



METRO

Agenda

MEETING: METRO COUNCIL
DATE: February 12, 2009
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. FISCAL YEAR 2008 FINANCIAL AUDIT Flynn

4. CONSENT AGENDA

4.1 Consideration of Minutes for the February 5, 2009 Metro Council Regular Meeting.

4.2 **Resolution No. 09-4026**, For the Purpose of the Metro Council's Acceptance of the Independent Audit Report for Financial Activity during Fiscal Year 2007-2008.

5. RESOLUTIONS

5.1 **Resolution No. 09-4024**, For the Purpose of Providing Direction to Metro Concerning Bills before the 2009 Oregon Legislature. Hosticka

5.2 **Resolution No. 09-4025**, For the Purpose of Adopting the Regional HighCollette Capacity Transit System Plan Screened Corridor Map and Evaluation Criteria.

6. CHIEF OPERATING OFFICER COMMUNICATION

7. COUNCILOR COMMUNICATION

8. JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION AND METRO COUNCIL PUBLIC HEARING ON DRAFT FINAL RECOMMENDATIONS FOR REGIONAL FLEXIBLE FUNDING ALLOCATION

ADJOURN

Television schedule for February 12, 2009 Metro Council meeting

<p>Clackamas, Multnomah and Washington counties, and Vancouver, Wash. Channel 11 – Community Access Network www.tvctv.org – (503) 629-8534 2 p.m. Thursday, Feb. 12 (Live)</p>	<p>Portland Channel 30 (CityNet 30) – Portland Community Media www.pcmtv.org – (503) 288-1515 8:30 p.m. Sunday, Feb. 15 2 p.m. Monday, Feb 16</p>
<p>Gresham Channel 30 – MCTV www.mctv.org – (503) 491-7636 2 p.m. Monday, Feb. 16</p>	<p>Washington County Channel 30 – TVC-TV www.tvctv.org – (503) 629-8534 11 p.m. Saturday, Feb. 14 11 p.m. Sunday, Feb. 15 6 a.m. Tuesday, Feb. 17 4 p.m. Wednesday, Feb. 18</p>
<p>Oregon City, Gladstone Channel 28 – Willamette Falls Television www.wftvaccess.com – (503) 650-0275 Call or visit website for program times.</p>	<p>West Linn Channel 30 – Willamette Falls Television www.wftvaccess.com – (503) 650-0275 Call or visit website for program times.</p>

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order in which they are listed. If you have questions about the agenda, please call Chris Billington, Clerk of the Council, at (503) 797-1542. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council, and for other public comment opportunities, please go to this section of the Metro website www.oregonmetro.gov/participate. For assistance per the American Disabilities Act (ADA), dial Metro’s TDD line (503) 797-1804 or (503) 797-1540 for the (Council Office).

Agenda Item Number 3.0

FISCAL YEAR 2008 FINANCIAL AUDIT

Metro Council Meeting
Thursday, February 12, 2009
Metro Council Chamber

**METRO**

January 26, 2009

Ms. Suzanne Flynn
Metro Auditor

The independent audit firm of Moss Adams LLP, certified public accountants, has completed the audit of the financial statements of Metro for the year ended June 30, 2008. As part of that audit Moss Adams reviewed accounting policies and procedures, evaluated the effectiveness of the existing system of internal control, and made findings, observations and recommendations relating to this review. Moss Adams also performed a separate review of federal grants for federal compliance reporting purposes.

As you know, the independent auditor's responsibility under the auditing standards generally accepted in the United States has become increasingly rigorous in both the private and public sectors. I am proud that our accounting group, led by Karla Lenox, CPA, Financial Reporting and Control Supervisor, and Don Cox, CPA, CGFM, Accounting Manager and Accounting Compliance Officer, continues to ensure that Metro meets these new standards, receives an unqualified audit opinion and produces a Comprehensive Annual Financial Report of award-winning caliber. At the same time, we thank the audit staff of Moss Adams LLP for its careful and professional review. Through each year's audit process and our professional discussions with Moss Adams, we obtain further insights into maintaining and sustaining best practices.

Moss Adams made recommendations to management in its letter dated December 12, 2008 and received January 16, 2009. In addition Moss Adams reviews the prior year's report and comments on Metro's progress. We report this "management letter" to you, the Audit Committee and the Metro Council with management's response.

We wish to thank the Audit Committee, an external professional review body organized by your office to assist both you and me in evaluating and improving our business and accounting processes.

Finally, we wish to thank you personally for your attention and support during the audit process. We look forward to continuing our work with you to assure both the Metro Council and the region's citizens that Metro operates with the highest standards of fiscal prudence, accountability, transparency and integrity.

Sincerely,

Margo Norton
Finance and Administrative Services Director

For the reader's convenience, the findings, observations and recommendations of Moss Adams are reproduced in their entirety, modified only by the numbering of the recommendations. Metro's response follows each recommendation with the same numbering system.

MATERIAL WEAKNESSES

No material weaknesses were reported in the current audit.

SIGNIFICANT DEFICIENCIES

The following significant deficiencies were identified during our audit of the June 30, 2008 financial statements:

Health insurance payable. While testing accrued expenses we noted that Metro had recorded a liability in fiscal year 2008 for health insurance premiums that covered July 2008. This resulted in an overstatement of liabilities in the Risk Management Fund. The amounts are calculated and recorded by the payroll system each pay period.

Recommendation # 1: We recommend that Metro implement a review process to analyze liabilities recorded by the payroll system to determine that they are recorded in the correct fiscal period.

Metro Response # 1: The issue identified involves the treatment of health insurance premiums collected in June for July coverage. Metro has treated these health and welfare premiums in the same manner since the installation of PeopleSoft in 1997 and perhaps longer. Based on this finding, we will change our treatment of these premiums in future years. The initial strategy is to determine whether we can automate this change through PeopleSoft. Failing that, we will add the June health insurance premiums to the audit checklist for manual correction prior to closing the year.

Federal contract language. During our testing of procurement for the Single Audit, we noted five instances in fifteen contracts tested where a contract did not include required federal clauses. Of those five contracts it was noted that two of the contracts did not go through Metro's procurement process. For three of the five contracts, the contractor was initially engaged for a non-federally sourced project. Once the project was allowed to be covered by federal dollars the contract was not subsequently reviewed to ensure it had the appropriate language included.

Recommendation #2: Metro should implement a tracking and review process of contracts to ensure appropriate language is included for contracts that are receiving federal funds. In addition, the review should include a review of contract terms to ensure the contract is still current.

Metro Response # 2: The Planning and Development Center has taken the following actions:

1. Language and requisite attachments for federal contracts: A checklist has been developed that we will begin using in January 2009 to insure that federal contract clauses and certifications are included on all federally funded contracts.
2. Contracts that change funding source from non-federal funds to all or partial federal funds after initial award: The checklist will also address this situation after a determination is made that expenditures meet federal grant eligibility. The checklist will insure that contracts are amended to include federal contract clauses and certifications once the funding source is changed to include federal funds, whether or not the total contract price is modified.

MANAGEMENT ADVISORY COMMENTS

In addition to the significant deficiency noted above, during our audit we also became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. These matters are noted below as management advisory comments.

Cash controls at Blue Lake. During our review of cash management internal controls at Blue Lake Park, we noted that during processing of cash, one employee with access to the safe also performed the review of accounting reconciliations sent to Metro accounting. This creates the potential for this employee to remove an entire bag of funds.

Recommendation # 3: We recommend segregating responsibilities between the safe and access to accounting records.

Metro Response # 3: It is not operationally feasible to segregate the responsibilities between the safe and access to accounting records for the supervisor at Blue Lake Park, as recommended. To mitigate this risk, Metro intends to implement a compensating control. Cashiers currently record their bag drops in a sequential log and initial the log. These logs will be faxed regularly to Accounts Receivable, where they will be reconciled against accounting records to ensure there are no missing bags.

Payroll timecard approval. During our testing of payroll controls, we noted that some employees approved their own timecards without a second approval. We were able to isolate all instances of employees approving their own time. It occurred 325 times out of more than 50,000 records.

Recommendation # 4: We recommend that Metro implement system changes so that users can not approve their own time, or that some level of oversight occur periodically in cases where members of management are involved.

Metro Response # 4: A review of the 325 records confirms that all instances involve managers with approval authority for subordinates' time records. When approving their own time records as "employees", the approvals are registered as "manager" approvals

and require a superior manager to also approve the records. In a number of instances this did not occur.

The initial strategy will be to determine if a global automation solution is available in the Kronos timekeeping system. We will determine if the system can be modified to either prohibit or note as exceptions any instances where the approver has the same identification as the employee time record being approved. Even if an automated solution is available and cost effective, we will follow the recommendation to increase oversight with periodic exception reporting and follow up training with the employee-approver, the employee-approver's manager and the work units' time administrators (DTAs).

Splitting of purchasing card transactions (prior-year finding that has not been corrected).

While testing purchasing card transactions, we noted three instances in which purchases appeared to be split into two transactions in order to circumvent dollar limits on purchasing thresholds.

Recommendation # 5: We recommend that Metro review policies concerning purchasing cards and provide additional training to employees that use them. In addition, purchasing limits should be reviewed and adjusted as necessary.

Metro Response # 5: Even though the number of split transactions is a tiny fraction of total transactions, it is an unacceptable practice and a violation of the purchasing card policy acknowledged by each card holder at the time the card is issued. We continue to emphasize this in procurement training which is required not only for new card holders prior to card activation but also for veteran card holders whose new cards are being reissued just prior to expiration. Additionally, the procurement officer will send a reminder of this policy to all card holders and their supervisors by February 2009. Future occurrences may result in revocation of individual cards.

Contract files. During our review of Metro's contract files, we noted two instances in which proper supporting documentation was not found in the files. These missing items included a tabulation of bids and a notice of intent to award a contract. This increases the risk that contracts have not been properly approved.

Recommendation # 6: We recommend that Metro improve recordkeeping by developing a checklist detailing which documents are required for all contracts.

Metro Response # 6: Procurement Services has developed a draft checklist of all documentation required for central contract files. This checklist will be tested with Metro's departmental contract staff over the next 90 days, finalized and posted on the internal website for all contract users. It will also be included in future procurement training classes.

Opportunity to improve Zoo cash controls (prior-year finding that has not been completely corrected).

While observing cash controls at the Zoo, a control weakness was identified regarding payments for educational classes. When classes are offered, there is one person who receives applications and payments. This person also signs people up for the classes. When the

class is taken, there is no reconciliation between attendees and payments. This lack of segregation of duties could allow errors or irregularities to go undetected.

Recommendation # 7: We recommend that a second person, separate from the employee taking the payment, be responsible for signing attendees up for classes. In addition, the list of attendees should be reconciled to the payments by someone other than the person receiving the payments.

Metro Response # 7: The zoo is completing implementation of a web-based registration system for educational classes. The system, expected to be operational before year-end, will automate the existing manual registration processes, as well as automate payment processing. These process changes, coupled with the reconciliation of registration payments to sign-ups and attendees, will provide adequate internal controls for educational class payments.

Opportunity to improve the accounting for grant revenues and expenditures. While testing grant revenues and related receivables at year-end, we found one instance where Metro had potentially recorded a receivable and revenue prior to establishing that it had met all the eligibility requirements to be entitled to request reimbursement on the grant involved. The issue arose from Metro's concern that another party involved in the project had not properly met procurement requirements with vendors that ultimately would be paid from Metro's grant. Yet even with these concerns, Metro recorded expenditures against its grant and related payables from the third party, and recorded a related receivable and revenue from the grant. The issue was resolved with no adjustment found to be necessary, but not before our audit inquiry procedures and efforts to determine if the receivable should be recorded as part of year-end balances. There is a risk that the communication between Planning, Procurement, and Finance is not sufficient to make proper determinations as to the correct timing of recognizing grant expenditures, receivables, and revenue, and that allow issues such as this one to go unresolved for over a year as this one did. A related risk is that federal grant expenditures might be recorded in the wrong fiscal year without prompt resolution of issues, which could lead to the incorrect determination of federal grants requiring testing under the Single Audit Act.

Recommendation # 8: We recommend that Metro improve the communication between departments, as well as to involve Finance staff with the necessary knowledge of proper grant accounting, to ensure grant receivables and revenues are not booked prior to meeting applicable eligibility requirements. We also recommend that departments coordinate their processes to ensure grant reimbursement requests are not submitted with grantor agencies prior to documenting that all eligibility requirements have been met. And finally, given that this issue took over a year to resolve, we recommend that Metro improve its monitoring procedures so that issues that come up get resolved on a more timely basis. Timely resolution of issues will allow Metro to accurately prepare the Schedule of Federal Awards that becomes the basis for required annual federal reporting, and determination of federal grants required to be tested under the Single Audit Act.

Metro Response # 8: The recommendation deals with four financial statement elements: liability (accounts payable), expenditure, grant receivable and grant revenue. Shortly after fiscal year end, Planning and Accounting staff reviewed the expenditure transaction in question. Planning and Procurement management informed Accounting staff that the likelihood of payment was "probable." By applying the criteria of FASB Statement No. 5, *Contingent Liabilities*, at that time Accounting staff determined the liability and

expenditure should be accrued for financial statement presentation. However, as noted, the final resolution of the third-party matter and the determination of the expenditures eligibility under Metro's grant award (and the associated recording of the grant receivable and grant revenue) took considerable additional time working with the various entities involved. Metro management will strengthen its oversight and project management in order to resolve such matters in a timelier manner in the future, including more diligent follow-up on such items and more effective and timely communication of eligibility impacts for recording and billing grant receivables and revenues.

Note: Single Audit

In addition to the audit of the financial statements, Moss Adams also performed a separate audit of federal grant funds and has issued a report on compliance with requirements applicable to each major program and internal control over compliance with OMB circular A-133, often referred to as the "Single Audit" for federal compliance.

The report provided an unqualified opinion in the financial reporting, identified no questioned costs, and disclosed essentially the same two findings of "significant deficiency" as those included above. The management response to those findings is included in the Single Audit report.

www.mossadams.com

December 12, 2008

To Margo Norton, Director of Finance and Administration
Metro
Portland, Oregon

Dear Ms Norton:

We have completed our audit of the financial statements of Metro for the year ended June 30, 2008 and have issued our report thereon dated December 12, 2008. In planning and performing our audit of the financial statements of Metro as of and for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered Metro's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Metro's internal control. Accordingly, we do not express an opinion on the effectiveness of Metro's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

FINDINGS FROM LAST YEAR - MATERIAL WEAKNESSES

MERC previously reported incorrectly as a discretely presented component unit. Our recommendation to review potential component units and related accounting policies annually to determine if those policies comply with generally accepted accounting principles (GAAP) appears to have been implemented.

Proper revenue recognition for intergovernmental agreements. Our recommendation that copies of significant agreements be reviewed by someone in central finance with governmental accounting knowledge appears to have been partially implemented. See this year's observations and recommendations.

Opportunities to improve the accounting for capital assets. Metro hired a firm to assist in the performance of an inventory of capital assets this year to address prior years' recommendations to improve its fixed asset records. The inventory led to the need to report a material prior period adjustment affecting multiple opinion units and individual funds. The inventory and related adjustments have addressed the prior years' recommendations.

FINDINGS FROM LAST YEAR - SIGNIFICANT DEFICIENCIES

Incorrect reporting of long-term debt in the governmental fund statements. Our recommendation to review processes and incorporate checklists to make sure financial statements properly record inter-fund loans in accordance with GAAP appears to have been implemented.

Opportunities to improve collections of over-due accounts receivable. Our recommendation that past due notices be sent out on a regular schedule and that invoice dates be tracked more closely appears to have been implemented.

Opportunity to improve the accounting of transactions between Metro and MERC. It appears that our recommendation that the *due to/due from* accounts be reconciled monthly and that both Metro and MERC review the reconciliations has been implemented.

Need to improve governmental and Federal Grant accounting knowledge of department personnel. Our recommendation to provide additional training for those responsible for recording federal grant transactions and for those responsible for recording transactions in accordance with GAAP appear to have been implemented.

FINDINGS FROM LAST YEAR - MANAGEMENT ADVISORY COMMENTS

MERC Accounts Payable Vendors. MERC appears to have implemented compensating controls to reduce the chance of an error or fraud occurring due to the large number of employees who can enter vendors into the accounts payable system.

Opportunity to improve accounting for payroll. It appears that our recommendations that Metro reorganize personnel files so that information is filed by employee, and that employee files should be reviewed to ensure that documentation is in place to support payroll benefits and deductions in a timely manner have been implemented.

Splitting of purchasing card transactions. This issue has not been fully resolved and there is still a risk that purchases are being split to simplify the purchase process for certain transactions that in total may not meet the requirements for purchase through purchase cards. However, the issue has been discussed at among management, and management is working on a way to make the process easier for employees where warranted.

Opportunity to improve Zoo cash controls. The Zoo has addressed our prior year recommendations by purchasing a tracking system for tracking educational class payments, and they have changed their procedures to include opening the mail with two employees present.

www.mossadams.com

Zoo Ivory Collection. The Zoo has implemented the recommendation to take a physical inventory of the ivory collection and implement a tracking system.

Opportunity to improve controls over purchases. Metro has implemented a compensating control so that purchase orders that are created and approved by the same person are reviewed on a regular basis.

Reporting the proper classification of resources within the Cemetery Perpetual Care Fund. In the current year the Metro Council made a clear declaration that the Cemetery Fund is a permanent fund with legally restricted assets clarifying the correct classification of related net assets under generally accepted accounting principles addressing one of our recommendations from last year.

Opportunity to improve oversight and records retention on the Aramark Contract. In response to an observation about the management of the Aramark contract, MERC hired an independent accounting firm to conduct a performance audit pursuant to one of the provisions in the contract. MERC is implementing the recommendations from that report.

Findings from the current audit:

SIGNIFICANT DEFICIENCIES

The following significant deficiencies were identified during our audit of the June 30, 2008 financial statements:

Health insurance payable. While testing accrued expenses we noted that Metro had recorded a liability in fiscal year 2008 for health insurance premiums that covered July 2008. This resulted in an overstatement of liabilities in the Risk Management Fund. The amounts are calculated and recorded by the payroll system each pay period.

Recommendation: We recommend that Metro implement a review process to analyze liabilities recorded by the payroll system to determine that they are recorded in the correct fiscal period.

Federal contract language. During our testing of procurement for the Single Audit, we noted five instances in fifteen contracts tested where a contract did not include required federal clauses. Of those five contracts it was noted that two of the contracts did not go through Metro's procurement process. For three of the five contracts, the contractor was initially engaged for a non-federally sourced project. Once the project was allowed to be covered by federal dollars the contract was not subsequently reviewed to ensure it had the appropriate language included.

Recommendation: Metro should implement a tracking and review process of contracts to ensure appropriate language is included for contracts that are receiving federal funds. In addition, the review should include a review of contract terms to ensure the contract is still current.

MANAGEMENT ADVISORY COMMENTS

In addition to the significant deficiency noted above, during our audit we also became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. These matters are noted below as management advisory comments.

Cash controls at Blue Lake. During our review of cash management internal controls at Blue Lake Park, we noted that during processing of cash, one employee with access to the safe also performed the review of accounting reconciliations sent to Metro accounting. This creates the potential for this employee to remove an entire bag of funds.

Recommendation: We recommend segregating responsibilities between the safe and access to accounting records.

Payroll timecard approval. During our testing of payroll controls, we noted that some employees approved their own timecards without a second approval. We were able to isolate all instances of employees approving their own time. It occurred 325 times out of more than 50,000 records.

Recommendation: We recommend that Metro implement system changes so that users can not approve their own time, or that some level of oversight occur periodically in cases where members of management are involved.

Splitting of purchasing card transactions (prior-year finding that has not been corrected). While testing purchasing card transactions, we noted three instances in which purchases appeared to be split into two transactions in order to circumvent dollar limits on purchasing thresholds.

Recommendation: We recommend that Metro review policies concerning purchasing cards and provide additional training to employees that use them. In addition, purchasing limits should be reviewed and adjusted as necessary.

Contract files. During our review of Metro's contract files, we noted two instances in which proper supporting documentation was not found in the files. These missing items included a tabulation of bids and a notice of intent to award a contract. This increases the risk that contracts have not been properly approved.

Recommendation: We recommend that Metro improve recordkeeping by developing a checklist detailing which documents are required for all contracts.

Opportunity to improve Zoo cash controls (prior-year finding that has not been completely corrected). While observing cash controls at the Zoo, a control weakness was identified regarding payments for educational classes. When classes are offered, there is one person who receives applications and payments. This person also signs people up for the classes. When the class is taken, there is no reconciliation between attendees and payments. This lack of segregation of duties could allow errors or irregularities to go undetected.

www.mossadams.com

Recommendation: We recommend that a second person, separate from the employee taking the payment, be responsible for signing attendees up for classes. In addition, the list of attendees should be reconciled to the payments by someone other than the person receiving the payments.

Opportunity to improve the accounting for grant revenues and expenditures. While testing grant revenues and related receivables at year-end, we found one instance where Metro had potentially recorded a receivable and revenue prior to establishing that it had met all the eligibility requirements to be entitled to request reimbursement on the grant involved. The issue arose from Metro's concern that another party involved in the project had not properly met procurement requirements with vendors that ultimately would be paid from Metro's grant. Yet even with these concerns, Metro recorded expenditures against its grant and related payables from the third party, and recorded a related receivable and revenue from the grant. The issue was resolved with no adjustment found to be necessary, but not before our audit inquiry procedures and efforts to determine if the receivable should be recorded as part of year-end balances. There is a risk that the communication between Planning, Procurement, and Finance is not sufficient to make proper determinations as to the correct timing of recognizing grant expenditures, receivables, and revenue, and that allow issues such as this one to go unresolved for over a year as this one did. A related risk is that federal grant expenditures might be recorded in the wrong fiscal year without prompt resolution of issues, which could lead to the incorrect determination of federal grants requiring testing under the Single Audit Act.

Recommendation: We recommend that Metro improve the communication between departments, as well as to involve Finance staff with the necessary knowledge of proper grant accounting, to ensure grant receivables and revenues are not booked prior to meeting applicable eligibility requirements. We also recommend that departments coordinate their processes to ensure grant reimbursement requests are not submitted with grantor agencies prior to documenting that all eligibility requirements have been met. And finally, given that this issue took over a year to resolve, we recommend that Metro improve its monitoring procedures so that issues that come up get resolved on a more timely basis. Timely resolution of issues will allow Metro to accurately prepare the Schedule of Federal Awards that becomes the basis for required annual federal reporting, and determination of federal grants required to be tested under the Single Audit Act.

This report is intended solely for the information and use of the management of Metro and is not intended to be and should not be used by anyone other than these specified parties. We would be happy to further discuss any of the items in this letter with you at your convenience.

Moss Adams, LLP

Eugene, Oregon
December 12, 2008

The Metro Comprehensive Annual Financial Report for the year ended June 30, 2008 is available by going to the following link:

<http://www.oregonmetro.gov/index.cfm/go/by.web/id=27647>

Agenda Item Number 4.1

Consideration of Minutes of the February 5, 2009 Metro Council Regular Meeting

Consent Agenda

Metro Council Meeting
Thursday, February 12, 2009
Metro Council Chamber

**Resolution No. 09-4026, For the Purpose of the Metro Council's Acceptance
of the Independent Audit
Report for Financial Activity during Fiscal Year 2007-2008.**

,

Consent Agenda

Metro Council Meeting
Thursday, February 12, 2009
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF METRO COUNCIL'S) RESOLUTION NO. 09- 4026
ACCEPTANCE OF THE RESULTS OF THE)
INDEPENDENT AUDIT REPORT FOR) Introduced by
FINANCIAL ACTIVITY DURING FISCAL) Suzanne Flynn, Metro Auditor
YEAR 2007-2008)

WHEREAS, Oregon Revised Statute 297.465 requires an annual independent audit of Metro's financial statements; and

WHEREAS, Metro Code Section 2.15.80 requires the Metro Auditor to appoint the external certified public accountant to conduct certified financial statement audits as specified in state and local laws; and

WHEREAS, Metro engaged in Contract No. 927943 with Moss Adams LLP, independent Certified Public Accountants to provide the following audit services:

1. Audit of Metro's financial statements (including all costs associated with the Comprehensive Annual Financial Report and applicable management recommendations and comments);
2. MERC (a component unit of Metro) financial statements and applicable management recommendations and comments;
3. Single Audit and applicable management recommendations and comments; and
4. Metro Natural Areas Bond Measure Expenditures and applicable management recommendations and comments; and

WHEREAS, the annual independent audit has been completed and an unqualified opinion received from Moss Adams LLP; and

WHEREAS, a separate letter was delivered to management and a management plan of action completed; now, therefore,

BE IT RESOLVED that the Metro Council hereby acknowledges and accepts the results of the independent audit report for fiscal year FY 2007-2008 (Exhibit A).

ADOPTED by the Metro Council this ____ day of _____ 2009.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Exhibit "A" to Resolution 09-4026

December 12, 2008

To Margo Norton, Director of Finance and Administration
Metro
Portland, Oregon

Dear Ms Norton:

We have completed our audit of the financial statements of Metro for the year ended June 30, 2008 and have issued our report thereon dated December 12, 2008. In planning and performing our audit of the financial statements of Metro as of and for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered Metro's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Metro's internal control. Accordingly, we do not express an opinion on the effectiveness of Metro's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

FINDINGS FROM LAST YEAR - MATERIAL WEAKNESSES

MERC previously reported incorrectly as a discretely presented component unit. Our recommendation to review potential component units and related accounting policies annually to determine if those policies comply with generally accepted accounting principles (GAAP) appears to have been implemented.

Proper revenue recognition for intergovernmental agreements. Our recommendation that copies of significant agreements be reviewed by someone in central finance with governmental accounting knowledge appears to have been partially implemented. See this year's observations and recommendations.

Opportunities to improve the accounting for capital assets. Metro hired a firm to assist in the performance of an inventory of capital assets this year to address prior years' recommendations to improve its fixed asset records. The inventory led to the need to report a material prior period adjustment affecting multiple opinion units and individual funds. The inventory and related adjustments have addressed the prior years' recommendations.

FINDINGS FROM LAST YEAR - SIGNIFICANT DEFICIENCIES

Incorrect reporting of long-term debt in the governmental fund statements. Our recommendation to review processes and incorporate checklists to make sure financial statements properly record inter-fund loans in accordance with GAAP appears to have been implemented.

Opportunities to improve collections of over-due accounts receivable. Our recommendation that past due notices be sent out on a regular schedule and that invoice dates be tracked more closely appears to have been implemented.

Opportunity to improve the accounting of transactions between Metro and MERC. It appears that our recommendation that the *due to/due from* accounts be reconciled monthly and that both Metro and MERC review the reconciliations has been implemented.

Need to improve governmental and Federal Grant accounting knowledge of department personnel. Our recommendation to provide additional training for those responsible for recording federal grant transactions and for those responsible for recording transactions in accordance with GAAP appear to have been implemented.

FINDINGS FROM LAST YEAR - MANAGEMENT ADVISORY COMMENTS

MERC Accounts Payable Vendors. MERC appears to have implemented compensating controls to reduce the chance of an error or fraud occurring due to the large number of employees who can enter vendors into the accounts payable system.

Opportunity to improve accounting for payroll. It appears that our recommendations that Metro reorganize personnel files so that information is filed by employee, and that employee files should be reviewed to ensure that documentation is in place to support payroll benefits and deductions in a timely manner have been implemented.

Splitting of purchasing card transactions. This issue has not been fully resolved and there is still a risk that purchases are being split to simplify the purchase process for certain transactions that in total may not meet the requirements for purchase through purchase cards. However, the issue has been discussed at among management, and management is working on a way to make the process easier for employees where warranted.

Opportunity to improve Zoo cash controls. The Zoo has addressed our prior year recommendations by purchasing a tracking system for tracking educational class payments, and they have changed their procedures to include opening the mail with two employees present.

WWW.MOSSADAMS.COM

Zoo Ivory Collection. The Zoo has implemented the recommendation to take a physical inventory of the ivory collection and implement a tracking system.

Opportunity to improve controls over purchases. Metro has implemented a compensating control so that purchase orders that are created and approved by the same person are reviewed on a regular basis.

Reporting the proper classification of resources within the Cemetery Perpetual Care Fund. In the current year the Metro Council made a clear declaration that the Cemetery Fund is a permanent fund with legally restricted assets clarifying the correct classification of related net assets under generally accepted accounting principles addressing one of our recommendations from last year.

Opportunity to improve oversight and records retention on the Aramark Contract. In response to an observation about the management of the Aramark contract, MERC hired an independent accounting firm to conduct a performance audit pursuant to one of the provisions in the contract. MERC is implementing the recommendations from that report.

Findings from the current audit:

SIGNIFICANT DEFICIENCIES

The following significant deficiencies were identified during our audit of the June 30, 2008 financial statements:

Health insurance payable. While testing accrued expenses we noted that Metro had recorded a liability in fiscal year 2008 for health insurance premiums that covered July 2008. This resulted in an overstatement of liabilities in the Risk Management Fund. The amounts are calculated and recorded by the payroll system each pay period.

Recommendation: We recommend that Metro implement a review process to analyze liabilities recorded by the payroll system to determine that they are recorded in the correct fiscal period.

Federal contract language. During our testing of procurement for the Single Audit, we noted five instances in fifteen contracts tested where a contract did not include required federal clauses. Of those five contracts it was noted that two of the contracts did not go through Metro's procurement process. For three of the five contracts, the contractor was initially engaged for a non-federally sourced project. Once the project was allowed to be covered by federal dollars the contract was not subsequently reviewed to ensure it had the appropriate language included.

Recommendation: Metro should implement a tracking and review process of contracts to ensure appropriate language is included for contracts that are receiving federal funds. In addition, the review should include a review of contract terms to ensure the contract is still current.

MANAGEMENT ADVISORY COMMENTS

In addition to the significant deficiency noted above, during our audit we also became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. These matters are noted below as management advisory comments.

Cash controls at Blue Lake. During our review of cash management internal controls at Blue Lake Park, we noted that during processing of cash, one employee with access to the safe also performed the review of accounting reconciliations sent to Metro accounting. This creates the potential for this employee to remove an entire bag of funds.

Recommendation: We recommend segregating responsibilities between the safe and access to accounting records.

Payroll timecard approval. During our testing of payroll controls, we noted that some employees approved their own timecards without a second approval. We were able to isolate all instances of employees approving their own time. It occurred 325 times out of more than 50,000 records.

Recommendation: We recommend that Metro implement system changes so that users can not approve their own time, or that some level of oversight occur periodically in cases where members of management are involved.

Splitting of purchasing card transactions (prior-year finding that has not been corrected). While testing purchasing card transactions, we noted three instances in which purchases appeared to be split into two transactions in order to circumvent dollar limits on purchasing thresholds.

Recommendation: We recommend that Metro review policies concerning purchasing cards and provide additional training to employees that use them. In addition, purchasing limits should be reviewed and adjusted as necessary.

Contract files. During our review of Metro's contract files, we noted two instances in which proper supporting documentation was not found in the files. These missing items included a tabulation of bids and a notice of intent to award a contract. This increases the risk that contracts have not been properly approved.

Recommendation: We recommend that Metro improve recordkeeping by developing a checklist detailing which documents are required for all contracts.

Opportunity to improve Zoo cash controls (prior-year finding that has not been completely corrected). While observing cash controls at the Zoo, a control weakness was identified regarding payments for educational classes. When classes are offered, there is one person who receives applications and payments. This person also signs people up for the classes. When the class is taken, there is no reconciliation between attendees and payments. This lack of segregation of duties could allow errors or irregularities to go undetected.

WWW.MOSSADAMS.COM

Recommendation: We recommend that a second person, separate from the employee taking the payment, be responsible for signing attendees up for classes. In addition, the list of attendees should be reconciled to the payments by someone other than the person receiving the payments.

Opportunity to improve the accounting for grant revenues and expenditures. While testing grant revenues and related receivables at year-end, we found one instance where Metro had potentially recorded a receivable and revenue prior to establishing that it had met all the eligibility requirements to be entitled to request reimbursement on the grant involved. The issue arose from Metro's concern that another party involved in the project had not properly met procurement requirements with vendors that ultimately would be paid from Metro's grant. Yet even with these concerns, Metro recorded expenditures against its grant and related payables from the third party, and recorded a related receivable and revenue from the grant. The issue was resolved with no adjustment found to be necessary, but not before our audit inquiry procedures and efforts to determine if the receivable should be recorded as part of year-end balances. There is a risk that the communication between Planning, Procurement, and Finance is not sufficient to make proper determinations as to the correct timing of recognizing grant expenditures, receivables, and revenue, and that allow issues such as this one to go unresolved for over a year as this one did. A related risk is that federal grant expenditures might be recorded in the wrong fiscal year without prompt resolution of issues, which could lead to the incorrect determination of federal grants requiring testing under the Single Audit Act.

Recommendation: We recommend that Metro improve the communication between departments, as well as to involve Finance staff with the necessary knowledge of proper grant accounting, to ensure grant receivables and revenues are not booked prior to meeting applicable eligibility requirements. We also recommend that departments coordinate their processes to ensure grant reimbursement requests are not submitted with grantor agencies prior to documenting that all eligibility requirements have been met. And finally, given that this issue took over a year to resolve, we recommend that Metro improve its monitoring procedures so that issues that come up get resolved on a more timely basis. Timely resolution of issues will allow Metro to accurately prepare the Schedule of Federal Awards that becomes the basis for required annual federal reporting, and determination of federal grants required to be tested under the Single Audit Act.

This report is intended solely for the information and use of the management of Metro and is not intended to be and should not be used by anyone other than these specified parties. We would be happy to further discuss any of the items in this letter with you at your convenience.

Moss Adams, LLP

Eugene, Oregon
December 12, 2008

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 09-4026 FOR THE PURPOSE OF THE METRO COUNCIL'S ACCEPTANCE OF THE RESULTS OF THE INDEPENDENT AUDIT REPORT FOR FINANCIAL ACTIVITY DURING FISCAL YEAR 2007-2008

Date: February 2, 2009

Prepared by: Suzanne Flynn
Metro Auditor
503/797-1891

BACKGROUND

State ORS provision 297.465 requires an annual independent audit of Metro's financial statements. The current contract was awarded to Moss Adams LLP for audit services and is effective May 18, 2007 through June 30, 2010.

Metro Code Chapter 2.15 specifies at Section 2.15.80 that the Auditor shall appoint external certified public accountants to conduct certified financial statement audits. The Metro Charter Section 18 also specifies that the auditor shall be responsible for financial auditing of all aspects of Metro's operations.

The Comprehensive Annual Financial Report (CAFR) has been completed by the Department of Financial and Administrative Services. Moss Adams LLP has audited the financial statements and issued an opinion that these statements fairly represent Metro's financial position as of June 30, 2008. Moss Adams also compiled a separate letter to management with recommendations, referred to as "Exhibit A." The Department of Financial and Administrative Services has responded to the recommendations. The results have been reviewed by the Metro Auditor and Metro Audit Committee members.

ANALYSIS/INFORMATION

1. **Known Opposition** none

2. **Legal Antecedents**

State ORS provision 297.465 requires an annual independent audit of Metro's financial statements. The Metro contract No. 927943 with Moss Adams LLP for audit services will expire on June 30, 2010.

Metro Code Chapter 2.15 specifies at Section 2.15.80 that the Auditor shall appoint external certified public accountants to conduct certified financial statement audits. The Metro Charter Section 18 also specifies that the auditor shall be responsible for financial auditing of all aspects of Metro's operations

3. **Anticipated Effects**

Recommendations made by Moss Adams shall be noted and implemented by Financial and Administrative Services management and staff.

4. **Budget Impacts** None known at this time

RECOMMENDED ACTION

The Metro Auditor recommends approval of Resolution No. 09-4026

Agenda Item Number 5.1

Resolution No. 09-4024, For the Purpose of Direction to Metro Concerning
Bills Before the 2009 Oregon Legislature

Metro Council Meeting
Thursday, February 12, 2009
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF PROVIDING)	RESOLUTION NO. 09-4024
DIRECTION TO METRO CONCERNING BILLS)	
BEFORE THE 2009 OREGON LEGISLATURE)	Introduced by Chief Operating Officer
)	Michael J. Jordan, with the concurrence of
)	Council President David Bragdon

WHEREAS, Metro has an interest in bills before the 2009 Oregon Legislature;

WHEREAS, the Metro Councilors and Metro staff will represent Metro’s interest during the upcoming legislative session;

WHEREAS, the Metro Council wishes to establish a united position on important legislative proposals and provide direction to its staff in order to represent the will of the agency; and

WHEREAS, the attached Exhibit “A” of this resolution lists specific issues that are of concern to Metro and the metropolitan region and gives guidance to staff on the Metro Council’s position on these issues; and

WHEREAS, on December 11, 2008, the Joint Policy Advisory Committee on Transportation on endorsed priorities for a transportation funding package that are also reflected in Exhibit “A”; and

WHEREAS, the attached Exhibit “B” states the Metro Council’s principles regarding categories of potential legislation in order to provide guidance to staff in representing Metro; now therefore

BE IT RESOLVED that the Metro Council hereby directs the Metro Chief Operating Officer, the Metro Attorney, and Metro staff to make the agency’s position on a variety of legislative proposals clear with the 2009 Oregon Legislature consistent with Exhibits “A” and “B” attached hereto.

ADOPTED by the Metro Council this _____ day of February 2009.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney



**METRO COUNCIL LEGISLATIVE PRIORITIES
2009 Legislative Session**

➤ [indicates legislation that may be initiated by Metro]

TOP PRIORITY ITEMS

- **Transportation finance and policy**
 - New revenues for roads and bridges: support increase in gas tax, registration fee, and other funding sources; support indexing of gas tax; focus on maintenance and preservation; secondary focus on freight movement; support continuation of current 50%-30%-20% formula for allocation of new revenues to state, counties, and cities.
 - Transit funding: institutionalize public transit (and other non-road transportation investments) as integral element of overall transportation system; establish regular funding stream and increase local authority to support transit with payroll taxes.
 - Funding for non-motorized transportation: establish state funding program for bicycle and pedestrian facilities not in the road right-of-way (trails, paths, bicycle highways, greenways, etc.).
 - Connect Oregon III: support lottery-based program for funding multimodal transportation facilities as part of a comprehensive transportation funding effort that includes funding for roads and bridges, public transit, and non-motorized transportation.
 - Local flexibility: support increase in or elimination of cap on local vehicle registration fees.

OTHER ITEMS, BY ISSUE AREA

Land Use/Community Development

- **Infrastructure**: Seek authorization needed to raise new revenue for targeted investments in infrastructure in order to accommodate expected growth, assist communities in achieving local aspirations, and implement the 2040 Growth Concept. Finance tools should be regional in scope; resources should be targeted to areas expected to accommodate population and employment growth (centers, corridors, employment areas, expansion areas).
- **Urbanization**: Support legislation making it easier to bring urban and urbanizable land into cities.

Housing

- **Housing Alliance legislative agenda**: Support agenda calling for allocation of \$100 million in ongoing and new resources to affordable housing. Key element is a \$15 document recording fee; successful passage should result in state contribution to Regional Housing Choice Revolving Fund.

Transportation

- **Regional Transit Options funding**: Support the continued inclusion of funding in ODOT’s Public Transit Division budget for implementing the Drive Less/Save More campaign in the Portland region; support increasing the allocation to bring the campaign to other cities in Oregon; oppose reducing the

allocation to the Portland region to bring the campaign to other cities; support policy changes that facilitate transportation options.

Solid Waste

- **Diesel retrofit:** Introduce legislation expanding allowed use of regional solid waste fees to address environmental and climate impacts of solid waste system, including retrofitting of garbage trucks to reduce harmful emissions.
- **Product stewardship:** Support legislation to create a framework for handling additional waste streams through a product stewardship approach similar to the approach used for beverage containers and electronic waste. As appropriate, also support proposals to create or improve framework for specific items (e.g., beverage containers, pharmaceuticals, paint, retail pesticides).
- **Pesticide use reporting:** Support legislation lifting sunset on Oregon's pesticide use reporting system and improving its effectiveness by strengthening reporting requirements.
- **Children's health, healthy schools:** Support legislation addressing the use of toxic chemicals in children's products and schools, and encouraging green building practices for schools (Children's Safe Products Act and Healthy Schools Initiative).

Smart Government

- **Jurisdictional boundary:** Introduce legislation to facilitate urbanization of land added to Metro's urban growth boundary by providing that such land is automatically included in Metro's jurisdictional boundary.
- **Boundary changes:** Extend Metro's current authority to regulate boundary changes within UGB and previously designated urban reserves to future urban reserves.

Finance

- **Tax Supervising and Conservation Commission:** Support legislation creating a new system under which taxing jurisdictions would share the costs of operating the TSCC.

Oregon Zoo

- **No Oregon Child Left Inside:** Support proposed legislation to establish an infrastructure for environmental education in Oregon.
- **Background checks:** Introduce legislation allowing Metro to require employees and volunteers with direct unsupervised access to children to enroll in Oregon Child Care Division's Criminal History Registry.

**Exhibit B to Resolution 09-4024
METRO COUNCIL 2009 LEGISLATIVE PRINCIPLES¹**

LAND USE:

1. **Efficiency:** Land within UGBs should be used efficiently before UGBs are expanded.²
2. **Need:** The UGB should not be expanded in the absence of demonstrated need.³
3. **Transportation:** Land use and transportation planning should be coordinated so land uses do not undermine the transportation system and transportation investments do not lead to inappropriate land uses.⁴
4. **Pre-emption:** Within the context of Oregon's land use system, Metro's authority should not be pre-empted.
5. **Annexation:** As cities are the preferred governing structure for providing public services to urban areas, Metro supports reforms that will facilitate, or reduce barriers to, orderly annexation and incorporation.
6. **Rules/Statutes:** Administrative rules should not be adopted into statute.
7. **Great Communities:** Metro supports legislation that facilitates development of great communities, including employment opportunities, choices of housing types affordable to people of all income levels, transportation choices, and parks and greenspaces accessible to all.⁵
8. **Non-Regulatory Tools:** State efforts at regulatory streamlining should include funding to support development of non-regulatory tools for achieving desired land use outcomes.⁶
9. **Funding:** State mandates to expand UGBs should be accompanied by funding for planning.
10. **Fiscal Responsibility:** Funding to support urban development should be generated at least in part by fees on those who directly benefit from that development.

SOLID WASTE:

11. **Toxicity and waste reduction:** Metro supports efforts to minimize the impact of the waste stream on the environment.

TRANSPORTATION:

12. **Transportation Funding:** Metro supports an increase in overall transportation funding, investments in a balanced multimodal transportation system, and flexibility in the system to provide for local solutions to transportation problems.

PARKS AND GREENSPACES:

13. **Parks and Greenspaces:** Metro supports measures to increase the level of state funding distributed to local governments for acquisition, capital improvements, and park operations.

SUSTAINABILITY:

14. **Climate Change:** Metro supports efforts to combat climate change and to meet the state's goals for reducing greenhouse gas emissions.

¹ Footnotes refer to applicable policy statements in Metro's Regional Framework Plan (RFP), July 2003.

² Numerous RFP references, including: p. 10, growth should occur inside the UGB in the form of infill and redevelopment with higher density where appropriate; policy 1.1, Urban Form; policy 1.6, Growth Management; policy 1.8, Developed Urban Land; policy 1.9, Urban Growth Boundary; policy 1.12, Protection of Agriculture and Forest Resource Lands. The RFP, on p. 36, also quotes the Future Vision statement: "Widespread land restoration and redevelopment must precede any conversion of land to urban uses to meet our present and future needs."

³ P.11, UGB will be expanded only when a need for additional urban land is demonstrated; policy 1.1, Urban Form.

⁴Numerous RFP references, including: p. 10, by coordinating land uses with transportation system, the region embraces its locational advantage as trade hub; p. 17, growth concept links urban form to transportation to ensure the development of a regional plan that is based on efficient use of land and safe, efficient and cost effective transportation system; p. 59, integrating movement of goods and people with surrounding land uses is fundamental to RFP; policy 2.2, Consistency between Land Use and Transportation; policy 2.6, Urban Form; policy 2.7, Jobs/Housing Balance; policy 2.11, Street Design; policy 2.21, Adequacy of Transportation Facilities.

⁵ See p. 11 re: mixed-use centers of housing, employment, transit, with a range of services and amenities in a walkable environment; jobs/housing balance outside neighborhoods; and protection of open spaces. See also policy 1.3, Housing and Affordable Housing; policy 1.4, Economic Opportunity; policy 1.5, Economic Vitality; policy 1.7.2, Sense of Place; Chapter 2, Transportation, on transportation choices generally; Chapter 3, Parks, Natural Areas, Open Spaces And Recreational Facilities, recognizing “the importance of parks, natural areas and recreational facilities in the urban fabric of communities throughout the region.” The RFP, on p. 37, also quotes the Future Vision statement: “Focus public policy and investment on the creation of mixed-use communities that include dedicated public space and a broad-range [*sic*] of housing types affordable to all.”

⁶ Policy 1.1, Urban Form (on targeting public investments to reinforce a compact urban form); p. 92, a variety of strategies will be used to protect and manage parks and natural areas to support habitat and recreational opportunities, including acquisition, education, landowner incentives.

Agenda Item Number 5.2

Resolution No. 09-4025, For the Purpose of Adopting the Regional High Capacity Transit System Plan Screened Corridor Map and Evaluation Criteria

Metro Council Meeting
Thursday, February 12, 2009
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE) RESOLUTION NO. 09-4025
REGIONAL HIGH CAPACITY TRANSIT)
SYSTEM PLAN SCREENED CORRIDOR MAP) Introduced by Councilor Carlotta Collette
AND EVALUATION CRITERIA)

WHEREAS, a system-wide examination of a regional high capacity transit system was completed in 1982 and resulted in nearly 90 miles of light rail transit, commuter rail and streetcar being built and/or planned for construction by 2016; and

WHEREAS, ridership of the existing regional high capacity transit system has exceeded expectations; and

WHEREAS, the regional high capacity transit system has been shown to promote sound and sustainable growth patterns; and

WHEREAS, the regional high capacity transit system has improved mobility and accessibility without increased reliance on single occupancy vehicles; and

WHEREAS, trips on transit in the Portland region replace more than 205,000 car trips daily; and

WHEREAS, high capacity transit carries approximately a quarter of afternoon rush-hour commuters traveling from downtown Portland on the Sunset Highway and Banfield Freeway corridors; and

WHEREAS, trips on transit in the Portland region eliminate more than four tons of smog-producing pollutants and more than 540 tons of greenhouse gas emissions daily; and

WHEREAS, the regional high capacity transit system has helped to leverage more than \$6 billion of development in centers, corridors and station areas; and

WHEREAS, the regional high capacity transit system has been shown to create jobs through construction and long-term development, including more than 50 new businesses that opened along the most recent line, Interstate MAX, since construction; and

WHEREAS, an expanded regional high capacity transit system will extend these benefits into the future and increase transit use, walking, and biking; and

WHEREAS, a broad list of proposed high capacity transit system corridors (55) developed with the community and local jurisdictions have been screened based on criteria involving ridership, cost, environmental constraints, social equity, transit connectivity, traffic congestion and regional 2040 Growth Concept land uses; and

WHEREAS, the resulting 15 potential high capacity transit system corridors and Central City improvements would be further analyzed based on a set of evaluation criteria that has been reviewed and approved by the Joint Policy Advisory Committee on Transportation (JPACT) and recommended for approval by the Metro Policy Advisory Committee (MPAC). The evaluation criteria are derived from the

three Regional Transportation Plan (RTP) categories of community, environment and economy and also include a high capacity transit-specific category of deliverability. The evaluation criteria also reflect the six Metro Council outcomes for a successful region; and

WHEREAS, the regional high capacity transit system plan will be incorporated into the Regional Transportation Plan and long-range land use and transportation planning efforts; now therefore

BE IT RESOLVED that the Metro Council hereby adopts the regional high capacity transit screened corridor map (Exhibit A) and detailed HCT criteria for evaluation framework (Exhibit B) of those corridors.

ADOPTED by the Metro Council this _____ day of _____ 2009.

David Bragdon, Council President

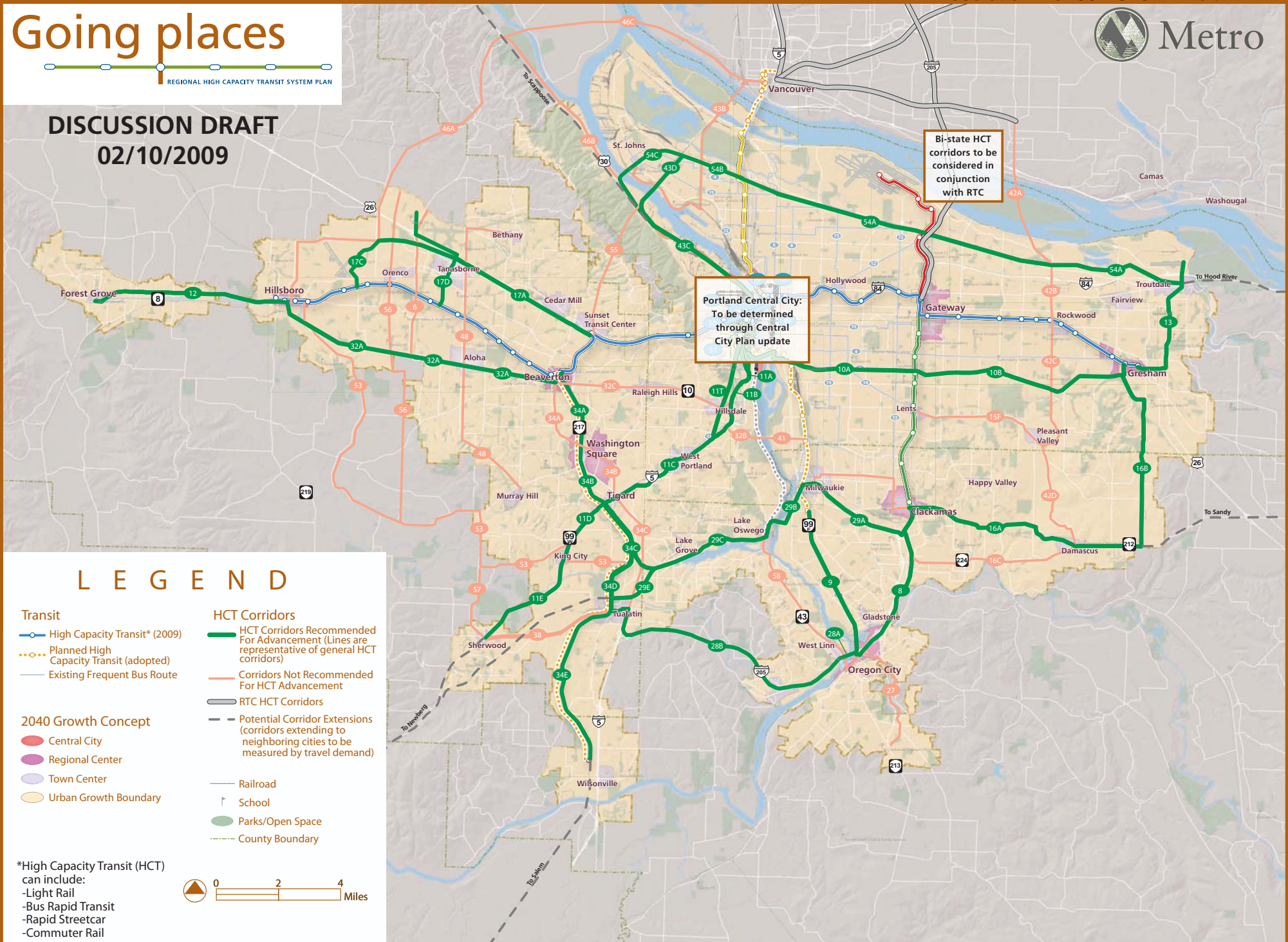
Approved as to Form:

Daniel B. Cooper, Metro Attorney

Going places



DISCUSSION DRAFT
02/10/2009



Bi-state HCT corridors to be considered in conjunction with RTC

Portland Central City: To be determined through Central City Plan update

LEGEND

Transit

- High Capacity Transit* (2009)
- Planned High Capacity Transit (adopted)
- Existing Frequent Bus Route

2040 Growth Concept

- Central City
- Regional Center
- Town Center
- Urban Growth Boundary

HCT Corridors

- HCT Corridors Recommended For Advancement (Lines are representative of general HCT corridors)
- Corridors Not Recommended For HCT Advancement
- RTC HCT Corridors
- Potential Corridor Extensions (corridors extending to neighboring cities to be measured by travel demand)
- Railroad
- School
- Parks/Open Space
- County Boundary

*High Capacity Transit (HCT)

- can include:
 - Light Rail
 - Bus Rapid Transit
 - Rapid Streetcar
 - Commuter Rail



High Capacity Transit System Plan
 Initial Screened Transit Corridors
 Not in priority order

Segment / Corridor ID*	Segment / Corridor Name
18	Improvements to Steel Bridge
19	Bridge/Rose Quarter Access Improvements
49	Eastside Connector
50	Downtown Tunnel - Lloyd 11th to Goose Hollow 18th
51	Downtown Jefferson/Columbia via 1st Ave
52	Downtown Everett/Glisan to 18th Ave
8	(CTC - OCTC) via I-205
9	(Park - OCTC) via McLoughlin
10	(Portland - Gresham) via Powell
11	(Portland to Sherwood) via Barbur Hwy 99w
12	(Hillsboro - Forest Grove)
13	(Gresham - Troutdale MHCC) via Kane Dr
16	(CTC - Damascus)
17	(STC - Hillsboro)
17D	(Red Line extension to Tanasbourne) - with revisions from WaCo and Hillsboro
28	(Oregon City - WSTC)
29	(Washington Square - Clackamas)
32	(Hillsboro - Hillsdale)
34	(Beaverton - Wilsonville)
43	(St. Johns - Vancouver/Union Station)
54	(Troutdale - St. Johns)
6	(Amber Glen to Tanasbourne)
48	(Murray Hill - Bethany)
56	(Orenco - Clark Hill Rd)
15	(Lents to Pleasant Valley) via Foster Road
27	(Oregon City - Clac CC) - via Hwy213/RRROW
38	(Tualatin - Sherwood) via Sherwood Rd
41	(Lake O - McLoughlin connector)
42	(Vancouver - Damascus)
46	(Cornell - St. Johns)
53	(Hillsboro - Tualatin)
55	(Sunset TC - St. Johns)
57	(Scholls Ferry - Sherwood) via Roy Rogers Rd
17C+46A+46B+43B	(Hillsboro - Vancouver)
41+32B+32C	(McLoughlin - Beaverton)

*Note: Corridors extending to neighboring cities were not considered in this analysis

LEGEND
Central City improvement - staff/Subcommittee recommended for advancement
Corridor - staff/Subcommittee recommended for advancement
Corridor - staff/Subcommittee considered, but not recommended for advancement

memo

To HCT Team

Cc

From Steer Davies Gleave & Nelson\Nygaard

Date 29 January 2009

Project Portland HCT Project No. 22026001

Subject Detailed HCT Evaluation Framework -DRAFT FOR DISCUSSION

Overview

In order to select and prioritize the 'best' HCT corridors for investment a robust, coherent and transparent framework for the detailed evaluation of options is required. To date a long list of corridors has been refined to a short list of corridors (~15) that will be subject to the detailed evaluation.

The objective for the detailed evaluation framework is to enable a comparative assessment of the corridors to be made. The framework therefore must:

- | Assume a common baseline scenario (2035 Regional Transportation Plan Financially Constrained System) against which each corridor is compared
- | Ensure a consistent level of detail across the criteria and be commensurate with the level of project information available
- | Enable sufficiently disaggregate scoring, in order that the level of impact can be differentiated between corridors
- | Present the information clearly, concisely and on a consistent basis so that decision makers can compare corridors against each other

It is proposed that no explicit weighting is given to the criteria. Having undertaken the initial evaluation there will be a review phase to gain agreement on the prioritization of corridors; for this it is important that decision makers can consider the implications and understand the potential effect of implicitly applying different weightings.

Associated with this approach the assessment of each criterion will be quantified (potentially, as appropriate, as a monetary value) or qualitatively scored, e.g. adverse, beneficial. The intention of this approach is to avoid the addition of scores and the creation of a 'single' number for each corridor, which would negate the whole ethos of undertaking the multiple account evaluation.

Evaluation Approach

The detailed evaluation is not a 'single step' in the process, but rather a tool that is employed on an ongoing basis to assist the shaping and refinement of the corridor prioritization. For each short listed corridor it is anticipated that the project development phase will identify the most plausible forms of mode investment for each corridor based upon the screening assessment (e.g. potential ridership, environmental, land take issues). For example light rail may be the only mode option for corridors which are extensions of the existing system, whereas for other corridors, light rail, BRT, commuter rail and streetcar¹ options may be identified and evaluated.

Therefore for each of the (~15) short listed corridors, it is likely that there will be several plausible mode investments defined. It is against these definitions that the preliminary evaluation will be undertaken.

The output from this will support confirmation that the appropriate mode investments have been assumed and inform the strongest candidate, by highlighting the trade-offs that could occur and may deserve further investigation. As appropriate, the draft definition may be refined and the evaluation results revised accordingly.

Supporting this iterative process will be the consideration of the system network effects, in order to ensure the definition of individual corridors does not result in precluding valuable opportunities for integration and delivering benefits due to the 'whole being greater than the sum of the parts'.

Proposed MAE Framework

The Multiple Account Evaluation (MAE) approach is consistent with the Regional Transportation Plan (RTP) Outcomes-Based Evaluation Framework. The framework is organized in three evaluation categories:

- | Community
- | Environment
- | Economy

2035 RTP Evaluation Framework



¹ The 2035 RTP transit policy does not currently contain rapid streetcar as a HCT mode. This concept will be further explored in the context of the HCT system plan, and may result in policy refinements to the 2035 RTP.

Each of the categories is focused upon the effect once the investment is made, namely the transit line opens. However, for the evaluation of the corridors, it is also important to consider the implications of attempting to implement the identified transit solution. A fourth account is therefore included in the MAE to address deliverability.

The MAE framework aligns with the hierarchy of objectives.

- | 2040 Growth Concept
- | Metro Council adopted definition of what makes a successful region
- | 2035 RTP -implementing the region's 2040 Growth Concept
- | HCT - supporting the RTP Goals

The Metro Council adopted definition of what makes a successful region includes six goals to promote:

- | Vibrant, walkable communities
- | Sustained economic competitiveness and prosperity
- | Safe and reliable transportation choices
- | Minimal contributions to global warming
- | Clean air, clean water, healthy ecosystems
- | Benefits and burdens of growth distributed equitably

The 10 RTP Goals are:

- | Foster vibrant communities and compact urban form
- | Sustain economic competitiveness and prosperity
- | Expand transportation choices
- | Effective and efficient management of transportation system
- | Enhance safety and security
- | Promote environmental stewardship
- | Enhance human health
- | Ensure equity
- | Ensure fiscal stewardship
- | Deliver accountability

These goals can be grouped under the three evaluation categories used in the RTP, which provide the structure for the MAE framework (see Figure 1), alongside the consideration of deliverability and a summary of the corridor characteristics as

produced from the screening exercise. For each evaluation category, criteria addressing different aspects of the category are presented.

The evaluation will be both quantitative and qualitative, depending on the level of project development and extent of information available. As more information becomes available the assessment can be revisited.

Deriving from the framework structure will be a summary sheet designed to provide an overview for each corridor that will allow decision-makers to identify and confirm the mode investments and corridors to be prioritized. Appendix A presents an example of a summary sheet. Associated documentation will provide supporting evidence for the detailed evaluation findings.

In the summary sheet, commentary will present the most significant findings against the criteria and provide a justification of the assessment score (including any assumptions made due to the absence of full information). Where mitigation of a negative impact would be required, it will be described and the score will reflect the mitigated effect.

In the initial stage the scoring will be based upon a seven-point scale:

- Significant benefit
- Moderate benefit
- Slight benefit
- Neutral
- Slightly adverse
- Moderately adverse
- Significantly adverse

Final results will be presented in tiered categories.

Multiple Accounts

The following sections detail the specific criteria that will be used to evaluate corridors against the four accounts:

- | Community
- | Environment
- | Economy
- | Deliverability

A description of essential corridor characteristics will also be provided as part of the evaluation. This information is described in the first table of Figure 1.

System Expansion Policy

It is important to note that this level of evaluation is designed to provide a preliminary prioritization of corridors and narrow mode investment options. The assessment will be based on current and projected land use conditions. However, it is recognized that projections are never completely accurate and that conditions will change over time.

To account for these changes, a System Expansion Policy including a separate set of criteria required for project advancement is proposed.

These criteria would provide communities along a corridor an opportunity to make proactive changes to land use and access policies. Jurisdictions benefiting from a proposed alignment or project would be expected to submit Ridership Development and Financial Plans before moving to the next phase of project advancement.

The following graphic illustrates how HCT projects would be prioritized in the System Plan process and the role of proposed project advancement criteria, which would allow jurisdictions to change the priority of an adopted HCT system project.

HCT System Plan Evaluation and System Expansion Policy

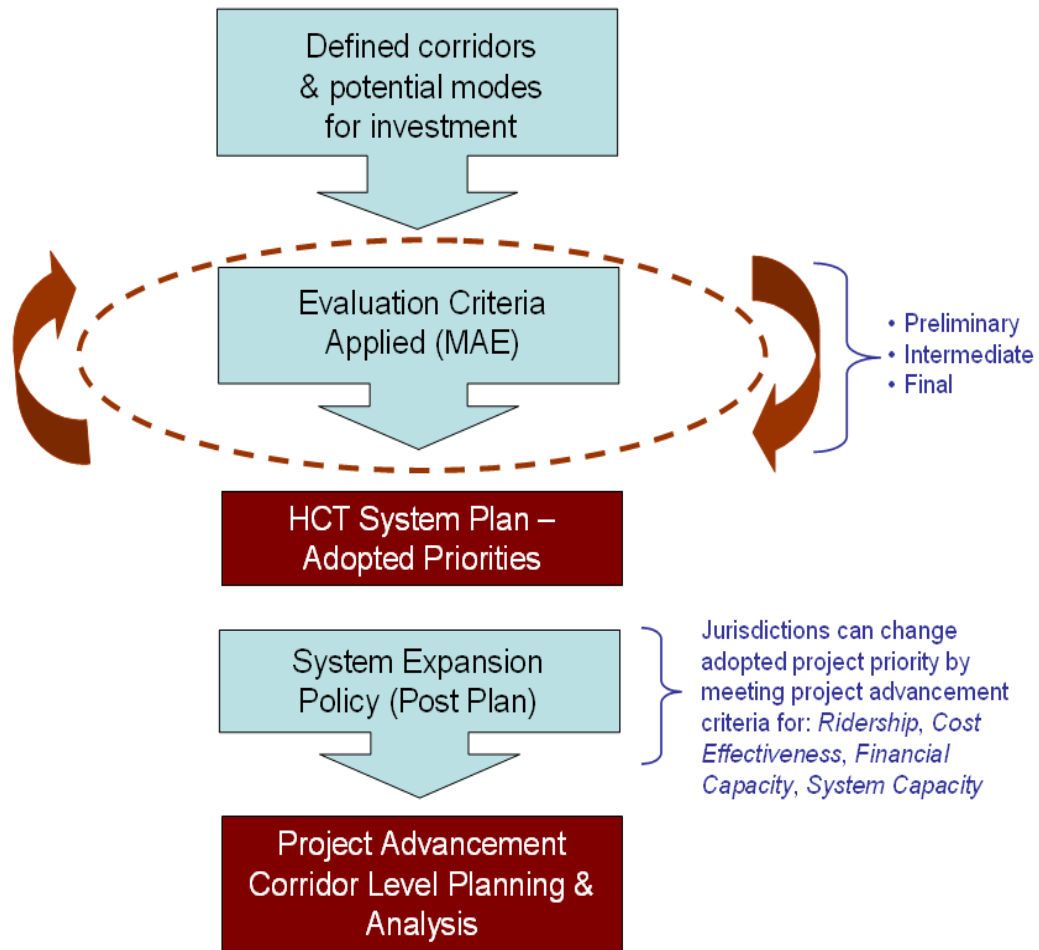


Figure 1 – MAE FRAMEWORK

COMMUNITY EVALUATION CATEGORY

Criteria Measure		Role	Method
Supportiveness of existing local land use and adopted local transportation plans and policies	Qualitative scoring based on plan review	Identification in strategic terms of consistency or inconsistency with other proposed plans or policies	Existing LU
Aspirations of local communities	Qualitative scoring based on <i>Local Aspirations</i> process	Local populations may or may not wish to trade-off improved transit against other potential investments or may have concerns about the impact of HCT on urban form. Since a high level of local commitment is required for project development, communities that display strong commitment to project success should be acknowledged.	Rely on Metro Local Aspiration Process (reflective of regional goals/policies) Criterion to support local aspirations process with INDEX model
Ridership generators	<p>Identification of major activity centers served, e.g.</p> <ul style="list-style-type: none"> Hospital & medical centers Major retail sites Major social service centers Colleges / universities Major Federal / State Government offices Employers > 500 employees Sports sites / venues 	Ensuring the proposed corridor encompasses both current and future key demand attractors and generators and meets the requirements of transit to provide a service to and from where people wish to travel.	Evaluate TriMet's top 30 generators; o-d data from travel demand model. Housing not included as a major activity center, but is captured via TOI analysis

COMMUNITY EVALUATION CATEGORY

Criteria Measure		Role	Method
Support the regional 2040 Growth Concept	1. Central City, Regional Centers, Industrial areas, Freight and Passenger Intermodal facilities 2. Employment areas, Town Centers, Station Communities, Corridors, Main Streets 3. Inner and Outer Neighborhoods	Rank based on Service to 2040 land use types, consistent with RTP for service types related to primary, secondary and other urban components.	Support Region 2040 land use designations based on RTP priority areas
Transportation network integration - Transit	Identification of full trip benefits due to integration with transit transfer centers and interchange opportunities	Consideration of the network benefits that can be achieved, including both physical integration (i.e. good interchange opportunities), system integration (i.e. timetabling connecting services, through ticketing) and redundancy	Metro and TriMet to conduct a similar exercise to the screening criterion
Transportation network integration - Roads, use of ROW	Where roadways may be used for HCT ROW planned status of ROW (i.e. are plans in place to use ROW, including whether the facility is NHS and/or freight route.	Help to clarify what is the function of the facility.	Review of jurisdictional plans.
Transportation network integration - Ability to avoid congestion	Consider HCT ability to bypass congested areas compared to comparable non-HCT transit in mixed traffic		
Equity	Catchment analysis for social groups (low income and minority census tracts) within walking access (1/4 mile) to a stop	Consideration of those who may receive greatest benefit from the transit investment due to reduction of current barriers to travel reduced cost of travel.	Census and Metro Transportation Equity Analysis for the RTP

COMMUNITY EVALUATION CATEGORY

Criteria Measure		Role	Method
	Analysis of % of households with no vehicle available	Members of these households are likely transit consumers. Analysis includes: low and very-low income, racial minority, seniors, disabled people, low car ownership.	
Safety	Qualitative, based on adherence to good design standards	Direct safety impacts due to design and placement of HCT in ROW (i.e. physically segregated, running with general traffic, on-street stops).	Selection of corridors that have extraordinary conditions that may present a safety issue (e.g., freeway, elevated, trench, etc)
Health (Promote physical activity)	Comprehensiveness of pedestrian and cycling network Increase in average bicycle and pedestrian mode share	Assess benefits from increased physical activity caused by greater pedestrian access to transit and increased walking and cycling within the corridor.	Model and spreadsheet analysis
Housing + Transportation Affordability Index	Analysis of housing and transportation costs as percent of total household income.	Indirect measure of areas where transit demand by assessing the impact of transportation costs on housing choices.	Metro
Placemaking/Urban Form	Identification of impacts on urban composition and public space function	Potential to enhance land development; increase mix of land uses; enhance public spaces	Focus this on an assessment of vacant and underdeveloped land. Metro has done work on developable land in the region.
Transportation efficiency (Users)	Average travel time benefit per rider and distribution of benefits across the line and the system. This measure will also determine whether HCT is an effective	The average travel time benefit will demonstrate the effectiveness of the option across the system. The assessment of distribution will identify the 'winners and losers'	Model/TriMet

COMMUNITY EVALUATION CATEGORY

Criteria Measure		Role	Method
	mode compared to non-HCT transit through congested areas.	across the system (e.g. if an extension results in new demand causing crowding on an existing section of route).	

ENVIRONMENT EVALUATION CATEGORY

Criteria Measure		Role	Method
Emissions & disturbance	Change in VMT and resulting emission levels for CO2 and other harmful pollutants such as NOx and SOx. (Potentially for the full project life-cycle)	Impacts on local air pollution, greenhouse gases and noise. Transportation related environmental impacts tend to track closely to VMT, making it a valuable proxy for emissions and air quality related measures.	Model
Natural resources	Length of alignment impacting identified sensitive habitats and/or natural resources	Impacts on environmentally sensitive areas due to land take or proximity to major infrastructure.	RLIS
4(f) resources	Acres of 4(f) resources impacted	Impacts on the amenity value of parkland, schools and other 4(f) resources.	RLIS

ECONOMY EVALUATION CATEGORY

Criteria Measure		Role	Method
Transportation efficiency (Operator)	Cost per rider	To identify the financial performance of the day-to-day operations.	Metro/TriMet
Transportation efficiency (System)	Annualized capital and operating cost per rider	To identify the overall cost-effectiveness of the corridor.	Metro/TriMet
Economic competitiveness	Change in employment catchment	Improved transit and land use will increase the labor market's access to employment centers and promote re-development of employment sites.	Metro
Redevelopment	Vacant and redevelopable land		Metro

DELIVERABILITY EVALUATION CATEGORY

Criteria Measure		Role	Method
Feasibility (Construction)	Capital cost	Flag for instances where negative impacts from construction of the project may be so great as to outweigh project benefits.	Sketch level engineering
Feasibility (Operations)	Operating cost	Ensure design of the project enables efficient operations; assess impact of project on existing system function/capacity.	Also focus on what impact new corridor operations would have on existing lines. TriMet should be involved in this evaluation.
Ridership	Ridership	Evaluate total ridership, ridership per revenue hour and revenue mile, system ridership impact.	Model
Funding potential	Initial assessment of local and federal funding opportunities to cover estimated capital and operating costs	Most projects will not have funding sources identified. The intent is to identify key obstacles to successful funding or reward any project that has substantial identified local funding. A more detailed funding plan will be required at the project advancement phase.	Not to focus on existing FTA program criteria but assessment of likelihood of receiving federal funds.
Cost per mile	Capital cost per mile	To act as a comparative tool to measure corridors of different length.	Sketch level engineering.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 09-4025 FOR THE PURPOSE OF ADOPTING THE REGIONAL HIGH CAPACITY TRANSIT SYSTEM PLAN SCREENED CORRIDORS AND EVALUATION CRITERIA.

Date: January 28, 2009

Prepared by: Tony Mendoza 503-797-1726

BACKGROUND

Introduction

The *Regional High Capacity Transit System Plan* is being developed as a component of the *Regional Transportation Plan (RTP)*. The *Regional HCT System Plan* will be a 30-year plan for prioritizing HCT investments in new corridors and changes to existing corridors. The results will be incorporated and further studied in the *RTP* and will be the basis for initiating future project development steps necessary to qualify for funding. Of the variety of public transit system functions (e.g., local bus, paratransit, regional bus, frequent bus and HCT), the *Regional HCT System Plan* is designed to focus on the HCT element of the public transit system. HCT modes can include light rail, commuter rail, bus rapid transit or rapid streetcar and include a significant amount of exclusive right of way.

A system wide examination of a regional high capacity transit system was completed in 1982 as part of the *Regional Transportation Plan*, identified as the *Regional Long-range Regional Transitway System*. This plan has resulted in nearly 90 miles of light rail transit, commuter rail and streetcar being built and/or being planned for construction by 2016.

Per tracking by TriMet, documented in its Transit Investment Plan, ridership of the existing regional high capacity transit system has exceeded expectations. The regional high capacity transit system has been shown to promote sound and sustainable growth patterns and has improved mobility and accessibility without increased reliance on single occupancy vehicles, carrying approximately one quarter of afternoon rush-hour commuters traveling from downtown Portland on the Sunset Highway and Banfield Freeway corridors. Trips on transit in the Portland metro region replace over 205,000 car trips per day, averting over four tons of smog-producing pollutants and over 540 tons of greenhouse gas emissions daily. Transportation modeling for the 2035 RTP update establishes that an expanded regional high capacity transit system shows promise for increasing transit use, walking, and biking and extending these benefits into the future.

The regional high capacity transit system has helped to leverage more than \$6 billion of development in centers, corridors and station areas. The regional high capacity transit system has been shown to create jobs through construction and long-term development, such as the more than 50 new businesses that opened along Interstate MAX since construction.

The *Regional HCT System Plan* tells us where the best locations are for major rail and bus transit capital investments based on evaluation criteria derived from the *RTP*. The *RTP* tells us whether HCT is the right transportation choice relative to other potential transportation investments. *Making the Greatest Place* tells us whether HCT is the right transportation choice to support the land use in any given corridor or center based on the *2040 Growth Concept*. The function of HCT within the region is being considered as part of this plan, including weighing the benefits of providing more localized direct access compared to faster, regional access.

Non-HCT transit is planned by TriMet, SMART and other transit providers. The *Regional HCT System Plan* is not a funding plan. Future decisions will be made regarding investing in HCT projects versus other needed transportation improvements.

Public Outreach

Feedback from residents, businesses, community organizations and elected officials identified 192 potential connections in about 55 corridors around the regions. Suggestions were requested as part of the update to the *Regional High Capacity Transit System Plan*.

During July through November 2008, more than 50 stakeholders were interviewed, more than 150 people attended public workshops and more than 200 people were informed about the project and offered suggestions at farmers markets and other public events. More than 200 people participated in an interactive questionnaire on Metro's web site from Aug. 12 to Oct. 1, 2008. For more information, please see *Attachment 1: Public outreach summary*.

In addition, the HCT Think Tank serves as a forum for exploring ideas and options at project milestones. Members are asked to deliberate on issues defined by staff. Think Tank deliberations provide the staff with guidance on the appropriateness and comprehensiveness of staff work, as well as the range of issues and implications of options considered at each step of the study.

Process

The 192 potential connections in 55 corridors were assessed based on ridership, cost, environmental constraints, social equity, transit connectivity, traffic congestion and the regional *2040 Growth Concept* land uses to determine viable corridors for the next phase of public review and input.

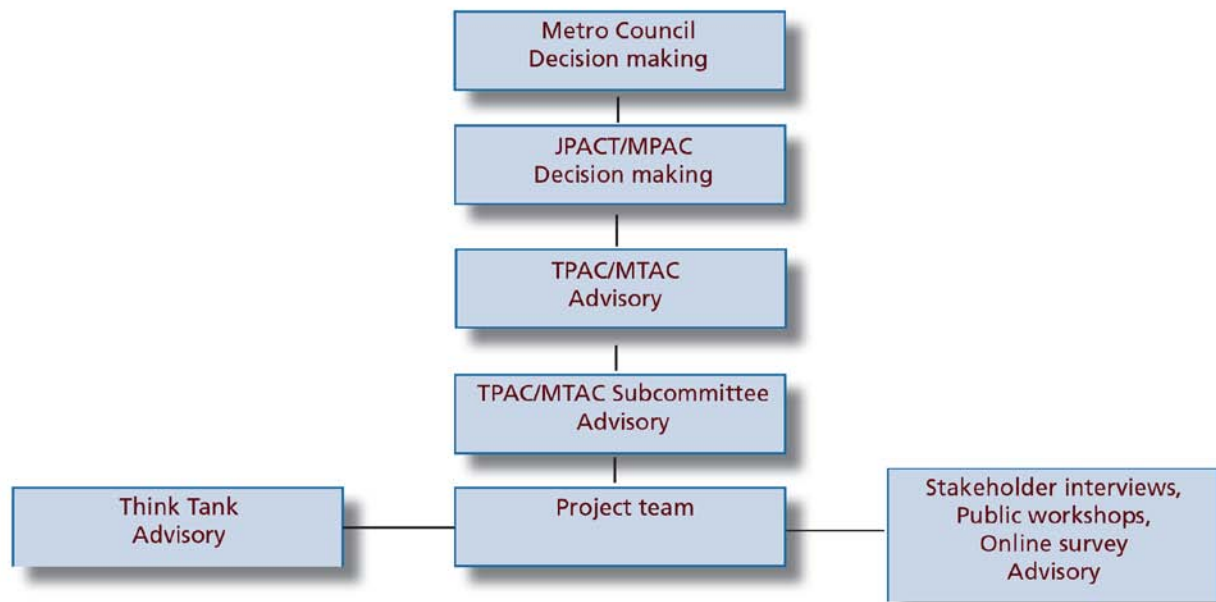
The resulting 15 high capacity transit system corridors and will be evaluated based on a set of evaluation criteria that has been reviewed and approved by MTAC, TPAC, MPAC and JPACT. The evaluation criteria are derived from the three *RTP* evaluation framework categories of community, environment and economy, and also an HCT-specific category of deliverability. The evaluation criteria also reflect the six Metro Council outcomes for a successful region.

In addition to the 15 high capacity transit system corridors, improvements to the system in the and other peak use areas along the existing alignment will be evaluated. The analysis will also examine a number of commuter lines that extend outside the region, looking at transportation demand only.

While applying the evaluation criteria, the study will explore the costs and benefits associated with placement of future high capacity transit in new right of way and placement in existing travel lanes.

The HCT project team used existing committees for advice, feedback and confirmation of key decisions thus far. *Figure 1* illustrates the decision-making and advisory hierarchy.

Figure 1. The Regional High Capacity Transit System Plan decision-making structure



The HCT TPAC/MTAC Subcommittee is charged with reviewing public input and technical analysis to provide guidance and consensus-based recommendations that reflect the interests and priorities of local jurisdictions through the *Regional High Capacity Transit System Plan* process. The subcommittee includes 18 representatives from the Metro Technical Advisory Committee (MTAC) and the Transportation Policy Alternatives Committee (TPAC) or the designees of the members. The subcommittee provides ongoing guidance to the project and formal consensus-based recommendations to MTAC and TPAC at key decision points such as the identification of alternatives, development of an evaluation framework and prioritization of alternatives. The screened corridors and the evaluation criteria have been confirmed by the HCT TPAC/MTAC Subcommittee, TPAC, MTAC, JPACT and MPAC. *Figure 2* shows the proposed and working timeline for this confirmation process.

In addition, the HCT corridors have been coordinated with the City of Portland’s developing Streetcar System Plan, TriMet’s Transit Investment Plan (FY 08), and the Southwest Washington Regional Transportation Council (RTC) HCT Plan. Jurisdictions have suggested changes which have been addressed through TPAC, MTAC, MPAC and JPACT.

Next Steps

Based on the evaluation, the 15 high capacity transit corridors, Central City and potential system improvements, will be grouped into tiers. Further refinement and discussion will guide future high capacity transit investment decisions, in coordination with the Regional Transportation Plan.

Tasks	Timeframe				
	October 2008	November 2008	December 2008	January 2009	February 2009
Confirm screening criteria	TPAC	MTAC			
Apply screening criteria and confirm initial set of screened corridors and projects		TPAC MTAC	TPAC MTAC MPAC JPACT	MPAC JPACT Metro Council	Metro Council
Approve/confirm evaluation criteria		TPAC MTAC	TPAC MTAC JPACT	MPAC JPACT Metro Council	Metro Council

Resolution Materials

Exhibit B illustrates work on screening the wide range of over 55 potential corridors and improvements to a reasonable set of approximately 15 corridors and Central City improvements as shown in *Exhibit A* to be advanced through a feasibility and prioritization process. The corridors are illustrative for this high level cost analysis. Specific alignments would be determined during further analysis, such as during an Alternatives Analysis or Environmental Impact Statement. The Evaluation Criteria will be applied to these screened corridors for prioritization (*Exhibit B, page 7*).

ANALYSIS/INFORMATION

Known Opposition

No known opposition.

Legal Antecedents

Ordinance No. 82-135 *For the purpose of adopting the Regional Transportation Plan*

Resolution No. 83-383 *For the purpose of endorsing the regional light rail transit (LRT) system plan scope of work and authorizing funds for related engineering services*

Resolution 07-383 1B *For the purpose of approving the federal component of the 2035 Regional Transportation Plan (RTP) Update, Pending Air Quality Conformity Analysis*

Anticipated Effects

Adoption of this resolution would enable the evaluation of high capacity transit corridors to advance. A Resolution to approve the Regional High Capacity Transit System Plan is expected to be presented to the Metro Council in July 2009 after review and recommendation by MTAC, TPAC, MPAC and JPACT.

Budget Impacts

There would be no direct impact on the Metro budget as a result of taking action on this resolution.

RECOMMENDED ACTION

Approve Resolution No. 09-4025 For the Purpose of Adopting the Regional High Capacity Transit System Plan Screened Corridors and Evaluation Criteria.

- Adopt the set of approximately 15 corridors and Central City improvements to be advanced through a detailed evaluation process.
- Adopt the evaluation criteria that will be applied to these screened corridors.

Resolution Exhibits

- Exhibit A: Map of Screened Corridors
- Exhibit B: Memo: Detailed HCT Evaluation Framework – Draft for discussion

Staff Report Attachments

- Attachment 1: Public Outreach Summary
- Attachment 2: Initial Screening Criteria
- Attachment 3: Screening Results
- Attachment 4: Long Range Regional Transitway System (1982 map)

High Capacity Transit System Plan Public outreach summary summer/fall 2008

Project status

Feedback from residents, businesses, community organizations and elected officials identified 192 potential connections in about 55 corridors around the region. Suggestions were requested as part of the update to the Regional High Capacity Transit System Plan. Metro is currently working to screen and evaluate viable corridors for the next phase of public review and input.

The system plan will help for prioritize high capacity transit investments in new corridors and changes to existing corridors over the next 30 years. The system plan tells Metro where the best locations are for major rail and bus transit capital investments based on evaluation criteria derived from the Regional Transportation Plan. The results will be incorporated into the Regional Transportation Plan, the Portland metropolitan area's blueprint for a multi-modal transportation system.

During July through November, more than 50 stakeholders were interviewed, more than 150 people attended public workshops and more than 200 people were informed about the project and offered suggestions at farmers markets and other public events. More than 200 people participated in an interactive questionnaire on Metro's web site from Aug. 12 to Oct. 1, 2008.

The screening process will assess potential corridors based on existing and future potential ridership, corridor availability and cost, environmental impacts, equity considerations, connectivity to the current system, congestion reduction, and support for regional 2040 land-use designations, among other measures. It is estimated that 10 to 20 viable corridors will pass the screening criteria and be evaluated at a more detailed level.

In spring 2009, Metro will share evaluation results with the public and begin discussing tradeoffs, choices and priorities. An interactive web survey and other public outreach events will happen at this time.

Overview of stakeholder interviews, public workshops, online questionnaire and community events

During July through October, more than 50 stakeholders were interviewed for the High Capacity Transit (HCT) System Plan. To capture as many viewpoints as possible and accurately represent the divergent views found across the region, stakeholders representing viewpoints related to eight of the ten goals for the Regional Transportation Plan (RTP) were identified for interviews. These included business and community leaders, transportation and transit providers, safety and

security experts, developers, economic development professionals, social service and nonprofit organizations, environmental groups and elected officials.

Between Aug. 12 and Aug. 20, Metro held four public workshops to engage participants in a discussion of HCT plan goals and to identify potential high capacity transit corridors. The workshops, held in Hillsboro, Oregon City, East Portland and Tigard, also provided an opportunity to learn about the plan's purpose and schedule and related Metro projects such as the RTP, Urban and Rural Reserves, Performance Measures. A written comment form offered individuals an opportunity to provide feedback in addition to the transit connections drawn on maps in discussion groups. A total of 104 attendees signed in at the four workshops: 26 in Hillsboro, 16 in Oregon City, eight in East Portland and 54 in Tigard.

With the first workshop on Aug. 12, an interactive questionnaire went live on Metro's web site. More than 200 people completed the online questions about which centers and corridors were important to serve with high capacity transit, barriers to using transit and goals for the system. The questionnaire was advertised at the workshops, community group meetings and events, farmers' markets and through blogs and e-newsletters. The questionnaire was removed from the web site and closed on the morning of Oct. 1, 2008.

The project team coordinated with the Drive Less/Save More community event booth to have a presence at the Willamette River Riverfest on Aug. 31 and Sept. 6, talking to more than 100 people about the project, handing out collateral and encouraging visits to the project web site. The project had its own community event booth at the Beaverton, Lents, Portland Ecotrust and Gresham farmers markets in September where staff informed more than 200 residents about the project and collected suggestions for possible connections.

A scaled-down version of the workshop presentations was also given to the Oregon City Rotary Club on Aug. 27. Close to 50 participants offered origins and destinations to be considered. The workshop format was also altered to fit a meeting of the Hillsboro Chamber of Commerce on Sept. 30, where approximately 35 participants gave feedback on the goals as well as potential corridors and other things to consider during the process.

Themes resulting from outreach efforts

Access

- Serve employment areas and major institutions (educational and health), shopping areas and activity centers (e.g. Oregon Zoo, OMSI, Rose Garden, parks and greenspaces) along with regional and town centers.
- Create links between stations and neighborhoods by integrating stations into surrounding communities, considering bike and pedestrian facilities around stations and providing good local transit service to get people to and from stations.

Service and speed

- Provide more suburban-to-suburban connections and faster service through downtown Portland
- Provide flexibility in service times and modes and improved access for transit-dependent groups (low income, elderly, etc.), especially in the suburbs

Safety and security

- Improve safety on transit vehicles and at stations
- Give special attention to crossings where transit vehicles and people or cars interact

Land use

- Connect land use to public transportation to create compact commercial, residential and mixed-use development to support transit ridership

Project timeline



Initial Screening Criteria FINAL REVISED DRAFT, 11-7-08, based on 10-22-08 Subcommittee, 10-31-08 TPAC and 11-05-08 MTAC

CRITERION	MEASUREMENT	PROPOSED SCREENING TARGET	
QUANTITATIVE CRITERIA			
Existing Potential Ridership	Transit Orientation Index	High	> 5.0 riders per acre
		Medium-High	4.0-5.0 riders per acre
		Medium	3.0-4.0 riders per acre
		Low-Medium	1.5-3.0 riders per acre
		Low	< 1.5 rider per acre
Future Potential Ridership	Transit Orientation Index	High	> 5.0 riders per acre
		Medium-High	4.0-5.0 riders per acre
		Medium	3.0-4.0 riders per acre
		Low-Medium	1.5-3.0 riders per acre
		Low	< 1.5 rider per acre
QUALITATIVE CRITERIA			
Corridor Availability and Cost	Qualitative assessment of right of way availability and associated access improvements (Includes geological hazards)	High	Minimal right of way or few structures required
		Medium	Moderate right of way or structures required
		Low	Major land acquisition, tunneling, bridge work or extensive ROW required
Environmental Constraints	Qualitative assessment of impact on natural resources	High	Minimal potential negative impacts to natural resources
		Medium	Moderate potential negative impacts to natural resources
		Low	Significant potential negative impacts to natural resources
Equity	Qualitative assessment of social equity needs	Does promote equity	Directly serves low-income and minority communities
		Slightly promotes equity	Provides indirect access to low-income and minority communities
		Does not promote equity	No access provided to low-income and minority communities
Connectivity and System	Qualitative assessment of transit system connectivity, intermodal connectivity, maintenance yard site or other transit system needs.	High	Strong connectivity and/or system benefits
		Medium	Moderate connectivity and/or system benefits
		Low	Poor connectivity, and/or system benefits

Congestion	Recognition of congestion parallel to proposed corridor	High	LOS F (2035 PM Peak 2-Hour; Mid-Day 1-Hour); Vehicle/Capacity Ratio
		Medium-High	LOS E (2035 PM Peak 2-Hour; Mid-Day 1-Hour); Vehicle/Capacity Ratio
		Medium	LOS D (2035 PM Peak 2-Hour; Mid-Day 1-Hour); Vehicle/Capacity Ratio
		Low-Medium	LOS C (2035 PM Peak 2-Hour; Mid-Day 1-Hour); Vehicle/Capacity Ratio
		Low	LOS A-B (2035 PM Peak 2-Hour; Mid-Day 1-Hour); Vehicle/Capacity Ratio
2040 Land Use	Support Region 2040 land use designations based on RTP priority areas	High	<ul style="list-style-type: none"> • Central city • Regional centers • Industrial areas • Freight and Passenger Intermodal facilities
		Medium	<ul style="list-style-type: none"> • Employment areas • Town centers • Station Communities • Corridors • Main Streets
		Low	<ul style="list-style-type: none"> • Inner neighborhoods • Outer neighborhoods

Screening Results by Segment/Project

Segment / Corridor ID	Segment / Corridor Name	Screening Results									
		1-3	1-5	1-5	1-5	1-3	1-3	1-3	1-5	1-5	1-3
		Connectivity and System Score	O-D	Existing Potential Ridership	Future Potential Ridership	Corridor Availability and Cost	Environmental Constraints	Equity	Congestion (Midday)	Congestion (Peak)	2040 Land Use
6	(Amber Glen to Tanasbourne)	Low	Low	Low	Low-Medium	Medium	High	Low	Low	Medium-High	Low
8	(CTC - OCTC) via I-205	High	Medium	Low	Low-Medium	Medium	Medium	Medium	Medium-High	High	Medium
9	(Park - OCTC) via McLoughlin	High	Low	Low	Low	Medium	Medium	Low	Low	High	Medium
10	(Portland Mall - Gresham) via Powell	Medium	Low-Medium	Low-Medium	Medium	Medium	Medium	High	High	High	High
10A	(Portland Mall - I-205) via Powell	High	High	Medium	High	Low	Medium	Low	High	High	High
10B	(I-205 - Gresham) via Powell	Medium	Low-Medium	Low	Low	Medium	High	High	High	High	High
11	(Portland to Sherwood) via Barbur Hwy 99w	Low	Low-Medium	Low-Medium	Medium	Medium	Medium	Low	High	High	High
11A	(Portland to Terwilliger) via Barbur Hwy 99W	Medium	Medium-High	High	High	Low	Medium	Low	Low	High	High
11B	(Terwilliger to Multnomah) via Barbur Hwy 99w	Low	Medium	Low	Low	Low	Medium	Low	Low	High	High
11C	(Multnomah to Tigard) via Barbur Hwy 99w	Low	Low	Low	Low-Medium	Medium	Medium	Low	Medium-High	High	High
11D	(Tigard -King City) via Barbur Hwy 99w	Low	Low	Low	Low	Medium	High	Low	High	High	High
11E	(King City - Sherwood) via Barbur Hwy 99w	Low	Low	Low	Low	Medium	High	Low	High	High	High
11T	(Portland to Multnomah) via TUNNEL Barbur hwy 99w	Medium	Medium-High	Medium	High	Low	Medium	Low	Low	High	High
12	(Hillsboro - Forest Grove)	Medium	Medium	Low	Low	High	Medium	High	Medium-High	High	Medium
13	(Gresham - Troutdale MHCC) via Kane Dr	Medium	Low	Low	Low-Medium	Medium	Medium	Low	Low	High	Medium
15	(Lents to Pleasant Valley) via Foster Road	Low	Low	Low	Low	Medium	Medium	Low	Medium-High	High	Low
16	(CTC - Damascus)	Medium	Low-Medium	Low	Low	High	Medium	High	High	High	Medium
16A	(CTC - Damascas) via Sunnyside	Medium	Low-Medium	Low	Low-Medium	Medium	High	Low	Medium	High	Medium
16B	(Gresham - Damascus) via 232nd/242nd Ave	Low	Low	Low	Low	High	High	Low	Medium	High	Medium
16C	(CTC - Damascas) via Hwy 212/224	Medium	Low-Medium	Low	Low	Medium	Medium	High	High	High	Medium
17	(STC - Hillsboro)	Low	Low-Medium	Low	Low-Medium	High	Medium	Low	Medium-High	High	Medium
17A	(Shute - St Vincent) via Evergreen/US26	Medium	Low-Medium	Low	Low-Medium	Medium	Medium	Low	Medium-High	High	Medium
17B	(Hillsboro -Shute) via Evergreen	Low	Medium	Low	Low	Medium	High	Low	Medium	High	Medium
17C	(Hillsboro-Shute) via Cornel/Shute	Low	Medium	Low	Low-Medium	High	Medium	Low	Medium	High	Medium
17D	(Tanasbourne - Blue Line)	Low	Medium	Low	Medium	Medium	Medium	Low	Low	Medium-High	Medium
18	Improvements to Steel Bridge	High	High	High	High	High	High	Low	Low	Medium	High
19	Bridge Improvements	High	High	High	High	Medium	Low	Medium	Low	Medium	High
27	(Oregon City - Clac CC) - via Hwy213/RRROW	Low	Low	Low	Low	Medium	Low	Low	Medium-High	High	Low
28	(Oregon City - WSTC)	Low	Low	Low	Low-Medium	High	Medium	Low	High	High	Medium
28A	(Oregon City - West Linn) via new bridge	Low	Low	Low	Low	Low	Low	Low	High	High	Medium
28B	(West Linn - Tualatin) via I-205	Low	Low-Medium	Low	Low	Medium	Medium	Low	Medium	High	Medium
28C	(Tualatin - Tigard) via WES	Medium	Low	Low-Medium	Low-Medium	High	High	Low	High	High	Medium
28D	(Tigard - WSTC) via WES	Low	Low-Medium	Low-Medium	Medium	High	High	Low	Low	High	Medium
29	(CTC - Clackamas)	Medium	Low	Low	Low-Medium	High	Medium	High	Medium-High	High	Medium
29A	(CTC - Milwaukie) via Hwy 224	Medium	Low-Medium	Low	Low-Medium	Medium	Medium	Medium	Medium	Medium-High	Medium
29B	(Milwaukie - Lake O) via RR bridge	High	Low	Low	Low-Medium	High	Medium	Medium	Medium-High	High	Medium
29C	(Lake O - Tigard TC) via RR ROW	Medium	Low	Low	Low-Medium	High	Medium	Low	Medium-High	High	Medium
29D	Tigard TC - WSTC) via WES ROW	Low	Low-Medium	Low-Medium	Medium	High	Medium	Low	Medium-High	High	Medium
29E	(Boones Ferry - Tualatin) via RR ROW	Low	Low-Medium	Low-Medium	Low-Medium	High	Medium	Low	Medium-High	High	Medium
29F	(Milwaukie - Clackamas)	High	Low-Medium	Low	Low-Medium	Medium	High	Low	Low	Low	Medium
32	(Hillsboro - Hillsdale)	Low	Low	Low	Low-Medium	High	Medium	Medium	Medium-High	High	Medium
32A	(Hillsboro - Aloha - Beaverton) via TV Hwy	Medium	Low-Medium	Low	Low-Medium	High	Medium	High	Medium-High	High	Medium
32B	(Barbur - Lake O connector)	Low	Low	Low	Low	Medium	Medium	Low	Medium-High	High	Medium
32C	(Beaverton - Raleigh Hills - Hillsdale) via Beaverton Hillsdale	Low	Low-Medium	Low	Low-Medium	Medium	Medium	Low	Medium	High	Medium
34	(Beaverton - Wilsonville)	Low	Low	Low	Low-Medium	Medium	Medium	Medium	High	High	Medium
34A	(Beaverton - Washington Sq) via Hall	Medium	Medium	Low-Medium	Medium	Medium	High	Low	Medium	High	Medium
34B	(Washington Sq - Tigard) via Hall	Low	Low-Medium	Low	Low-Medium	Medium	High	Low	Medium-High	High	Medium
34C	(Tigard - Tualatin) via 217/I5	Low	Low	Low-Medium	Medium	Medium	Medium	Low	High	High	Medium
34D	(Tualatin - Wilsonville) via I5	Low	Low	Low	Low	Medium	High	Low	High	High	Medium
38	(Tualatin - Sherwood) via Sherwood Rd	Low	Low	Low	Low	Medium	High	Low	Medium	High	Low
41	(Lake O - McLoughlin connector)	Medium	Low	Low	Low	Low	Medium	Low	High	High	Low
42	(Vancouver - Damascus)	Low	Low	Low	Low	Medium	Low	Medium	Medium-High	High	Medium

Segment / Corridor ID	Segment / Corridor Name	Screening Results									
		1-3	1-5	1-5	1-5	1-3	1-3	1-3	1-5	1-5	1-3
		Connectivity and System Score	O-D	Existing Potential Ridership	Future Potential Ridership	Corridor Availability and Cost	Environmental Constraints	Equity	Congestion (Midday)	Congestion (Peak)	2040 Land Use
42A	(Marine Drive - Vancouver) via 182nd	Low	Low	Low	Low	Low	Low	Low	Low	Medium-High	Low
42B	(Marine Drive - Rockwood) via 182nd	Low	Low-Medium	Low	Low-Medium	Medium	Medium	Low	Low	Medium-High	Medium
42C	(Rockwood - Pleasant Valley) via 182nd	Low	Low	Low	Low	Medium	Medium	Medium	Low	High	Medium
42D	(Pleasant Valley - Damascas) via Foster	Low	Low	Low	Low	High	High	Low	Medium-High	High	Low
43	(St. Johns - Vancouver/Union Station)	Low	Medium-High	Low-Medium	Medium	High	Low	High	High	High	High
43A	(St. Johns to RR)	Low	Medium	Low	Low-Medium	High	Medium	Low	Low	Low	High
43B	(RR to Vancouver) via UPRR Railroad Bridge	Low	Low	Low	Low-Medium	High	Low	Medium	Low	Medium	High
43C	(Union Station - St. Johns) via RR Bridge	Medium	High	Low-Medium	High	High	Medium	Medium	High	High	High
43D	(St. Johns - Vancouver) via Freight Corridor	Medium	Low	Low	Low	High	Low	Low	Low	High	High
46	(Cornell - St. Johns)	Low	Low	Low	Low	High	Low	Low	High	High	Medium
46A	(Cornell to UPRR) via Corn Pass Tunnel	Low	Low	Low	Low	High	Low	Low	High	High	Medium
46B	(UPRR - St. Johns) via Freight	Low	Low	Low	Low	High	Low	Medium	High	High	Medium
46C	(Corn Pass - St. Johns) via Northern Bridge	Low	Low	Low	Low	High	Low	Low	Low	Low	Medium
48	(Murray Hill - Bethany)	Low	Low	Low	Low	Low	Medium	Low	Medium	High	Low
49	Eastside Connector	High	Medium	High	High	Low	Medium	High	Low	Medium	High
50	Downtown Tunnel - Lloyd 11th to Goose Hollow 18th	High	Low-Medium	High	High	Low	Medium	High	Low	Low	High
51	Downtown Jefferson/Columbia via 1st Ave	Low	High	High	High	Low	Medium	Medium	Low	Medium	High
52	Downtown Everett/Glisan to 18th Ave	Low	High	High	High	Low	High	Medium	Medium	Medium	High
53	(Hillsboro - Tualatin)	Low	Low	Low	Low	Medium	Low	High	Low	High	Medium
54	(Troutdale - St. Johns)	Low	Low	Low	Low	High	Low	High	Low	Medium-High	Medium
55	(Sunset TC - St. Johns)	High	Low	Low	Low	Low	Low	Low	High	High	Low
56	(Orenco - Clark Hill Rd)	Low	Low	Low	Low	Medium	Low	Medium	Low	High	Low
57	(Scholls Ferry - Sherwood) via Roy Rogers Rd	Low	Low	Low	Low	Medium	Low	Low	High	High	Low
28A+28B	(Oregon City - Tualatin)	High	Low	Low	Low	Low	Medium	Low	Medium-High	High	Medium
17C+46A+46B+43B	(Hillsboro - Vancouver)	Low	Low	Low	Low	High	Low	High	Medium-High	High	High
41+32B+32C	(McLoughlin - Beaverton)	Medium	Low	Low	Low-Medium	Low	Medium	Low	Medium-High	High	Medium

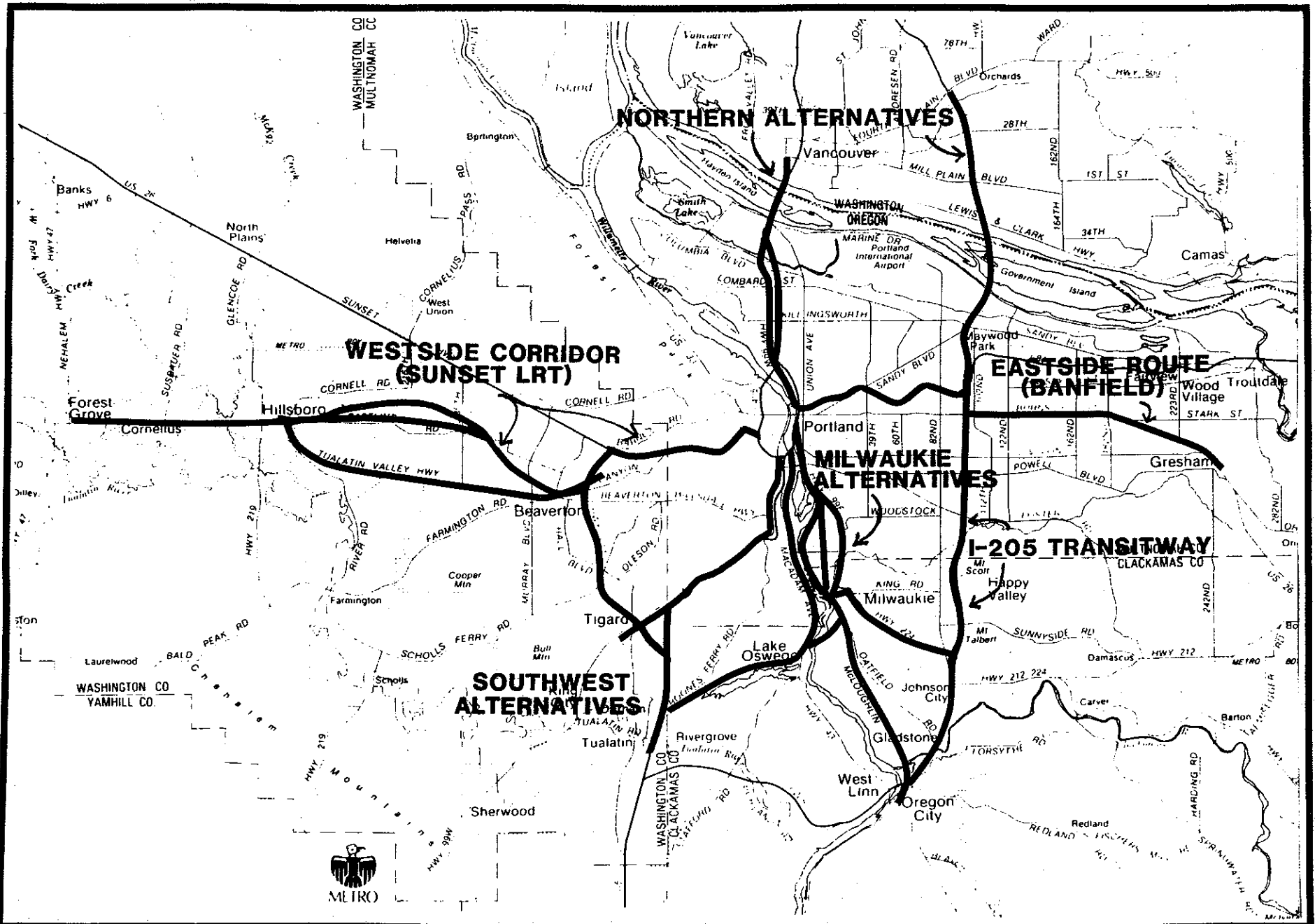
Note: Methods for determining High, Medium, Low rankings are described in detail in the Screening Results Technical Memorandum

Note: All High ratings indicate positive results as related to project viability; all low ratings indicated negative results

Screening Results by Corridor

Segment / Corridor ID	Segment / Corridor Name	Screening Results									
		1-3	1-5	1-5	1-5	1-3	1-3	1-3	1-5	1-5	1-3
		Connectivity and System Score	O-D	Existing Potential Ridership	Future Potential Ridership	Corridor Availability and Cost	Environmental Constraints	Equity	Congestion (Midday)	Congestion (Peak)	2040 Land Use
6	(Amber Glen to Tanasbourne)	Low	Low	Low	Low-Medium	Medium	High	Low	Low	Medium-High	Low
8	(CTC - OCTC) via I-205	High	Medium	Low	Low-Medium	Medium	Medium	Medium	Medium-High	High	Medium
9	(Park - OCTC) via McLoughlin	High	Low	Low	Low	Medium	Medium	Low	Low	High	Medium
10	(Portland Mall - Gresham) via Powell	Medium	Low-Medium	Low-Medium	Medium	Medium	Medium	High	High	High	High
11	(Portland to Sherwood) via Barbur Hwy 99w	Low	Low-Medium	Low-Medium	Medium	Medium	Medium	Low	High	High	High
12	(Hillsboro - Forest Grove)	Medium	Medium	Low	Low	High	Medium	High	Medium-High	High	Medium
13	(Gresham - Troutdale MHCC) via Kane Dr	Medium	Low	Low	Low-Medium	Medium	Medium	Low	Low	High	Medium
15	(Lents to Pleasant Valley) via Foster Road	Low	Low	Low	Low	Medium	Medium	Low	Medium-High	High	Low
16	(CTC - Damascus)	Medium	Low-Medium	Low	Low	High	Medium	High	High	High	Medium
17	(STC - Hillsboro)	Low	Low-Medium	Low	Low-Medium	High	Medium	Low	Medium-High	High	Medium
18	Improvements to Steel Bridge	High	High	High	High	High	High	Low	Low	Medium	High
19	Bridge Improvements	High	High	High	High	Medium	Low	Medium	Low	Medium	High
27	(Oregon City - Clac CC) - via Hwy213/RRROW	Low	Low	Low	Low	Medium	Low	Low	Medium-High	High	Low
28	(Oregon City - WSTC)	Low	Low	Low	Low-Medium	High	Medium	Low	High	High	Medium
29	(CTC - Clackamas)	Medium	Low	Low	Low-Medium	High	Medium	High	Medium-High	High	Medium
32	(Hillsboro - Hillsdale)	Low	Low	Low	Low-Medium	High	Medium	Medium	Medium-High	High	Medium
34	(Beaverton - Wilsonville)	Low	Low	Low	Low-Medium	Medium	Medium	Medium	High	High	Medium
38	(Tualatin - Sherwood) via Sherwood Rd	Low	Low	Low	Low	Medium	High	Low	Medium	High	Low
41	(Lake O - McLoughlin connector)	Medium	Low	Low	Low	Low	Medium	Low	High	High	Low
42	(Vancouver - Damascus)	Low	Low	Low	Low	Medium	Low	Medium	Medium-High	High	Medium
43	(St. Johns - Vancouver/Union Station)	Low	Medium-High	Low-Medium	Medium	High	Low	High	High	High	High
46	(Cornell - St. Johns)	Low	Low	Low	Low	High	Low	Low	High	High	Medium
48	(Murray Hill - Bethany)	Low	Low	Low	Low	Low	Medium	Low	Medium	High	Low
49	Eastside Connector	High	Medium	High	High	Low	Medium	High	Low	Medium	High
50	Downtown Tunnel - Lloyd 11th to Goose Hollow 18th	High	Low-Medium	High	High	Low	Medium	High	Low	Low	High
51	Downtown Jefferson/Columbia via 1st Ave	Low	High	High	High	Low	Medium	Medium	Low	Medium	High
52	Downtown Everett/Glisan to 18th Ave	Low	High	High	High	Low	High	Medium	Medium	Medium	High
53	(Hillsboro - Tualatin)	Low	Low	Low	Low	Medium	Low	High	Low	High	Medium
54	(Troutdale - St. Johns)	Low	Low	Low	Low	High	Low	High	Low	Medium-High	Medium
55	(Sunset TC - St. Johns)	High	Low	Low	Low	Low	Low	Low	High	High	Low
56	(Orenco - Clark Hill Rd)	Low	Low	Low	Low	Medium	Low	Medium	Low	High	Low
57	(Scholls Ferry - Sherwood) via Roy Rogers Rd	Low	Low	Low	Low	Medium	Low	Low	High	High	Low
28A+28B	(Oregon City - Tualatin)	High	Low	Low	Low	Low	Medium	Low	Medium-High	High	Medium
17C+46A+46B+43B	(Hillsboro - Vancouver)	Low	Low	Low	Low	High	Low	High	Medium-High	High	High
41+32B+32C	(McLoughlin - Beaverton)	Medium	Low	Low	Low-Medium	Low	Medium	Low	Medium-High	High	Medium

Note: Methods for determining High, Medium, Low rankings are described in detail in the Screening Results Technical Memorandum
 Note: All High ratings indicate positive results as related to project viability; all low ratings indicated negative results



Agenda Item Number 8.0

**DRAFT FINAL RECOMMENDATIONS FOR REGIONAL FLEXIBLE
FUNDING ALLOCATION**

Public Hearing

Metro Council Meeting
Thursday, February 12, 2009
Metro Council Chamber



Date: February 3, 2008
To: JTPACT and Metro Council
From: Ted Leybold, MTIP Manager
Re: Regional Flexible Fund Allocation - TPAC Recommendation

The attached tables (Attachment A and B) summarize the TPAC final recommendation for the allocation of regional flexible transportation funds to local transportation projects. The local projects recommended in Step 2 meet the target \$21.65 million in funds forecasted to be available in 2012 and 2013, following allocation of funding previously recommended for regional programs in Step 1. In creating its recommendation, TPAC was requested to consider the narrowing factors that reflect the policy objectives for this program as adopted by JPACT and the Metro Council prior to the project solicitation process.

This recommendation, in conjunction with the previous recommendation on allocation to region programs, completes the technical review and recommendation process for this funding cycle. Following the public hearing on February 12th regarding this recommendation, the Joint Policy Advisory Committee on Transportation (JPACT) is scheduled to act on this recommendation at its March 5th meeting. Metro Council is then scheduled to consider the JPACT recommendation at its March 19th meeting.

Narrowing Factors

Six narrowing factors were adopted by JPACT and the Metro Council to direct technical staff in developing a recommendation for the allocation of regional flexible funds in Step 2 to local projects.

1. Recommend top rated projects of the quantitative evaluation.

A quantitative evaluation was completed in four project solicitation categories: mixed-use implementation, industrial and employment area implementation, regional mobility corridors, and environmental enhancement. The quantitative evaluation was performed to measure a projects performance relative to the adopted policy objectives of the funding program. Projects with similar scores within each evaluation category were grouped into “tiers”, reflecting their relative performance.

The TPAC recommendation includes:

- Regional Mobility Corridor Projects: fully funds the top tier regional mobility corridor project.
- Mixed-use Area Implementation Projects: fully funds the top ranked of the two top tier projects and partially funds the other project, 102nd Avenue, by reducing the length of the project.
- Industrial and Employment Area Implementation Project: did not recommend funding for the top tier St. Johns Rail Line (UP): N St. Louis to N Richmond project.
- Environmental Enhancement Projects: partially funded the top tier School Bus Diesel Emission Reduction program by reducing the number of buses to be retrofitted.

2. Fund a minimum of \$7.2 million of Pedestrian and Bicycle Projects

Rather than create a regional pedestrian and bicycle funding program, JPACT and Metro Council set a minimum funding target for local pedestrian and bicycle targets. The funding target was set based on historical regional flexible funding allocations to stand alone bicycle and pedestrian projects.

The TPAC recommendation exceeds the minimum funding target with a recommendation of \$10.66 million to pedestrian and bicycle projects.

3. Funding projects throughout the region

The TPAC recommendation funds at least one construction project in each of the four sub-regions of the Metro area: City of Portland, Clackamas County, East Multnomah County and Washington County.

4. Qualitative Considerations

TPAC considered the qualitative issues presented by the project applications in selecting among projects to address the three narrowing factors above. These include:

- links to other projects (such as the Phase II McLoughlin Boulevard project in Oregon City which will extend streetscape improvements of the Phase I project further north).
- past regional commitment (such as the Step 1 region rail bonding commitment).
- local over match of funding.
- links to benefitting safe access to schools or affordable housing.
- project readiness.

5. Project Development Considerations

When considering which project development applications, consideration was given to:

- addressing gaps and deficiencies in the transportation network
- serving underserved or environmental justice populations
- supporting modes that reduce emissions
- supporting projects with the most limited funding sources
- for large projects, selecting projects that leverage other discretionary funding sources
- having an appropriate scope of work

6. Public Comments

TPAC considered the comments received during the public comment period. This was reflected by the recommendation that provided a large number of bicycle and pedestrian projects as public comments in favor of these projects represented approximately 70% of comments received. It is also reflected in recommending funding of the North Willamette Greenway master plan; the project receiving the most public support from the public comment period

Attachment B

Step 1 - Proposed Funding to Regional Programs

Program name	Request	JPACT Proposed Allocation
Existing High Capacity Transit (HCT) Bond Payment	\$18.60	\$18.60
Additional HCT bonding; Milwaukie LRT and Commuter rail	\$7.40	\$7.40
OR-43: Portland to Lake Oswego Transit Corridor EIS	\$4.00	\$4.00
Metro Planning - Base	\$2.12	\$2.12
RTO Base	\$4.41	\$4.41
TOD Base	\$5.00	\$5.78
TSMO Base	\$3.00	\$3.00
Regional travel behavior survey	\$0.35	\$0.35
Next Corridor	\$0.50	\$0.50
Local project funding reserve for Step 2	\$21.65	\$21.65