

RESOLUTION NO. 3278

A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE CITY MANAGER TO ENGAGE IN NEGOTIATIONS WITH THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON CONCERNING TRANSIT BOUNDARY ADJUSTMENTS, WES RAIL SERVICE, AND OTHER MATTERS.

WHEREAS, prior to 1988, the City of Wilsonville ("City") was part of the Tri-County Metropolitan Transportation District of Oregon ("TriMet") service boundary; and

WHEREAS, the Wilsonville business community and the City recognized, in the 1980s, that TriMet offered minimal public transit service to the Wilsonville community while Wilsonville businesses paid significant payroll taxes to TriMet; and

WHEREAS, in 1988, the Wilsonville Innovative Transportation Association successfully petitioned TriMet to withdraw and form an independent City-owned transit system; and

WHEREAS, the City, through its South Metro Area Regional Transit Department ("SMART"), provides nationally recognized and award-winning public transit for the Wilsonville community and larger Portland and Salem-metro area regions; and

WHEREAS, according to TriMet, it currently collects approximately \$273,800 annually in payroll taxes from certain employers within the Wilsonville city limits while providing no transit service to those properties; and

WHEREAS, SMART currently offers service to these properties while receiving no payroll tax contribution because the City believes that public transit should be made available to all who seek to utilize it; and

WHEREAS, TriMet also currently collects nominal income through its payroll tax within the urban growth boundary ("UGB") area known as Basalt Creek because the area is within TriMet's service boundary; and

WHEREAS, as the Basalt Creek UGB area develops, properties will annex into the City of Wilsonville; and

WHEREAS, the City has invested significant resources in the planning and visioning of Basalt Creek with strategies to provide millions of dollars' worth of infrastructural investments to spur industrial growth in the area that will offer high-wage commercial and industrial jobs; and

WHEREAS, the City Council adopted Resolution No. 2562 on February 1, 2016 declaring the City's intent to have the service boundaries of SMART coterminous with the Wilsonville City Limits; and

WHEREAS, the City Council adopted Resolution No. 3055 on March 20, 2023 authorizing the City Manager to execute an intergovernmental agreement and associated memorandum of understanding to resolve boundary issues, and later repealed and replaced that Resolution with Resolution No. 3069 on May 15, 2023, which included an updated intergovernmental agreement following further negotiations with TriMet; and

WHEREAS, in accordance with Resolution No. 3069, the City reached out to TriMet to discuss a boundary adjustment wherein current and future Wilsonville city limits would become part of the SMART service boundary and removed from the TriMet service boundary; and

WHEREAS, such attempts by the City have not resulted in meaningful negotiations to adjust transit service boundaries; and

WHEREAS, the City of Wilsonville requested House Bill 2666 in the 2023 session of the Oregon Legislature and Senate Bill 418 in the 2025 session of the Oregon Legislature, both of which sought to statutorily modify the service boundaries; and

WHEREAS, the City has undertaken coordination efforts to file a petition to withdraw the Basalt Creek planning area and adjacent areas from the TriMet boundary and intends to file the petition to withdraw by the statutory deadline of August 30, 2026; and

WHEREAS, on or about March 18, 2003, after years of planning, TriMet entered into an agreement with Washington County to design, construct, and operate a commuter rail line between Wilsonville and Beaverton; and

WHEREAS, on or about March 28, 2006, the City entered into an intergovernmental agreement with TriMet to pay a share of the costs of TriMet's operation of the commuter rail service ("WES Rail Service"); and

WHEREAS, pursuant to the intergovernmental agreement, TriMet is required to provide a regular schedule of no less than sixteen (16) trains during the morning commute period and sixteen (16) trains during the evening commute period, among other obligations; and

WHEREAS, since the COVID-19 pandemic, TriMet has not been providing the required schedule of trains as stated in the intergovernmental agreement; and

WHEREAS, pursuant to the intergovernmental agreement, the City was required to make quarterly payments to TriMet, which payments total \$300,000 annually (with inflationary adjustments each year beginning the sixth year), capped at 12.3% of TriMet's net payroll tax effort further described in the agreement; and

WHEREAS, the intergovernmental agreement expired after March 28, 2026; and

WHEREAS, the City stopped payments to TriMet under the intergovernmental agreement upon its expiration; and

WHEREAS, on or about October 8, 2008, the City and TriMet entered into an intergovernmental agreement whereby the City is responsible for maintaining the Wilsonville transit center park and ride lot, which is owned by TriMet; and

WHEREAS, pursuant to this intergovernmental agreement, the City maintains the park and ride lot, subject to reimbursement of its costs by TriMet; and

WHEREAS, the City's goal, in negotiating with TriMet regarding the transit service boundaries, the petition to withdraw, the expired intergovernmental agreement, and any other outstanding matters between the City and TriMet, is to find a global solution of such issues between the City and TriMet.

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

Section 1. Findings. The City Council incorporates as if fully set forth herein and adopts the above Recitals and the staff report accompanying this Resolution as its findings.

Section 2. The City Council authorizes the City Manager, and the City Manager's designees as appropriate, to enter into negotiations with the Tri-County Metropolitan Transportation District of Oregon concerning transit boundary adjustments, WES rail service, and any other outstanding matters between the City and TriMet as the City Manager determines appropriate. Any proposed agreements or financial obligations between the City and TriMet resulting from these negotiations must be approved by the City Council prior to execution by the City.

Section 3. The City Council expresses its intent to again seek a legislative resolution should negotiations be unsuccessful.

Section 4. Effective Date. This Resolution is effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 17th day of August, 2026, and filed with the Wilsonville City Recorder this date.

Shawn O'Neil, Mayor

ATTEST:

Kimberly Veliz, MMC, City Recorder

SUMMARY OF VOTES:

Mayor O'Neil

Council President Berry

Councilor Cunningham

Councilor Scull

Councilor Shevlin