols for calling on businesses. Republic Services has acquired on-site the recycling mail-back recycling boxes for distribution.

Note that the new Metro-mandated commercial food-scraps collection program to be phased-in over a three-year period starting in March 2020 was postponed one year due to the Covid-19 pandemic.

EXPECTED RESULTS:

Adoption of Resolution No. 2865 results in no solid-waste rate modifications effective January 1, 2021 but revisiting after the second quarter of 2021.

TIMELINE:

Adoption of Resolution No. 2865 on December 7, 2020, maintains the current solid waste rates effective January 1, 2021.

CURRENT YEAR BUDGET IMPACTS:

The Solid Waste Collection Rate Report projects that City franchise fee revenue of 2019, adjusted amount of \$254,494, will increase by \$102,565 (40.3%) to \$357,059 for 2020. Per the Franchise Agreement, on January 1, 2020, the franchise fee paid to the City increased from three percent (3%) to the standard franchise fee of five percent (5%).

FINANCIAL REVIEW / COMMENT:

Reviewed by: KAK Date: 12/2/2020

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 12/2/2020

If profit continues to exceed the target margin, a decrease in rate should be considered after the next audit.

COMMUNITY INVOLVEMENT PROCESS:

Adoption of the Solid-Waste Franchise Ordinance No. 814 in 2018 followed standard City public outreach practices. The 2020 rate review is a by-product of the new solid-waste franchise ordinance.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The community composed of both residential and commercial/industrial customers, benefits by continuing to receive Republic Services solid waste collection services with no increase in rates.

ALTERNATIVES:

N/A

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

A. Resolution No. 2865

1. "Solid Waste Collection Rate Report, November 2020," by Chris Bell, CPA, Bell & Associates

RESOLUTION NO. 2865

A RESOLUTION OF THE CITY OF WILSONVILLE ADOPTING THE FINDINGS AND RECOMMENDATION OF THE 2020 SOLID WASTE FRANCHISE RATE REVIEW PROCESS AS DOCUMENTED IN THE “SOLID WASTE COLLECTION REPORT, NOVEMBER 2020.”

WHEREAS, Ordinance No. 814, adopted by City Council in May 2018, created a new solid-waste franchise agreement with Republic Services; and

WHEREAS, Ordinance No. 814, Article VIII, Establishment and Modification of Service Rates, 3. Second Service Rate Adjustment provided for City’s ability to “undertake a review of Franchisee's books, records, and accounts to adjust the Service Rate to set a new Service Rate that achieves an Operating Margin equal to ten percent (10%) of Gross Revenues”; and

WHEREAS, the City contracted with Chris Bell, CPA, of Bell and Associates of Camas, WA, to undertake a solid waste franchise rate review of Republic Services’ operations and make a determination the firm’s operating margin; and

WHEREAS, the “Solid Waste Collection Report, November 2020,” attached herein as Exhibit 1, found for the following years; and

- 2019 Actual Results: 16.1% operating margin, or 6.1 percentage points or 61% greater than the target operating margin of 10%; and
- 2020 Projected Results: 11.3% overall operating margin, or 1.3 percentage points or 13% greater than the target operating margin of 10%; and

WHEREAS, the “Solid Waste Collection Report, November 2020,” provides financial and operational information on Adjusted Results for 2019, Projected Results for 2020, Solid Waste Disposal factors, Projected 2019 to Actual 2019 Results, and Year-to-Year Comparison of Expenses for 2019 Adjusted to 2020 Projected Results; and

WHEREAS, the “Solid Waste Collection Rate Report, November 2020,” finds that the current rates have maintained Republic Services at an operating margin higher than the franchise target margin of 10% at the projected rate of 11.3% but below the 12% ceiling, and therefore recommends maintaining the current rate schedules until the actual 2020 results are submitted and reviewed in 2021.

NOW THEREFORE, the Wilsonville City Council hereby accepts and adopts the findings and recommendation of the “Solid Waste Collection Rate Report, November 2020,” attached hereto as Exhibit 1.

ADOPTED by the Wilsonville City Council at a regular meeting on December 7, 2020, and filed with the Wilsonville City Recorder on this date.

TIM KNAPP, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp
Councilor Akervall
Councilor Lehan
Councilor West
Councilor Linville

Exhibit:

1. “Solid Waste Collection Rate Report, November 2020,” by Chris Bell, CPA, Bell & Associates



City of Wilsonville

SOLID WASTE COLLECTION RATE REPORT | NOVEMBER 2020



Bell & Associates

SOLID WASTE & RECYCLING CONSULTANTS

City of Wilsonville

Solid Waste Collection Rate Report

November 2020
Bell & Associates

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Rate Recommendation	4
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Chris Bell, CPA
Bell & Associates
1628 NW 33rd Way
Camas, WA 98607
360-210-4344
Chris@Bellassociatesinc.com

Background of Solid Waste Review

The City of Wilsonville (City) contracted with Bell & Associates, a consulting firm with expertise in solid waste collection operations, to provide the City with solid waste and recycling consulting services. In March 2020, solid waste franchisee Republic Services (Republic) submitted its annual detailed cost reports to the City for the calendar year 2019.

Annual Cost Report

The collection of waste and recycling within Wilsonville is accomplished under an exclusive franchise agreement between Republic Services and the City. The annual report provides line-item costs and revenues associated with providing service within the City as well as combined line item totals for their non-Wilsonville operations. The format of the report provides the capacity to calculate the cost of service for each line of business (cart, container, and drop box). Cart collection is primarily for residential customers, whereas business customers are serviced with a container. Reported results were analyzed, and the following tasks were completed:

- a. Analyze reported route collection hours to the reported customer counts for each line of business.
- b. Using a predictive test of revenue for each line of business, ensure the reported revenues are reasonable for the number of reported customers.
- c. By thoroughly reviewing the reported direct cost line items, determine if the expense is reasonable in relation to the customer and operational data entered from the detailed cost report.
- d. Utilize a predictive test of disposal to determine if the reported disposal expense is reasonable.
- e. Using the reported administrative line items, determine if the expense is reasonable in relation to the operational data entered from the detailed cost report.
- f. Review the costs between the City and Republic's other franchised collection operations to determine if the allocations are reasonable.

Report adjustments were made to the submission by Republic from the application of the tasks above that reduced the reported costs and increased the profitability of services provided to Wilsonville customers.

Adjusted Report for 2019

Table 1 details the return for each collection service provided within the Wilsonville franchise collection system.

Table 1: Adjusted 2019 Wilsonville Results

Cost Component	Roll Cart	Container	Drop Box	Composite
Revenues	2,101,570	2,748,872	2,444,033	7,294,475
Allowable Costs for Rates	1,758,847	2,259,497	2,099,901	6,118,245
Franchise Income	342,723	489,375	344,132	1,176,230
Margin (Income / Revenue)	16.3%	17.8%	14.1%	16.1%

Projected Results for 2020

Projecting the financial performance for 2020 was complicated by the statewide shutdowns due to the covid virus. A monthly report was developed to assist the haulers and local jurisdictions with estimating the impact on the hauler finances and adjust the rates, if necessary, to keep the franchisees within the operational margins. That report was not submitted by Republic; therefore, an estimate based on the submissions from other franchisees was made to calculate the impact of the shut down in Wilsonville for the current year.

The line item expenses from 2019 were adjusted to project the results for 2020 using assumptions based on contractual obligations such as the labor agreement between Republic and the union drivers, administrative wages, health insurance, recycling processing, fees, and estimated inflation. Table 2 summarizes the inflation assumptions.

The assumptions used for the 2020 projection include:

The projection factors include:

- January 1, 2020, rate decrease for the recycling surcharge for cart service (\$1.25 per customer per month) and commercial (\$0.75 per yard).
- The driver wage increase is calculated on the hourly wage increase from the Teamster's contract through 2020, which is 2.0% for most drivers. Health insurance for union and non-union employees increased by 4.35%.
- Disposal increased by \$0.90 per ton effective June 1, 2020, from the Metro excise tax.
- Inflation increased by 2.11% from June 2019 to June 2020. This was doubled to 4.08% to account for 2021. Management and administrative labor costs are projected to increase by 2.0%.
- Franchise fees were increased by two percentage points from 3% to 5% of projected revenue, which is a 40% increase when compared to 2019.
- Oregon's Corporate Activity Tax (CAT) was imposed on companies for the privilege of doing business within the State on January 1, 2020. The tax is measured on a business's commercial activity—the total amount a business realized from transactions and activity in Oregon. The CAT is applied to Oregon taxable commercial activity and is computed as \$250 plus 0.57% of a company's Oregon commercial activity of more than \$1 million. The composite tax rate for waste and recycling services within the Portland region is calculated at 0.50% of total revenue. The estimated expense is approximately \$35,700.

Expense	Change
Driver Wage	2.0%
Administrative Wage	2.0%
Health Insurance	4.35%
Inflation	2.11%
Franchise Fees	40.0%

Solid Waste Disposal

Metro assesses a Regional System Fee (RSF) on every ton of waste generated and delivered to a licensed disposal facility within the Metro region. The current RSF is \$18.58 per ton. Metro staff is proposing an increase of the RSF by \$2.65 effective January 1, 2021.

Metro typically adjusts their disposal rate on July 1 to coincide with the beginning of the fiscal year. This year's disposal rate increase was delayed by Metro due to adverse financial impact from the

reduction of disposal revenue from the statewide covid shutdown. Metro reported that waste tons are significantly lower than budgeted in their July presentation and that collected tons have shifted from commercial to residential customers.

What has not been clearly communicated by Metro staff is the need for the increase. Metro staff have provided initial high-level summarized financial data, but the specific details have not been provided to the numerous jurisdictions that have requested the information.

Metro’s current allocation of tonnages to private transfer stations is approximately 40% of all waste tons generated within the region. Willamette Resources Incorporated (WRI) is the transfer station that takes Wilsonville’s waste. WRI had a tonnage allocation of 74,606 for FY2020. The disposal rate charged to Wilsonville is dependent on WRI receiving 74,606 tons of waste. Metro has proposed decreasing WRI’s tonnage allocation from 74,606 to 71,491. Because a portion of WRI’s costs is fixed, the reduction of tons may trigger an increase in the rate charged by WRI for disposal, which will impact customers that have their waste disposed at WRI.

Commercial waste tons within the region are considerably lower, especially in Portland, due to business closures from the statewide shutdown, followed by the continued rioting. It is plausible that the tonnage allocation to WRI and other private transfer stations could decrease even further because Metro’s revenue is dependent on receiving 40% of all waste tons to their facility.

Projected 2019 to Actual 2019 Results

Table 3 compares the projected 2019 results from last year’s rate review—the Solid Waste Collection Rate Report, August 2019, adopted via Resolution No. 2768 on September 5, 2019—to the adjusted results.

Table 3: Projected 2019 Results to Actual Results		
Report Table	Projected 2019	Actual 2019
Total Revenue	\$ 7,546,437	\$ 7,294,475
SW and Yard Debris Disposal	2,810,123	2,605,488
Recycling Processing	414,707	378,504
Labor, Health Ins, & Payroll Taxes	1,046,272	1,368,448
Truck, Fuel, Repair & Maintenance	712,544	536,623
Equipment and Containers	99,964	119,410
Franchise Fees	229,632	254,494
Other Direct Expense / Food Waste	185,988	186,927
Management & Administration	673,356	670,581
Less: Unallowable Costs	(12,348)	(2,230)
Total Expenses	6,160,238	6,118,245
Income (Revenue – Expense)	\$ 1,386,199	\$ 1,176,230
Margin	18.4%	16.1%

Year-to-Year Comparison of Expenses

Projected decreases from the recycling surcharges and the business disruption combined with estimated line item costs for the current year are summarized in Table 4.

Table 4: Adjusted Results

Report Table	2019 Adjusted	2020 Projected	\$ ▲	% ▲
Collection Revenue	\$ 7,294,475	\$ 7,143,212	\$ (151,263)	-2.1%
SW and Yard Debris Disposal	2,605,488	2,639,425	33,937	1.3
Recycling Processing	378,504	378,504	0	0.0
Labor, Health Ins, & Taxes	1,368,448	1,400,421	31,973	2.3
Truck, Fuel, and Repairs	536,623	541,987	5,364	1.0
Equipment and Containers	119,410	119,847	437	0.4
Franchise Fees	254,494	357,059	102,565	40.3
Other Expense / Food Waste	186,927	225,079	38,152	20.4
Management & Administration	670,581	678,813	8,232	1.2
Less: Unallowable Costs	(2,230)	(2,230)	0	0.0
Total Expense	6,118,245	6,338,905	220,660	3.6
Income (Revenue – Expense)	\$ 1,176,230	\$ 804,307	\$ 319,501	-31.6
Margin (Income / Total Revenue)	16.1%	11.3%		-4.8%

Rate Recommendation

The current rates are sufficient to return Republic Services to a rate higher than the franchise target margin of 10% but below the 12% ceiling. Therefore, it is recommended to the City Council to keep the current rate schedules unchanged until the 2020 results are submitted and reviewed in the second quarter of 2021.

Attachment A

Reported
Return on Revenues
City of Wilsonville January 1 to December 31, 2019

	Residential Service			Commercial Service			Grand Totals
	Solid Waste	Recycling	Yard Debris	Solid Waste	Recycling	Drop Box	
Collection & Service Revenues	2,099,655	1,915	0	2,748,772	100	2,444,033	7,294,475
Direct Costs of Operations	729,693 % of revenue	516,401 % of revenue	292,538 % of revenue	1,326,449 % of revenue	598,156 % of revenue	2,214,393 % of revenue	5,677,630
Disposal Expense	339,606 16%	159,669 8%	71,117 3%	785,661 29%	218,835 218835%	1,636,840 67%	3,211,728
Labor Expense	210,988 10%	237,606 11%	147,481 7%	253,837 9%	219,133 219133%	299,403 12%	1,368,448
Truck Expense	73,035 3%	82,250 4%	51,051 2%	103,563 4%	89,403 89403%	137,321 6%	536,623
Equipment Expense	18,898 1%	21,282 1%	13,209 1%	21,297 1%	13,647 13647%	31,077 1%	119,410
Franchise Fees	73,321 3%	0 0%	0 0%	95,904 3%	0 0%	85,269 3%	254,494
Other Direct Expense	13,845 1%	15,594 1%	9,680 0%	66,187 2%	57,138 57138%	24,483 1%	186,927
Indirect Costs of Operations	288,136			268,812		118,024	674,972
Management Expense	41,970 2%			41,931 2%		17,407 1%	101,308
Administrative Expense	19,699 1%			19,680 1%		8,178 0%	47,557
Other Overhead Expenses	226,467 11%			207,201 8%		92,439 4%	526,107
Total Cost	1,826,768			2,193,417		2,332,417	6,352,602
Less Unallowable Costs	921			920		389	2,230
Allowable Costs	1,825,847			2,192,497		2,332,028	6,350,372
Franchise Income	275,723			556,375		112,005	944,103
Return on revenues	13.13%			20.24%		4.58%	12.94%
Revenues	2,101,570			2,748,872		2,444,033	7,294,475
Direct Costs of Operations	1,538,632 73%			1,924,605 70%		2,214,393	5,677,630
Indirect Costs of Operations	288,136 14%			268,812 10%		118,024	674,972
Total Cost	1,826,768			2,193,417		2,332,417	6,352,602
Less Unallowable Costs	921 0%			920 0%		389	2,230
Allowable Costs	1,825,847			2,192,497		2,332,028	6,350,372
Franchise Income	275,723			556,375		112,005	944,103
Return on revenues	13.12%			20.24%		4.58%	12.94%

Attachment B

**Adjusted
Return on Revenues
City of Wilsonville January 1 to December 31, 2019**

	Residential Service			Commercial Service				Drop Box	Grand Totals
	Solid Waste	Recycling	Yard Debris	Solid Waste	Recycling	Yard	Yard		
Collection & Service Revenues	2,099,655	1,915	0	2,748,772	100		2,444,033	7,294,475	
Direct Costs of Operations	729,693	491,401	292,538	1,326,449	623,156		1,986,657	5,449,894	
	Monthly \$ per Can/Cart	Monthly \$ per Can/Cart	Monthly \$ per Can/Cart	Monthly \$ per Yard	Monthly \$ per Yard		\$ per pull		
Disposal Expense	339,606 5.18	134,669 2.05	71,117 1.14	785,661 6.04	243,835 1.87		1,409,104 240.79	2,983,992	
Labor Expense	210,988 3.22	237,606 3.62	147,481 2.36	253,837 1.95	219,133 1.68		299,403 51.16	1,368,448	
Truck Expense	73,035 1.11	82,250 1.25	51,051 0.82	103,563 0.80	89,403 0.69		137,321 23.47	536,623	
Equipment Expense	18,898 0.29	21,282 0.32	13,209 0.21	21,297 0.16	13,647 0.10		31,077 5.31	119,410	
Franchise Fees	73,321 1.12	0 -	0 -	95,904 0.74	0 -		85,269 14.57	254,494	
Other Direct Expense	13,845 0.21	15,594 0.24	9,680 0.15	66,187 0.51	57,138 0.44		24,483 4.18	186,927	
Indirect Costs of Operations	246,136			310,812			113,633	670,581	
Management Expense	41,970 0.64			41,931 0.32			16,758 2.86	100,659	
Administrative Expense	19,699 0.30			19,680 0.15			7,873 1.35	47,252	
Other Overhead Expenses	184,467 2.81			249,201 1.91			89,002 15.21	522,670	
Total Cost	1,759,768			2,260,417			2,100,290	6,120,475	
Less Unallowable Costs	921 (0.01)			920			389	2,230	
Allowable Costs	1,758,847			2,259,497			2,099,901	6,118,245	
Franchise Income	342,723			489,375			344,132	1,176,230	
Return on revenues	16.31%			17.80%			14.08%	16.12%	
Carts/ Yards/ Drop Box Pulls	5,463		5,211	130,156	146,120		5,852		
Revenues	2,101,570			2,748,872			2,444,033	7,294,475	
	% of revenue			% of revenue					
Direct Costs of Operations	1,513,632 72%			1,949,605 71%			1,986,657	5,449,894	
Indirect Costs of Operations	246,136 12%			310,812 11%			113,633	670,581	
Total Cost	1,759,768			2,260,417			2,100,290	6,120,475	
Less Unallowable Costs	921 0%			920 0%			389	2,230	
Allowable Costs	1,758,847			2,259,497			2,099,901	6,118,245	
Franchise Income	342,723			489,375			344,132	1,176,230	
Return on revenues	16.31%			17.80%			14.08%	16.12%	

Attachment C

**Projected 2020 Results
Return on Revenues
City of Wilsonville**

	Residential Service			Commercial Service			Drop Box	Grand Totals					
	Solid Waste	Recycling	Yard Debris	Solid Waste	Recycling								
		% ▲ from prior year											
Collection & Service Revenues	2,059,700	-1.9%	1,946	1.6%	0	#DIV/0!	2,616,294	-4.8%	102	2.0%	2,465,170	0.9%	7,143,212
Surcharge Coverage													0
Direct Costs of Operations	781,738		497,800		302,910		1,382,753		630,313		2,066,808		5,662,322
Disposal / Processing Expense	346,006	1.9%	134,669	0.0%	77,517	9.0%	785,661	0.0%	243,835	0.0%	1,430,241	1.5%	3,017,929
Labor Expense	215,837	2.3%	243,067	2.3%	150,871	2.3%	259,881	2.4%	224,351	2.4%	306,414	2.3%	1,400,421
Truck Expense	73,740	1.0%	83,044	1.0%	51,544	1.0%	104,677	1.1%	90,365	1.1%	138,617	0.9%	541,987
Equipment Expense	18,937	0.2%	21,326	0.2%	13,236	0.2%	21,362	0.3%	13,684	0.3%	31,302	0.7%	119,847
Franchise Fees	102,985	40.5%	0		0		130,815	36.4%	0		123,259	44.6%	357,059
Other Direct Expense	24,233	75.0%	15,694	0.6%	9,742	0.6%	80,357	21.4%	58,078	1.6%	36,975	51.0%	225,079
Indirect Costs of Operations	249,587	12%					314,219	12%			115,007	5%	678,813
Management Expense	42,901	2.2%					42,862	2.2%			17,129	2.2%	102,892
Administrative Expense	20,093	2.0%					20,073	2.0%			8,030	2.0%	48,196
Other Overhead Expenses	186,593	1.2%					251,284	0.8%			89,848	1.0%	527,725
Less Unallowable Costs	921						920				389		2,230
Revenues	2,061,646						2,616,396				2,465,170		7,143,212
		% ▲ from prior year						% ▲ from prior year					
Direct Costs of Operations	1,582,448	4.5%					2,013,066	3.3%			2,066,808		5,662,322
Indirect Costs of Operations	249,587	1.4%					314,219	1.1%			115,007		678,813
Total Cost	1,832,035	4.1%					2,327,285	3.0%			2,181,815		6,341,135
Less Unallowable Costs	921	0.0%					920	0.0%			389		2,230
Allowable Costs	1,831,114						2,326,365				2,181,426		6,338,905
Franchise Income	230,532						290,031				283,744		804,307
Projected Return on Revenues	11.18%						11.09%				11.51%		11.26%
2019 Return on Revenues	16.31%						17.80%				14.08%		16.12%

Inflation Assumptions			Changes in Revenue		
Driver Wage	2.00%	Inflation	2.11%	Cart & Cont Revenue	
Health Ins	4.35%	Fuel	0.00%	Reduction of recycling surcharge by 50%	
G&A Wage	2.00%	Rec Processing	0.00%		

Residential Recycling Surcharge decreased revenue by \$81,948
 Commercial Recycling Surcharge decreased revenue by \$22,527
 Residential Revenue increased by 2% for increased extra charges from business lockdown - \$41,993
 Commercial Revenue decreased by 4% for business shutdown - \$109,951