CITY COUNCIL MEETING
STAFF REPORT

Meeting Date: August 17, 2026		
Meeting Date: August 17, 2026	**Subject: 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. **Staff Member:** Amanda Guile-Hinman, City Attorney Dwight Brashear, SMART Transit Director Everett Wild, Government Relations Manager **Department:** Legal, Transit, Administration	
Action Required	**Advisory Board/Commission Recommendation**	
☒ Motion ☐ Public Hearing Date: ☐ Ordinance 1st Reading Date: ☐ Ordinance 2nd Reading Date: ☒ Resolution ☐ Information or Direction ☐ Information Only ☐ Council Direction ☐ Consent Agenda	☐ Approval ☐ Denial ☐ None Forwarded ☒ Not Applicable **Comments:** N/A	
Staff Recommendation: Adopt Resolution No. 3278.		
Recommended Language for Motion: I move to adopt Resolution No. 3278.		
Project / Issue Relates To:		
☐Council Goals/Priorities:	☐Adopted Master Plan(s):	☒Not Applicable

ISSUE BEFORE COUNCIL:
Whether to adopt Resolution No. 3278 authorizing the City Manager or their designee(s) to undertake negotiations with TriMet regarding transit boundaries, the Westside Express Service (WES) rail service, and other matters relating to the betterment of the City.

EXECUTIVE SUMMARY:

The Tri-County Metropolitan Transportation District of Oregon ("TriMet") currently collects payroll taxes from certain employers within the Wilsonville City limits at a rate of 0.8237%, amounting to approximately $273,800 annually, while providing no transit service in the vicinity of these properties. The City of Wilsonville ("City") has attempted, for many years, to work with TriMet to adjust its service boundary. Such an adjustment would remove properties within the City limits and within the City's Urban Growth Management Area (UGMA) so that the City, through its South Metro Area Regional Transit ("SMART"), can apply its transit payroll tax rate of 0.5%, as well as, continue to provide service and plan for expanded service for the Wilsonville community. Additionally, the City's current and planned future investments of millions of dollars within its Coffee Creek, Basalt Creek, and West Railroad planning areas to incentivize development of high-wage industrial and commercial jobs will unfairly create a windfall for TriMet through its collection of payroll taxes while it continues to provide minimal (if any) transit service to the area. The City is currently pursuing a petition to withdraw certain territory near the city limits from the TriMet district in a statutorily-defined petition process, which must be filed by August 30, 2026.

TriMet has been resistant to adjusting its service boundary, despite repeated negotiation sessions between the City and TriMet, until the City sought a legislative remedy through the introduction of House Bill 2666 during the 2023 legislative session. At that time, at the request of Joint Committee on Transportation Co-chair State Representative Susan McLain, City and TriMet representatives met again to negotiate an alternative to HB 2666 that is a global solution that addresses both the properties within the Wilsonville city limits and the properties within the Urban Growth Boundary (UGB) that are currently within the TriMet service district. Notwithstanding encouragement by State legislators, negotiations stalled due to TriMet's refusal to include agreement to a once-monthly phone call between the parties within any Intergovernmental Agreement (IGA) or Memorandum of Understanding (MOU). The City subsequently introduced Senate Bill 418 in the 2025 legislative session to legislatively modify the boundary. SB 418 did not advance and the boundary issues remain unresolved.

In 2006, the City and TriMet entered into a 20-year IGA for TriMet's operation of the Westside Express (WES) commuter rail service. The agreement, in part, obligated TriMet to provide a defined level of service (16 trains per weekday) and required the City pay a proportionate share of the costs of service. Oregon Revised Statute (ORS) 267.200 allows TriMet to enter into contracts for service, by the request, provided that the requesting jurisdiction pays a proportional share of the cost of services. The WES IGA expired on March 28, 2026, at which time the City ceased making payments. City's contribution would have totaled approximately $420,000 annually in the final year of the agreement, which included annual inflationary increases. However, since the COVID-19 pandemic in April 2020, TriMet has not been providing the required number of trains. Due to the expiration of the WES IGA, TriMet has threatened to cease service to Wilsonville as the station lies outside the TriMet district.

An additional IGA gives the City the responsibility for maintaining the Wilsonville Transit Center Park & Ride parking lot, ownership of which was transferred from the City to TriMet in October 2008 via a donation from the City to Washington County and immediate resale from Washington County to TriMet for $1.00.

Due to the sheer number of outstanding issues, combined with the alignment of the timing of the petition to withdraw and the expiration of the WES agreement, staff believes the City and TriMet have a unique window of opportunity to find a global resolution.

EXPECTED RESULTS:
Staff negotiate the cadastral, policy, and financial obligations of both parties to mutual satisfaction.

TIMELINE:
Negotiations are expected to take several months. Staff will return with an update to Council by the end of the year.

CURRENT YEAR BUDGET IMPACTS:
N/A

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:
The Wilsonville community and businesses benefit from a SMART boundary that aligns with current and future Wilsonville city limits – SMART offers nationally recognized transit services and assesses a lower payroll tax than TriMet. The community also benefits from regional transit services, such as the WES rail services, so long as costs of such services are proportionate to Wilsonville's need. Finding global resolution to outstanding issues with TriMet will provide more certainty, consistency in service, and better value for services received.

ALTERNATIVES:
The City could elect to not enter into negotiations with TriMet. If so, the three properties within the City limits that are currently within TriMet's service boundary will continue to pay payroll taxes to TriMet (a higher payroll tax than the SMART payroll tax - 0.8237 versus 0.5%) without transit service provided by TriMet. The outcome of the petition to withdraw is unknown, and other negotiations or actions may be warranted if the parties cannot find resolution in adjusting transit service boundaries mirroring the future city limits of Wilsonville.

CITY MANAGER COMMENT:
N/A

ATTACHMENTS:
Resolution No. 3278