



METRO

Agenda

MEETING: METRO COUNCIL WORK SESSION
DATE: May 6, 2008
DAY: Tuesday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

- | | | | |
|----------------|-----------|--|------------------|
| 2:00 PM | 1. | DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, MAY 8, 2008/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS | |
| 2:15 PM | 2. | REGIONAL FLEXIBLE FUND (MTIP) TWO-STEP ALLOCATION PROCESS | Cotugno |
| 2:45 PM | 3. | WASTE ALLOCATION UPDATE | Hoglund/Anderson |
| 3:15 PM | 4. | COUNCIL BRIEFINGS/COMMUNICATION | |

ADJOURN

**REGIONAL FLEXIBLE FUND
(MTIP) TWO-STEP
ALLOCATION
PROCESS**

Metro Council Work Session
Tuesday, May 6, 2008
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: May 6, 2008 Time: 3:20 PM Length: 30 minutes

Presentation Title: Regional Flexible Fund (MTIP) 2-step allocation process

Department: Planning

Presenters: Andy Cotugno

ISSUE & BACKGROUND

Approximately \$67.8 million of regional flexible funds will be allocated to regional programs and locally administered projects in the upcoming funding cycle. These are funds that will become available for programs and projects during the federal fiscal years of 2012 and 2013.

The policy update to the 2010-13 MTIP has directed technical staff to develop a two-step process for the allocation of regional flexible funds. The first step would be to consider the allocation of funding to regional programs prior to solicitation of applications for locally administered projects.

Attachment A of draft Resolution 08-3942 summarizes the TPAC recommendation for the allocation of regional flexible funds in the 2-step process. This includes proposed funding recommendations to regional programs in Step 1 (pending public comment and air quality conformity analysis) and process recommendation for allocation of funds to local project applications in Step 2.

Attachment B of draft Resolution 08-3942 summarizes the TPAC recommendation for the allocation of regional flexible funds to an extension of the high capacity transit implementation bond in the years 2012-2025. These funds will provide a contribution to the Milwaukie light rail transit and Wilsonville to Beaverton commuter rail projects.

Also attached is a cover memorandum and summary matrix explaining the evaluation of local project applications in Step 2.

OPTIONS AVAILABLE

Provide input to Metro Council JPACT members on the TPAC recommendation for regional flexible funds to regional programs and/or the framework for the technical evaluation of projects in Step 2.

IMPLICATIONS AND SUGGESTIONS

Funding recommendations will be presented for public comment and final adoption by March 2009. Acceptance of this recommendation will provide for a proposal for the public comment period. If adopted, the proposal would provide funding for five regional programs: high capacity transit implementation, Metro Planning activities, Regional Travel Options program, Transit Oriented Development program, and the Transportation System Management & Operations program.

QUESTION(S) PRESENTED FOR CONSIDERATION

Is the TPAC recommendation of a proposed allocation of regional flexible funds to regional programs acceptable for release for public comment?

Are there any considerations regarding the recommended proposal that Metro Council JPACT members should communicate at the May 8th JPACT meeting?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION X Yes No
DRAFT IS ATTACHED X Yes No**

SCHEDULE FOR WORK SESSION

Department Director/Head Approval _____

Chief Operating Officer Approval _____

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF PROPOSING)	RESOLUTION NO. 08-3942
ALLOCATION OF REGIONAL FLEXIBLE)	
FUNDING TO REGIONAL TRANSPORTATION)	Introduced by Councilor Rex Burkholder
PROGRAMS FOR THE YEARS 2012 AND 2013,)	
AND TO BOND PAYMENTS FOR)	
CONTRIBUTIONS TO THE MILWAUKIE)	
LIGHT RAIL TRANSIT AND WILSONVILLE TO)	
BEAVERTON COMMUTER RAIL PROJECTS)	
FOR THE YEAS 2013 - 2025 PENDING PUBLIC)	
COMMENT PERIOD AND AIR QUALITY)	
CONFORMITY DETERMINATION)	

WHEREAS, approximately \$67.8 million is forecast to be appropriated to the Metro region through the federal Surface Transportation Program (STP) and Congestion Mitigation – Air Quality (CMAQ) transportation grant programs; and

WHEREAS, the Metro Council and Joint Policy Advisory Committee on Transportation (JPACT) are designated by federal legislation as authorized to allocate these funds to projects and programs in the metropolitan region through the Regional Flexible Fund allocation process; and

WHEREAS, the Metro Council and JPACT have provided policy guidance to Metro staff and the Transportation Policy Alternatives Committee (TPAC) on the type and balance of projects and programs that are a priority for these funds through Metro Resolution No. 08-3916A, FOR THE PURPOSE OF ADOPTING THE POLICY DIRECTION AND PROGRAM OBJECTIVES FOR THE 2009 REGIONAL FLEXIBLE FUNDING ALLOCATION PROCESS AND 2010-2013 METROPOLITAN IMPROVEMENT PROGRAM (MTIP), adopted March 20, 2008; and

WHEREAS, the policy guidance report called for the creation of a two-step allocation process with the first step to consider recommendation of funding for regionally administered programs and a second step to consider recommendation of funding for local project applications; and

WHEREAS, TPAC and JPACT have considered funding options for step one of four existing programs administered by Metro, high capacity transit implementation funding, and two potential new programs for regional bridges and pedestrian & bicycle implementation; and

WHEREAS, TPAC has provided recommendations to JPACT and the Metro Council on funding of these programs and guidance for the step two process as shown in Exhibit A, to allocate funding in response to policy direction, technical evaluation, qualitative factors, and public comments; and

WHEREAS, a proposal has been submitted for a supplemental commitment of regional flexible fund contribution to the Milwaukie light rail transit and Beaverton to Wilsonville Commuter rail projects as demonstrated in Exhibit B; and

WHEREAS, the supplemental funding would add \$3.7 million per year to the existing high capacity transit implementation bond payment between 2012 and 2015 and then extend the \$13 million per year commitment from 2016 through 2025; and

WHEREAS, the \$144.8 million of supplemental funding would contribute \$72.5 million net present value contribution to the Milwaukie light rail transit project and \$13.3 million net present value contribution to the Beaverton to Wilsonville Commuter rail project; and

WHEREAS, additional information will be developed and considered for legislation adopting the preferred alternative and finance plan of the Milwaukie light rail project and for the inter-governmental agreement to define the terms and conditions of the supplemental bond agreement; and

WHEREAS, public comment will be solicited on these proposals and an air quality analysis will be conducted on the projects selected for funding for conformity with air quality regulations; now therefore

BE IT RESOLVED that the Metro Council hereby accepts the recommendation of JPACT on the proposed allocation of regional flexible funds to regional transportation programs, as shown in Exhibit A, pending public comment and air quality analysis; and

BE IT FURTHER RESOLVED that the Metro Council hereby accepts the recommendation of JPACT to solicit public comment on the proposed multi-year commitment of regional flexible funds to the supplemental bond funding of high capacity transit implementation as shown in Exhibit B.

ADOPTED by the Metro Council this ____ day of May 2008.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Exhibit A
Regional Flexible Funds

Step 1 Proposed Allocation

Revenue Source or Program	Revenues	Proposed Allocation
Forecast of Funding Available	\$67.800	
Existing High Capacity Transit (HCT) Bond Payment		\$18.600
Additional HCT bonding; Milwaukie LRT and Commuter rail		\$7.400
Lake Oswego to Portland HCT Corridor Environmental Impact Statement (EIS) work		\$4.000
Metro Planning		\$2.116
Regional Travel Options program		\$4.407
Transit Oriented Development program		\$5.777
Transportation System Management & Operations program		\$3.000
Regional travel behavior survey		\$0.350
Next Corridor planning		\$0.500
Local project funding reserve for Step 2		\$21.650

Step 2 process recommendations

- Minimum allocation to Pedestrian & Bicycle projects: \$7.2 million
- Regional TOD, RTO, TSMO programs not eligible for funding in step 2.
- On-street transit, diesel retrofit, & bridge projects are eligible for funding in step 2.

**Exhibit B to Resolution 08-3942
Supplemental Multi-Year Commitment of MTIP Funds**

1. Pending approval following a public comment period, Metro proposes to supplement the multi-year commitment of Metropolitan Transportation Improvement Program (MTIP) Funds for the region’s high capacity transit program that was last approved by Resolution No. 04-3468 and amend the MTIP as follows:

Fiscal Year [a]	Current Multi-Year MTIP Commitment Under Resolution No. 04-3468	Proposed Supplemental Multi-Year MTIP Commitment	Total Multi-Year MTIP Commitment
2008	\$9,300,000		\$9,300,000
2009	\$9,300,000		\$9,300,000
2010	\$9,300,000		\$9,300,000
2011	\$9,300,000		\$9,300,000
2012	\$9,300,000	\$3,700,000	\$13,000,000
2013	\$9,300,000	\$3,700,000	\$13,000,000
2014	\$9,300,000	\$3,700,000	\$13,000,000
2015	\$9,300,000	\$3,700,000	\$13,000,000
2016		\$13,000,000	\$13,000,000
2017		\$13,000,000	\$13,000,000
2018		\$13,000,000	\$13,000,000
2019		\$13,000,000	\$13,000,000
2020		\$13,000,000	\$13,000,000
2021		\$13,000,000	\$13,000,000
2022		\$13,000,000	\$13,000,000
2023		\$13,000,000	\$13,000,000
2024		\$13,000,000	\$13,000,000
2025		\$13,000,000	\$13,000,000
	\$74,400,000	\$144,800,000	\$219,200,000

[a] Initial multi-year commitment began in FY 1999

As used in this resolution, the term MTIP Funds includes urban Surface Transportation Program (STP) and Congestion Mitigation Air Quality (CMAQ) funds, or any successor or replacement federal funding programs, allocated by formula or agreement to the Portland metropolitan region. These MTIP Funds will be programmed for use by TriMet.

2. TriMet will prepare and implement a financing program to use, through direct federal grants to projects and/or a borrowing strategy, the MTIP Funds committed in Section 1 to provide, net of borrowing costs, \$72.5 million in 2011 dollars to the Milwaukie LRT Project and \$13.3 million in 2008 dollars to the Wilsonville-Beaverton Commuter Rail Project.

3. TriMet will work with Metro to develop legislation adopting the preferred alternative and finance plan of the Milwaukie light rail project and for the inter-governmental agreement to define the terms and conditions of the supplemental bond agreement.
4. TriMet will enter or amend binding agreements with FTA and/or local governments committing TriMet to provide the amounts shown in Section 2 to the respective projects. To provide such amounts, TriMet will enter loan agreements relying on receipt of the annual amounts shown in Section 1 to help repay such obligations. Accordingly, the annual amounts shown in Section 1 are fully committed to TriMet; subject only to authorization and appropriation of MTIP Funds.
5. A mix corresponding to the needs of TriMet's financing program of Surface Transportation Program (STP) and Congestion Mitigation Air Quality (CMAQ) funds will be used to fulfill the multi-year commitment of MTIP funds. Representatives of Metro and TriMet will cooperatively determine the appropriate mix of CMAQ and STP funds to be used to fulfill the multi-year commitment of MTIP funds.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 08-3942, FOR THE PURPOSE OF ALLOCATING REGIONAL FLEXIBLE FUNDING TO REGIONAL TRANSPORTATION PROGRAMS FOR THE YEARS 2012 AND 2013, PENDING AIR QUALITY CONFORMITY DETERMINATION AND TO COMMIT \$144.8 MILLION OF REGIONAL FLEXIBLE FUNDING TO BOND PAYMENTS FOR CONTRIBUTIONS TO THE MILWAUKIE LIGHT RAIL TRANSIT AND WILSONVILLE TO BEAVERTON COMMUTER RAIL PROJECTS

Date: April 29, 2008

Prepared by: Ted Leybold

BACKGROUND

The Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council recently adopted new policy direction for the Metropolitan Transportation Improvement Program and the allocation of Regional Flexible Funds. One change recommended for the allocation of regional flexible funds was to institute a two-step allocation process; first to regional programs and then to local projects. Resolution 08-3942 is to adopt the first step allocation of regional flexible funds to regional programs. This allocation will be followed with a solicitation, evaluation, public comment period and allocation of remaining regional flexible funds to local projects.

The Metro region is forecasted to receive \$67.8 million from the urban Surface Transportation Program and the Congestion Mitigation Air Quality funding programs in the federal fiscal years of 2012 and 2013. Previous allocations have identified projects and programs to receive funds during the Federal fiscal years of 2010 and 2011.

Seven existing or potential regional programs were considered for proposed funding: high capacity transit implementation, Metro planning, the Regional Travel Options (RTO) program, the Transit Oriented Development (TOD) program, the Transportation System Management & Operations program (TSMO), a potential regional bridge program and a potential pedestrian and bicycle program.

The proposal for a regional Bicycle and Pedestrian program focused on an allocation of \$6.8 to \$7.2 million to be administered with existing regional staff, assisted by a committee of local and state staff from stakeholder agencies. Supporters posited that such a program would provide a consistent source of funds to implement the regional pedestrian and bicycle needs of the region. Transportation Policy Alternatives Committee (TPAC) instead recommended pedestrian and bicycle projects be funded as a part of the Step 2 process at a minimum funding level of \$7.2 million.

TPAC also considered three potential bridge funding proposals, bonding of funds to contribute to a Sellwood Bridge project, a Willamette River bridge program or a regional bridge program. TPAC did not recommend funding for a bridge program but supported individual bridge applications being eligible for funding in Step 2.

TPAC also supported a supplemental allocation to high capacity transit (HCT) implementation by funding \$4 million for Environmental Impact Statement (EIS) work in the Lake Oswego corridor. Supporters of this recommendation noted that regional flexible funds have traditionally been used to prepare High Capacity Transit corridors for federal construction funding and that the Lake Oswego corridor should be

prepared to immediately follow the Milwaukie corridor light rail project. Opponents to this recommendation argued to preserve funding for the Step 2 project allocation or to wait for results of the HCT system study to prioritize the region's next HCT corridor.

JPACT has recommended regional flexible funding for regional programs in federal fiscal years 2012-13 in the amounts summarized in Exhibit A to Resolution 08-3942. Additionally, regional flexible funding is proposed to be committed to bond payments from 2012 through 2025 for a regional contribution to the Milwaukie light rail transit and Wilsonville to Beaverton commuter rail projects. This funding proposal is summarized in Exhibit B to the resolution.

ANALYSIS/INFORMATION

1. **Known Opposition**
2. **Legal Antecedents** This resolution allocates transportation funds to regional programs in accordance with the federal transportation authorizing legislation (currently known as the Safe, Accountable, Flexible, Efficient Transportation Equity Act or SAFETEA). The allocation process is intended to implement the Regional Flexible Fund and 2010-13 Metropolitan Transportation Improvement Program policies as defined by Metro Resolution No. 08-3916A, **FOR THE PURPOSE OF ADOPTING THE POLICY DIRECTION AND PROGRAM OBJECTIVES FOR THE 2009 REGIONAL FLEXIBLE FUNDING ALLOCATION PROCESS AND 2010-2013 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM.**
3. **Anticipated Effects** Adoption of this resolution would allocate funding to regional transportation programs as defined in Exhibits A and B to the resolution.
4. **Budget Impacts** Adoption of the resolution would begin staff analysis of the air quality impacts of implementing the list of projects and programs as provided for in the Unified Work Program. Grant funds allocated to Metro planning require a match totaling 10.27% of project costs. Current options under consideration would include \$242,186 over the federal fiscal years 2012 and 2013. Metro would also negotiate with other transportation agencies for responsibility of a portion of \$1,019,446 of required local match for other regional planning activities over the course of the 2010 – 2013 time period.

RECOMMENDED ACTION

Staff recommends the adoption of Resolution 08-3942.



DATE: April 29, 2008
 TO: Metro Council, JPACT and Interested Parties
 FROM: Andy Cotugno: Planning Director
 SUBJECT: TPAC Step 1 Recommendation for Regional Flexible Funds

* * * * *

TPAC and JPACT have been briefed on potential regional programs that have been considered for proposed funding in Step 1 of the regional flexible funding allocation process. The briefings outlined the function of the programs, their historical amounts of funding from regional flexible funds and other sources, and the how the programs address the policy objectives of the regional flexible funding program.

Based on these considerations and the forecast of funding available, TPAC is recommending the following funding proposal for the Step 1 allocation to regional programs and additional direction for the Step 2 allocation process for local project applications.

Step 1 Proposed Allocation: TPAC Recommendation

Revenue Source or Program	Revenues	Proposed Allocation
Forecast of Funding Available	\$67.800	
Existing High Capacity Transit (HCT) Bond Payment		\$18.600
Additional HCT bonding; Milwaukie LRT and Commuter rail		\$7.400
Lake Oswego to Portland HCT Corridor environmental work		\$4.000
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Regional Travel Options (RTO) program		\$4.407
Transit Oriented Development (TOD) program		\$5.777
Transportation System Management & Operations (TSMO) program		\$3.000
Regional travel behavior survey		\$0.350
Next Corridor planning		\$0.500
Local project funding reserve for Step 2		\$21.650

Step 2 process: TPAC Recommendation

- Minimum allocation to Pedestrian & Bicycle projects: \$7.2 million
- TOD, RTO, TSMO programs not eligible for funding in step 2.
- On-street transit, diesel retrofit, & bridge projects are eligible for funding in step 2.



METRO

DATE: April 29, 2008
TO: Metro Council, JPACT and Interested Parties
FROM: Ted Leybold, MTIP Manager
SUBJECT: Step 2 technical evaluation process for local project applications

* * * * *

The policy report for the 2010-13 MTIP establishes a new direction for streamlining and focusing the MTIP process to better leverage the 2040 Growth Concept for the region. The new direction calls for a two-step process, consisting of the following components:

- Step 1 Tentative funding allocations by JPACT and the Council to regional projects and programs that help leverage the 2040 Growth Concept in all or many jurisdictions
- Step 2 Competitive solicitation process for funding local projects and programs that leverage the 2040 Growth Concept

The purpose of this approach is to better gauge the purpose and scope of regional programs and projects before determining the available pool of funds that will be available for local program and project funding. This will help JPACT and the Council sharpen the focus of regional programs, and minimize the complexity and extent of technical work required in the local solicitation step.

In addition to the two-step process, the new direction includes a greatly simplified local solicitation framework within Step 2. Prior MTIP allocations have been organized according to thirteen modal categories, where the solicitation process recommended by TPAC will focus on four 2040 thematic categories for investment priority, including:

1. **Regional Mobility Corridors:** This category is focused on multi-modal regional mobility corridor investments that leverage the 2040 Growth Concept and improve interstate, intrastate and cross-regional people and goods movement.

2. **Mixed-use Area Implementation:** his category focuses on investments in mixed-use areas that leverage the 2040 Growth Concept through regional street system improvements that provide community access and mobility.
3. **Industrial and Employment Area Implementation:** This category focuses on investments that provide access and mobility to and within industrial and employment areas and freight inter-modal facilities, and implement the regional freight and goods movement concept.
4. **Environmental Enhancement and Mitigation:** This category focuses on investments that advance the development of environmentally sustainable transportation design.

These new themes reflect the 2035 Federal RTP policy, adopted in December 2007. Under the new framework, proposals submitted under each if these solicitation categories would be evaluated according to the following measurement categories, with weighting applied to emphasize critical performance areas:

- Compact urban form and economic opportunity
- System reliability and economic opportunity
- Options for underserved populations
- Enhance safety
- Environmental stewardship
- Support project/program types with limited funding sources

Applications submitted during the solicitation would be evaluated under one of the 2040 thematic solicitation categories, and according to performance measures under these evaluation categories.

JPACT requested to review the TPAC recommendation for the proposed solicitation categories, measurement categories and weighting prior to the solicitation process. Attachment A to this memorandum is a matrix that summarizes the proposed solicitation categories, measurement categories and score weighting of the new technical evaluation framework. Please feel free to contact me at 503-797-1759 with any questions on these materials.



2010-2013 Regional Flexible Funding Allocation
Step 2 Local Project Solicitation Categories and Relative Weighting of Measurement Categories
For JPACT Action

Measurement categories	Solicitation categories			
	Regional mobility corridors	Mixed-use area implementation	Industrial and employment area implementation	Environmental enhancement and mitigation
Compact urban form and economic opportunity	15%	60%	15%	5%
System reliability and economic opportunity	50%	15%	60%	N/A
Options for underserved populations	5%	5%	5%	N/A
Enhance Safety	20%	10%	10%	N/A
Environmental stewardship	5%	5%	5%	90%
Support project/program types with limited funding sources	5%	5%	5%	5%



2010-2013 Regional Flexible Funding Allocation
Step 2 Local Project Solicitation Categories and Relative Weighting of Measurement Categories
For JPACT Action

Measurement categories	Solicitation categories			
	Regional mobility corridors	Mixed-use area implementation	Industrial and employment area implementation	Environmental enhancement and mitigation
Compact urban form and economic opportunity	15%	60%	15%	5%
System reliability and economic opportunity	50%	15%	60%	N/A
Options for underserved populations	5%	5%	5%	N/A
Enhance Safety	20%	10%	10%	N/A
Environmental stewardship	5%	5%	5%	90%
Support project/program types with limited funding sources	5%	5%	5%	5%

Agenda Item Number 3.0

**WASTE ALLOCATION
UPDATE**

Metro Council Work Session
Tuesday, May 6, 2008
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: 5/6/08 Time: 3:50 Length: 30 minutes

Presentation Title: Waste Allocation Update

Department: Solid Waste & Recycling

Presenters: Michael Hoglund and Douglas Anderson

ISSUE & BACKGROUND

In January, Solid Waste & Recycling staff introduced the Waste Allocation Project at a Council Work Session. The basic question for this project is: how much putrescible waste should Metro authorize in the new transfer station franchises and non-system licenses that will take effect on January 1, 2009?

Although simple on the surface, the question goes deeper. Waste allocations (“tonnage caps”) have widespread effects—many with policy implications—on collection rates, public and private disposal costs, the geographic distribution of services, ratepayer equity, and system efficiency. Accordingly, since January, Metro staff have been meeting with stakeholders to identify all of the issues and linkages related to waste allocations.

At this Work Session, staff will update the Council on findings and make recommendations for the next steps in the project.

Main Issues Emerging From the Stakeholder Discussions

Issues are identified in boldface, following by the most commonly-raised questions or comments. This list is informational; no weighting or prioritization has yet been done on the issues.

Private facility tip fees. How do local government regulators and the public know whether private facilities charge a “fair” or “market” rate? (This is usually termed the “rate transparency” question.) Is rate review or regulation warranted? Would it be cost-effective? If so, what public body should do the regulating or review?

Service provision. Should private facilities be required or simply authorized to provide (or prohibited from providing) additional services? Should provision of services be a *quid pro quo* for additional tonnage allocation? Two services are mentioned most often:

- o Accepting waste from public self-haul customers (a separate study is under way).
- o Hosting household hazardous waste collection events.

Capacity. Two issues arise on capacity: efficiency and access. The efficiency claim is that the caps are too small for efficient operation, and this is a factor in the facility’s tip fee. The access claim is that caps are too small to meet demand and some haulers must utilize more-distant facilities, putting more truck-miles on the highway.

Dry waste processing capacity. Most facilities perform both wet waste transfer and dry waste processing. Dry waste processing is more costly and uses more space than wet waste transfer. The concern is that increasing wet waste allocations may crowd-out dry waste processing capacity. Dry waste processing capacity is an especially critical issue with the implementation dates for the Enhanced Dry Waste Recovery Program looming.

Consistency with Disposal System Planning I. The main issue here is balancing private facility allocations with retaining sufficient tonnage for Metro's own transfer stations to remain economically viable.

Size-of-caps. Should caps be the same for all facilities? Should caps be variable, perhaps related to objective factors such as local demand? The policy basis for the current system is not clear to stakeholders. (Three facilities currently have the same cap; one facility—Columbia Environmental—has a lower cap; and one—Forest Grove Transfer Station—has no cap.)

Waste exports. Two issues arise on waste exports: system capacity and destination choice. The system capacity claim is: since the region already has excess wet waste transfer capacity, Metro should look to utilizing that capacity before allowing waste to be exported. The destination choice issue involves the criteria by which Metro decides which out-of-district facilities may receive waste generated in the region. The Council has begun to address the latter issue with the *Landfill Standards Report* at a recent Work Session.

Metro rate model. The relative size of Metro's solid waste rate components (tonnage charge, transaction fees, Regional System Fee) have a major impact on the economics of private facility operations. The rate components are highly dependent on the cost allocation policy within Metro's rate model—specifically, which of Metro's solid waste costs are recovered from which rates. Resolution of these cost allocation policies would be a determining factor in the financial effect of several issues and options above.

OPTIONS AVAILABLE

Specific options will be presented at the Work Session. In general, staff will be seeking Council's concurrence on which of the issues above will be resolved within this project, and which will be resolved at a later date.

IMPLICATIONS AND SUGGESTIONS

Staff will focus its efforts based on directions received from Council (see "Options Available").

QUESTIONS PRESENTED FOR CONSIDERATION

Do any of the identified issues have priority over the others?

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION Yes No
DRAFT IS ATTACHED Yes No

SCHEDULE FOR WORK SESSION

Chief Operating Officer Approval _____