



**METRO**

**Agenda**

MEETING: METRO COUNCIL WORK SESSION  
DATE: May 12, 2009  
DAY: Tuesday  
TIME: 2:00 p.m.  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

- |                |           |   |
|----------------|-----------|---|
| <b>2:00 PM</b> | <b>1.</b> | <b>DISCUSSION OF AGENDA FOR MAKING THE GREATEST PLACE MEETING, MAY 14, 2009/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS</b> |
| <b>2:15 PM</b> | <b>2.</b> | <b>METRO TRANSFER STATIONS REQUEST FOR PROPOSALS PROJECT UPDATE AND DISCUSSION</b>  |
| <b>2:45 PM</b> | <b>3.</b> | <b>BREAK</b>  |
| <b>2:50 PM</b> | <b>4.</b> | <b>HCT POLICY DISCUSSION</b>  |
| <b>3:50 PM</b> | <b>5.</b> | <b>COUNCIL BRIEFINGS/COMMUNICATION</b>  |

**ADJOURN**

Agenda Item Number 2.0

**METRO TRANSFER STATIONS  
REQUEST FOR PROPOSALS  
PROJECT UPDATE AND  
DISCUSSION**

Metro Council Work Session  
Tuesday, May 12, 2009  
Metro Council Chamber

# METRO COUNCIL

## Work Session Worksheet

Presentation Date: May 12, 2009 Time: \_\_\_\_\_ Length: 30 Minutes

Presentation Title: Metro Transfer Stations Request for Proposals Project Update

Service, Office, or Center: Parks and Environmental Services

Presenters: Teri Dresler, Ext. 1790 and Paul Ehinger, Ext. 1789

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**PURPOSE:** To brief the Metro Council on the project and seek feedback on the recommendations described below for major project parameters.

**ISSUE & BACKGROUND:** Metro owns the Metro Central and Metro South regional transfer stations and contracts out their operations. The current five year contract is with Allied Waste Systems and is administered by the Parks and Environmental Services Center (PES). It expires March 31, 2010. Payments to the contractor have averaged over \$7 million dollars annually.

In January of this year a team was assembled to draft a request for proposals (RFP) to obtain a replacement contract or contracts. The team consists of:

- Penny Erickson, Operations Supervisor - PES
- Tom Chaimov, Senior Planner - Finance and Administrative Services
- Molly Chidsey, Senior Planner - Sustainability Center
- Chuck Geyer, Principal Planner - PES

Management oversight is provided by a group consisting of:

- Teri Dresler, PES Director
- Darin Matthews, Metro Procurement Officer
- Paul Ehinger, Director of Solid Waste Operations and project sponsor

### Activities to Date

The project team has recently concluded the research phase of the project. The purpose of this phase was to establish the parameters of the project, best practices that may be applicable and the core strategies that will be incorporated into the initial draft RFP.

Activities have included:

- Gathering historical information regarding the current contract operating parameters such as maintenance costs, utility consumption, labor and process flows, and material recovery and other sustainable practices
- Conducting outreach for the project, including:
  - An advertising campaign in five national and two regional material recovery and solid waste publications
  - Interviews and tours of the facilities with interested parties. To date the team has met/toured with eight firms in the materials recovery or solid waste industry
  - Establishing a [web page](#) for the project

- Regular communications with a list of interested parties of currently consisting of 19 firms, including soliciting concepts for incorporation into the RFP
- Conducting two focus groups for commercial and self haul customers
- Holding an Eco-charrette with internal staff to review/brainstorm sustainability issues
- Meeting with internal stakeholders to examine maintenance, materials recovery, financial and other contractual issues
- Contracting with an engineering firm to assist with the project, from drafting the RFP through contract award with a focus on issues such as risk sharing around materials recovery requirements and technical comparison of proposals during evaluation
- Retaining a consultant with expertise in the analysis of financial statements and risk mitigation measures such as insurance and performance guarantees
- Touring materials recovery and solid waste facilities (to date the team has visited facilities in San Francisco, King County, Tacoma as well as in the Metro area)
- Reviewing other jurisdictions contracts for best practices.

Based on the research, the team is drafting an RFP for internal and external stakeholder review and comment during May. It is expected that proposals will be submitted in late July 2009.

## **OPTIONS AVAILABLE**

Based on the research conducted to date, the project team has developed the following Project Purpose/Goal statement for the project around the recommended evaluation criteria for the project:

*The purpose of this request for proposals is to obtain contracts between Metro and private firms for the operation of the Metro South and Metro Central stations. The goals for the project, as reflected in the evaluation criteria contained in this RFP, are summarized as follows:*

- *Cost: Metro desires a cost-effective contract for each station that achieves its goals of a reasonable price that utilizes both incentives and disincentives to achieve specific outcomes.*
- *Operations and Maintenance: That operations at each station be conducted in a safe, efficient, flexible and sustainable manner that minimizes the risk of service disruption while maximizing customer satisfaction. Maintenance of Metro's equipment and facilities shall be conducted in a manner to protect Metro's investment, and results in reliable and efficient operations.*
- *Sustainability: Operating parameters that reflect the goals of Metro's Sustainable Operations and Disadvantaged Business programs, as well as ensuring appropriate and safe conditions for both employees and customers*

- *Materials Recovery: That the next contract recovers at least twice as much material as the existing contract and increases the reuse share of recovered materials.*

### Improvements over Existing Contract

A number of improvements over the existing contract will be included in the RFP in order to achieve the project goals.

- Contract Length - A seven year contract term, as opposed to the current five year term to take advantage of expected equipment life and more cost effective (for Metro) amortization schedules
- Encourage separate contracts for individual stations that reflect their unique characteristics
- The financial health of proposers will be considered as part of the evaluation of costs, as well as whether any risk sharing arrangements for commodity prices or other project inputs such as fuel are proposed for a more complete assessment
- Metro will reserve the right to undertake repairs itself and bill the operator if maintenance is unsatisfactory instead of relying on current default procedures contained in the current contract
- Incorporating into operations sustainable practices to achieve the sustainability goals adopted in the Regional Solid Waste Management Plan, which are being promoted for private facilities, to the maximum extent possible rather than as optional practices. Such practices include:
  - Energy reduction and efficiency programs
  - Purchasing power from renewable resources (required)
  - Use of diesel particulate filters (required)
  - Engine idling reduction policies
  - Water-saving programs
  - Stormwater mitigation practices
  - Phase out toxic materials
  - Support local vendors and contractors who employ sustainability practices
  - Adopt best practices for customer and employee health and safety
  - Support a quality work life
  - Provide training and education on sustainable practices
- Evaluate material recovery proposals on their ability to achieve Metro's goal of doubling current levels, as well as the feasibility of the approach
- Comply with the requirements of Metro's Enhanced Dry Waste Recovery Program
- Continue and possibly expand the collection and transfer of source-separated organics.

### **IMPLICATIONS AND SUGGESTIONS**

The implications of incorporating such improvements are stated below, by major element:

**Cost:** By evaluating cost in a more holistic manner, Metro will be better able to assess the true cost of a proposal, and ensure an adequate financial risk assessment of the proposing entity and whether additional performance safeguards may be required.

Operations and Maintenance: The proposed approach should ensure that Metro facilities and equipment are protected and that adequate safeguards are in place.

Sustainability: By incorporating sustainable practices from the Regional Solid Waste Management Plan, Metro will act as a model for private facilities and help promulgate such practices.

Materials Recovery: The recommended approach should significantly increase recovery both in the short and long run. Increasing recovery significantly should result in modest increase in costs, while reducing greenhouse gas emissions (CO<sub>2</sub>) by approximately 35,000 tons annually. This is equivalent to not using three million gallons of diesel fuel or three years of fuel consumption under the waste transport contract.

Contract Length: A seven year period has the benefits as stated above; however it will result in contracts expiring in 2017- two years before expiration of the transport and disposal contracts. Major parameters of the contract(s) will be revisited mid-term.

### **QUESTION(S) PRESENTED FOR CONSIDERATION**

It is expected that increasing material recovery rates and incorporating additional sustainable practices into transfer station operations may significantly increase the cost of operations. Does the Metro Council wish for staff to proceed with the recommended procurement approach emphasizing sustainable practices?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION** \_\_Yes \_\_x\_No  
**DRAFT IS ATTACHED** \_\_Yes \_\_No

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Agenda Item Number 4.0

**HCT POLICY DISCUSSION**

Metro Council Work Session  
Tuesday, May 12, 2009  
Metro Council Chamber

# **\*\*\*Instructions for completing form\*\*\***

## **METRO COUNCIL**

### **Work Session Worksheet**

Presentation Date: 5/12/09 Time: 2:00 pm Length: 1 hour

Presentation Title: High Capacity Transit System Plan

Service, Office, or Center:

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Presenters (include phone number/extension and alternative contact information):

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(Also list other department personnel or interested parties who should be invited & invite them.)

\* In all categories, use additional sheets if necessary and attach supporting material.

**ISSUE & BACKGROUND** (Identify the issue or problem. Include background information on the issue and identify the facts pertinent to your presentation of the topic. Include a statement of any potential issues raised by these facts.)

**OPTIONS AVAILABLE** (List the options available for any actions that may need to be taken, indicating the pros and cons of each. Cost estimates should be included for each option, where applicable.)

**IMPLICATIONS AND SUGGESTIONS** (Please state your departmental suggestions(s) AND the reason(s) for the suggested action. Also include anticipated problems, which will be encountered: a) if the suggestions is implemented, and b) if the suggestion is not implemented.)

**QUESTION(S) PRESENTED FOR CONSIDERATION** (Please state clearly your request of the Metro Council. In other words, what do you hope to obtain from the Metro Council? If more than one question, please number them.)

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION** \_\_Yes \_\_No  
**DRAFT IS ATTACHED** \_\_Yes \_\_No



# METRO COUNCIL

## Work Session Worksheet

Presentation Date: 5/12/09 Time: 2 pm Length: 1 hour

Presentation Title: High Capacity Transit System Plan

Service, Office, or Center: Planning and Development; Corridor Planning

Presenters (include phone number/extension and alternative contact information):

Ross Roberts, Tony Mendoza,

Gail Murray, BART Board Director and member of consultant team, Nelson\Nygaard

Tom Brennan, Nelson\Nygaard

### ISSUE & BACKGROUND

The High Capacity Transit System Plan is in the final phase of corridor prioritization and advancement into the Regional Transportation Plan. The results of the HCT System Plan will be folded into the RTP with the approval of MPAC, JPACT and Metro Council.

The HCT system plan Resolution No. 09-4052 identifies three findings and procedures for the implementation of HCT:

1. Results of technical analysis – this was the focus of Council Work Session on April 14, 2009
2. Tiers to place the potential HCT corridors into based on order of readiness to serve regional needs (these are currently placed into tiers based on the technical analysis only – decision-making bodies will determine the final ranking and placement of corridors into tiers)
3. System Expansion Policy – This process has been used successfully for the Bay Area Rapid Transit System (BART) to help identify priority expansions in partnership with local jurisdictions

### OPTIONS AVAILABLE

Status update and discussion

### IMPLICATIONS AND SUGGESTIONS

At council work session on April 14, 2009, several council members raised questions about the technical ranking of projects. Staff worked with councilors who requested more information to further examine how different weighting of criteria may alter the technical score, and subsequently, the placement of a corridor into a tier. It was discovered through this work that the technical rankings remain consistent for many of the corridors, regardless of weighting of individual criteria, because of the interrelationship between many of the criteria.

Ridership is reflective of many of the evaluation criteria because higher ridership HCT projects will provide benefits to a greater number of people. For example, a corridor may have a very high percentage of persons measured in the “equity” criteria, but still rank lower than a corridor with a lower percentage, but of the greater absolute number of “equity” measured people.

**QUESTION(S) PRESENTED FOR CONSIDERATION**

Are the project tiers appropriate to prioritize future HCT investments?

Does the proposed system expansion policy provide the desired level of clarity and transparency in project implementation?

Do the tiers and system expansion policy set the right expectations for interactions between Metro and our local partners and project sponsors?

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