 **Metro** | *Agenda*

Meeting: Metro Council  
Date: Thursday, October 2, 2014  
Time: 2:00 p.m.  
Place: Metro, Council Chamber

**REVISED 9/26/2014**

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**CALL TO ORDER AND ROLL CALL**

1. **CITIZEN COMMUNICATION**
2. **AUDITOR ANNUAL REPORT PRESENTATION** **Suzanne Flynn, Metro**
3. **RECYCLING HOTLINE AUDIT PRESENTATION** **Suzanne Flynn, Metro**
4. **CONSIDERATION OF COUNCIL MEETING MINUTES FOR SEPTEMBER 18, 2014**
5. **RESOLUTIONS**
- 5.1 **Resolution No. 14-4558**, For the Purpose of Denying a Request for a Transfer Station Tonnage Limit Increase at Willamette Resources, Inc. **Roy Brower, Metro**
6. **CHIEF OPERATING OFFICER COMMUNICATION** **Martha Bennett, Metro**
7. **COUNCILOR COMMUNICATION**

**ADJOURN**

**AN EXECUTIVE SESSION WILL BE HELD IMMEDIATELY FOLLOWING THE PUBLIC MEETING PURSUANT TO ORS 192.660(2)(i), TO REVIEW AND EVALUATE THE PERFORMANCE OF AN OFFICER, EMPLOYEE OR STAFF MEMBER IF THE PERSON DOES NOT REQUEST AN OPEN MEETING.**

**Television schedule for October 2, 2014 Metro Council meeting**

<p><b>Clackamas, Multnomah and Washington counties, and Vancouver, WA</b>          Channel 30 – Community Access Network  <i>Web site:</i> <a href="http://www.tvctv.org">www.tvctv.org</a>  <i>Ph:</i> 503-629-8534  <i>Date:</i> Thursday, October 2, 2:00 p.m.</p>	<p><b>Portland</b>          Channel 30 – Portland Community Media  <i>Web site:</i> <a href="http://www.pcmtnv.org">www.pcmtnv.org</a>  <i>Ph:</i> 503-288-1515  <i>Date:</i> Sunday, October 5, 7:30 p.m.  <i>Date:</i> Monday, October 6, 9 a.m.</p>
<p><b>Gresham</b>          Channel 30 - MCTV  <i>Web site:</i> <a href="http://www.metroeast.org">www.metroeast.org</a>  <i>Ph:</i> 503-491-7636  <i>Date:</i> Monday, October 6, 2 p.m.</p>	<p><b>Washington County and West Linn</b>          Channel 30– TVC TV  <i>Web site:</i> <a href="http://www.tvctv.org">www.tvctv.org</a>  <i>Ph:</i> 503-629-8534  <i>Date:</i> Friday, October 3, 12 p.m.  <i>Date:</i> Sunday, October 5, 11 p.m.</p>
<p><b>Oregon City and Gladstone</b>          Channel 28 – Willamette Falls Television  <i>Web site:</i> <a href="http://www.wftvmedia.org/">http://www.wftvmedia.org/</a>  <i>Ph:</i> 503-650-0275          Call or visit web site 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. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read. Documents for the record must be submitted to the Regional Engagement and Legislative Coordinator to be included in the meeting record. Documents can be submitted by e-mail, fax or mail or in person to the Regional Engagement and Legislative Coordinator. For additional information about testifying before the Metro Council please go to the Metro web site [www.oregonmetro.gov](http://www.oregonmetro.gov) and click on public comment opportunities.

# Metro respects civil rights

Metro fully complies with Title VI of the Civil Rights Act of 1964 and related statutes that ban discrimination. If any person believes they have been discriminated against regarding the receipt of benefits or services because of race, color, national origin, sex, age or disability, they have the right to file a complaint with Metro. For information on Metro's civil rights program, or to obtain a discrimination complaint form, visit [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) or call 503-797-1536. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1700 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 5 business days before the meeting. All Metro meetings are wheelchair accessible. For up-to-date public transportation information, visit TriMet's website at [www.trimet.org](http://www.trimet.org).

## Thông báo về sự Metro không kỳ thị của

Metro tôn trọng dân quyền. Muốn biết thêm thông tin về chương trình dân quyền của Metro, hoặc muốn lấy đơn khiếu nại về sự kỳ thị, xin xem trong [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Nếu quý vị cần thông dịch viên ra dấu bằng tay, trợ giúp về tiếp xúc hay ngôn ngữ, xin gọi số 503-797-1700 (từ 8 giờ sáng đến 5 giờ chiều vào những ngày thường) trước buổi họp 5 ngày làm việc.

## Повідомлення Metro про заборону дискримінації

Metro з повагою ставиться до громадянських прав. Для отримання інформації про програму Metro із захисту громадянських прав або форми скарги про дискримінацію відвідайте сайт [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) або Якщо вам потрібен перекладач на зборах, для задоволення вашого запиту зателефонуйте за номером 503-797-1700 з 8.00 до 17.00 у робочі дні за п'ять робочих днів до зборів.

## Metro 的不歧视公告

尊重民權。欲瞭解Metro民權計畫的詳情，或獲取歧視投訴表，請瀏覽網站 [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)。如果您需要口譯方可參加公共會議，請在會議召開前5個營業日撥打503-797-1700（工作日上午8點至下午5點），以便我們滿足您的要求。

## Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullan dadweyne, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqa ka hor kullanka si loo tixgaliyo codsashadaada.

## Metro의 차별 금지 관련 통지서

Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1700를 호출합니다.

## Metroの差別禁止通知

Metroでは公民権を尊重しています。Metroの公民権プログラムに関する情報について、または差別苦情フォームを入手するには、[www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)。までお電話ください公開会議で言語通訳を必要とされる方は、Metroがご要請に対応できるよう、公開会議の5営業日前までに503-797-1700（平日午前8時～午後5時）までお電話ください。

## សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានក្បួនលក្ខណ៍រើសអើងសូមចូលទស្សនាការប្រកាស [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)។  
បើលោកអ្នកត្រូវការការបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

## إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإبداء شكوى ضد التمييز، يرجى زيارة الموقع الإلكتروني [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1700 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

## Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan. Notificación de no discriminación de Metro.

## Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

## Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1700 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

## Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

## Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lw m ua ntej ntawm lub rooj sib tham.

Agenda Item No. 2.0

**AUDITOR ANNUAL REPORT**

*Presentations*

Metro Council Meeting  
Thursday, October 2, 2014  
Metro, Council Chamber



Office of the Auditor  
**Annual Report**  
FY 2013-14



Suzanne Flynn, Auditor  
October 2014

## Office responsibilities and staff

### Purpose

The purpose of the Metro Auditor’s Office is to ensure that Metro operations comply with laws and regulations, assets are safeguarded and services are delivered effectively and efficiently. The Office achieves this by conducting performance audits. Performance audits provide objective analysis so that management and the Metro Council can use the information to improve program performance, reduce costs, assist decision-making and contribute to public accountability. The office also administers the contract with the external auditor and manages a hotline to report waste, inefficiency and abuse.

### Communication and transparency

Additionally, the Office provides accountability and transparency in government. Audit findings and recommendations are presented publicly before the Council and are intended to assist the Council and Chief Operating Officer in making improvements that will better serve the public. Reports are published on the Metro Auditor’s web page.

The Office includes the elected Auditor, four staff auditors and an administrative assistant:

- Suzanne Flynn, *Metro Auditor*
- Brian Evans, *Principal Management Auditor*
- Mary Hull Caballero, *Principal Management Auditor*
- Kathryn Nichols, *Senior Management Auditor*
- Angela Owens, *Senior Management Auditor*
- Lisa Braun, *Administrative Assistant*

## Performance measures

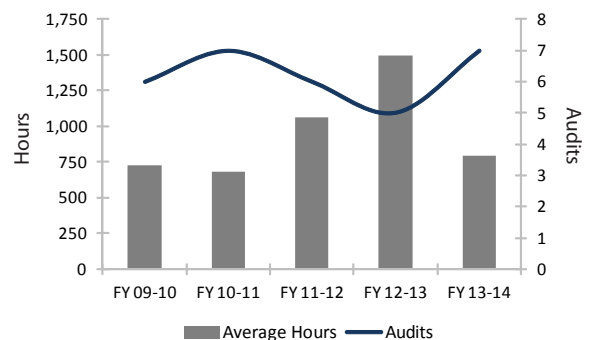
The Audit Office’s performance is measured by reviewing results in the following areas:

- Average hours to complete an audit and number completed each fiscal year
- Total auditor hours per department
- Audits completed per full time equivalent

### Average hours per audit and number of audits

Audits vary in length, depending on their scope and complexity. In FY 2013-14, seven audits were completed. The hours required for completion ranged from 248 to 1,650 hours, with an average of 794 hours.

The average time in FY 2012-13 was higher than other years due to the complexity of an audit completed in that year.



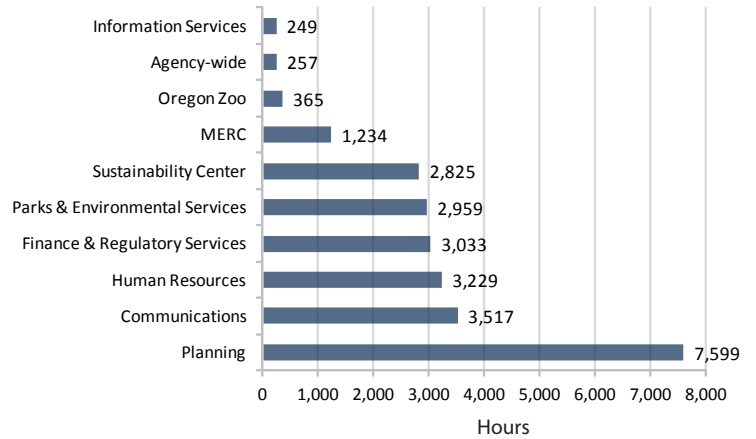
## Hours by department

*FY 2009-10 to FY 2013-14*

One consideration when audits are placed on the schedule is the number of hours spent in a department in past years. Other criteria are:

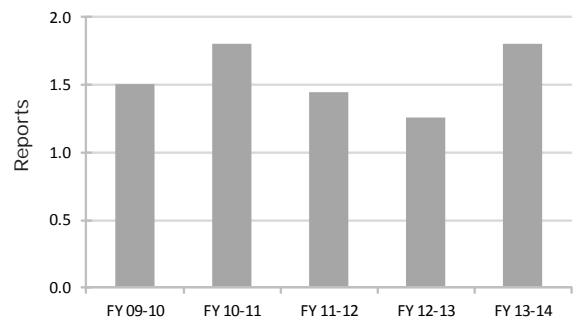
- Potential for savings or improvement
- Interest of Council or public
- Potential for loss

Some programs are more complicated and require more hours. The office also may spend more hours in larger departments, as there are more programs. In FY 2012-13, an audit completed in the Planning Department spanned two years and took over 5,000 hours to complete.



## Audits per FTE

Staff hours available and the scope of the audit determine the number of audits that can be completed each year. The length is affected by the complexity of the subject and size of the program. In FY 2013-14, 1.8 audits per FTE were completed, up from 1.3 the prior year. The downward trend in FY 2011-12 and FY 2012-13 was due to a highly complex and detailed audit conducted over that time period.

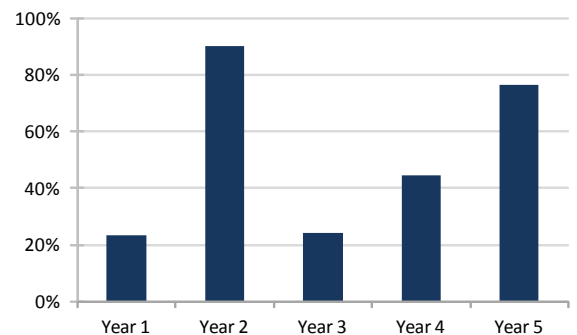


## Recommendation implementation rate

*(1-5 years after audit issued)*

Each year, the office surveys program managers to report on the status of recommendations. That data is used to track the percent of recommendations implemented from one to five years after an audit was issued. Implementation rates are adjusted after the Auditor's Office completes a follow-up audit.

A positive trend would show the percentage increasing as time from completion increases. According to the most recent survey, 76% of recommendations from audits completed five years earlier were implemented.



## Audits released

The office completed seven audit reports in FY 2013-14, which included five full audits and two follow-up audits. There were a total of 21 recommendations made. The audit reports released were:

- IT Software Controls follow-up audit (July 2013) Auditor: Anderson
- Organics Waste Program (October 2013) Audit team: Evans, Owens
- MWESB Procurement Program (March 2014) Audit team: Evans, Owens
- Leave Management follow-up audit (April 2014) Auditor: Nichols
- Opt In Program (May 2014) Audit team: Hull Caballero, Nichols
- Financial Condition of Metro (June 2014) Auditor: Evans
- Sponsorship Expenditures (June 2014) Auditor: Flynn

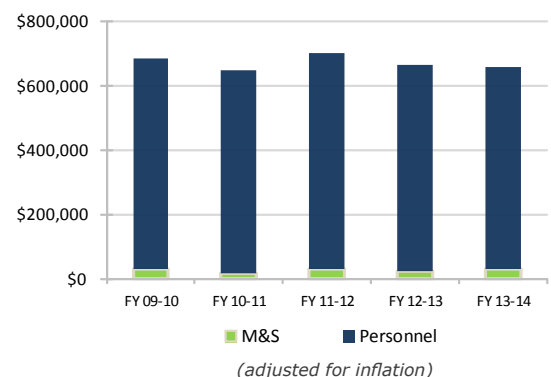
## Audit schedule, FY 2014-15

The following audits are scheduled to be completed this fiscal year.

Audit Title	Start Date	Actual/Estimated Completion Date
Recycling Hotline	Feb 2014	Complete
Asset management	March 2014	Oct. 2014
Ethics Line Case 129	July 2014	Oct. 2014
Assessment of performance measures	July 2014	Dec. 2014
Comparison of Metro's budget process to best practices	Aug 2014	Dec. 2014
Natural Areas Maintenance follow-up audit	Jan 2015	April 2015

## Expenditure

Expenditures were mostly unchanged from last year. Spending on materials and services increased 16% from the prior fiscal year due to replacement of staff computers and software purchase.

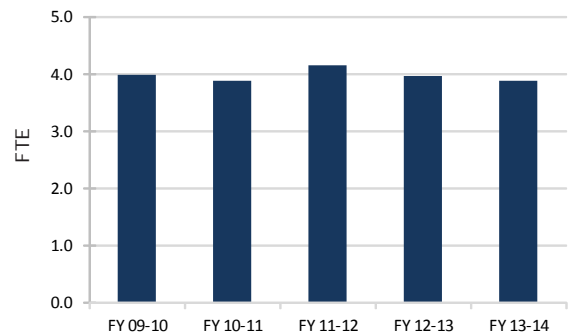




## Staffing available

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This graph represents actual audit staff hours available. In FY 2013-14, there were 7,767 staff hours available, the equivalent of 3.88 FTE. This was a slight decrease from last year, due to staffing changes.



## Mission and values

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### Our mission is to:

- *Ensure that Metro is accountable to the public;*
- *Ensure that Metro's activities are transparent; and*
- *Improve the efficiency, effectiveness and quality of Metro services and activities.*

### We do this by:

- *Conducting independent and objective audits, and*
- *Reporting our findings and recommendations.*

It is our vision to be relevant and efficient, choosing the right areas to audit and completing audits quickly so that Metro can continually improve its services and be accountable to the public.

### Values:

- *Professionalism*
- *Wise and equitable use of resources*
- *Supporting findings with fact*
- *Balanced perspectives*
- *Ethical behavior*
- *Being open minded*
- *Respecting others*
- *Credibility*

## Award-winning audit

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The Office of the Metro Auditor was the recipient of the 2013 Bronze Knighton Award in the Small Shop category. The audit winning the award was titled "*Tracking Transportation Project Outcomes: Light Rail Case Studies.*" Each year, the Association of Local Government Auditors presents awards for audit excellence. Since 2000, the office has won a total of 12 awards from the Association.

## Auditor Office transition

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Voters approved the position of Metro auditor in the Metro Charter beginning in 1995. Since then, there have been two elected auditors. The present auditor, Suzanne Flynn, will leave office at the end of this year and Brian Evans, currently a Principal Management Auditor in the Auditor's Office, will become the Metro Auditor on January 5, 2015.

## Ethics Line summary

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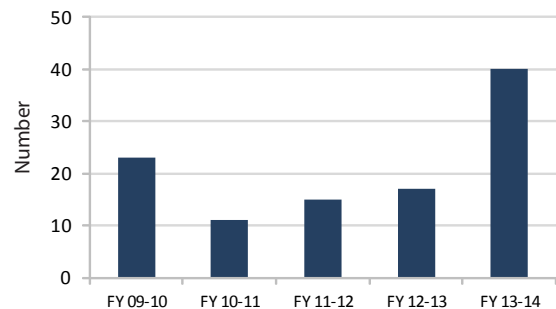
The Ethics Line gives employees and the public a way to report waste, inefficiency or abuse of resources. The Metro Auditor administers the Ethics Line in consultation with upper management and the human resources director. Cases may be handled by human resources personnel if it is possible that disciplinary action may occur. In some cases, upper management will assign an investigation to a department director if the report involves a service or program in that department. The Auditor reserves the right to conduct an audit on any report received.

Forty reports were received in FY 2013-14, more than in any other year. About one-half of the reports were related to the Oregon Zoo. There is a wide variety in the nature of the reports in terms of specificity and identified problem. As a result, they cannot be categorized or summarized easily. Twenty-seven of the reports were successfully investigated. In 12 cases, the information was confirmed and in 11 cases the information was unfounded. In four cases, the information was inaccurate and no determination could be made. The most frequent action that is taken in response to a report is to relay information to the person reporting the concern that explains why the incident occurred. In nine of the cases, some level of personnel action was taken.

### Reports received

FY 2009-10 to FY 2013-14

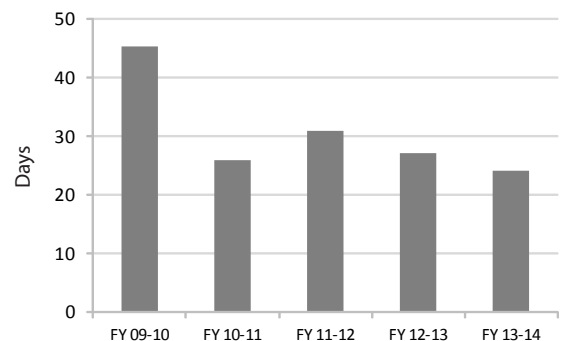
The number of ethics line cases received each year varied. The highest number to date was 40 reports in FY 2013-14.



### Average days to close

FY 2009-10 to FY 2013-14

According to best practices, cases should be resolved in 30 days or less to be responsive to the person reporting. Since FY 2010-11, this standard has mostly been met.



Agenda Item No. 3.0

**RECYCLING HOTLINE AUDIT**

*Presentations*

Metro Council Meeting  
Thursday, October 2, 2014  
Metro, Council Chamber



## **Recycling Hotline:**

*Re-examine role and increase efficiencies*

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September 2014

A Report by the Office of the Auditor

**Suzanne Flynn**

*Metro Auditor*

**Angela Owens**

*Senior Management Auditor*

**Kathryn Nichols**

*Senior Management Auditor*



## Knighton Award for Auditing

### **Audit receives recognition**

The Auditor's Office was the recipient of the Bronze Award for Small Shops by ALGA (Association of Local Government Auditors). The winning audit is entitled *"Tracking Transportation Project Outcomes: Light rail case studies suggest path to improved planning"*. Auditors were presented with the award at the ALGA conference in Tampa Bay, FL, in May 2014. Knighton Award winners are selected each year by a judging panel and awards presented at the annual conference.

### **Metro Ethics Line**

The Metro Ethics Line gives employees and citizens an avenue to report misconduct, waste or misuse of resources in any Metro or Metro Exposition Recreation Commission (MERC) facility or department.

The ethics line is administered by the Metro Auditor's Office. All reports are taken seriously and responded to in a timely manner. The auditor contracts with a hotline vendor, EthicsPoint, to provide and maintain the reporting system. Your report will serve the public interest and assist Metro in meeting high standards of public accountability.

*To make a report, choose either of the following methods:*

**Dial 888-299-5460 (toll free in the U.S. and Canada)**

**File an online report at [www.metroethicsline.org](http://www.metroethicsline.org)**



SUZANNE FLYNN

*Metro Auditor*

600 NE Grand Avenue

Portland, OR 97232-2736

Phone: (503)797-1892 Fax: (503)797-1831

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## MEMORANDUM

September 17, 2014

To: Tom Hughes, Council President  
Shirley Craddick, Councilor, District 1  
Carlotta Collette, Councilor, District 2  
Craig Dirksen, Councilor, District 3  
Kathryn Harrington, Councilor, District 4  
Sam Chase, Councilor, District 5  
Bob Stacey, Councilor, District 6

From: Suzanne Flynn, Metro Auditor 

**Re: Audit of the Recycling Hotline**

This report covers our audit of Metro's Recycling Hotline. Our objectives were to determine if the program could better meet waste prevention and recovery goals by broadening its reach and expanding the ways it communicates with the region's residents. We also wanted to determine if resources could be shifted to other activities in order to achieve efficiencies. This audit was included in our FY 2013-14 Audit Schedule.

Government has a responsibility to carefully manage public resources. To that end, programs should periodically be examined and considered for redesign. Our audit of the Recycling Hotline found evidence that continued expenditure of public resources may not be in the public's best interests in the long term.

Utilization of the hotline has dropped dramatically since 2002 as the public turns to different communication channels that are available on demand at any time. The hotline only reaches about 4% of the region's population. Most recipients of this service live in Multnomah County and are not representative of the residents who reside in the region. Although callers are very satisfied with the service, any actions taken to increase efficiency will have a marginal effect. We conclude that Metro should reassess its use of these resources.

We have discussed our findings and recommendations with Martha Bennett, COO; Scott Robinson, Deputy COO; Jim Desmond, Director, Sustainability Center; and Matt Korot, Program Director, Resource Conservation and Recycling. A formal follow-up to this audit will be scheduled within 2 years. We would like to acknowledge and thank all of the management and staff who assisted us in completing this audit.



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## Summary

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Metro's Resource Conservation and Recycling Division has operated a recycling telephone hotline that provided information and referral on recycling for over 30 years. This service was extended to an online tool in 2004 that also helped residents and businesses find places to recycle or dispose of unwanted items. This audit reviewed operations of Metro's Recycling Information Center (hotline and online tool) to determine if services could be provided more effectively and efficiently.

There have been two significant changes in the environment in which this program operates. These changes were first noted in an audit completed in 2008. That audit recommended a shift in resources within the larger Division to better reflect changing strategies in waste management. Increasingly, efforts have shifted to preventing waste rather than recycling. Another dramatic shift was the increased preference for online and mobile information. There have been steady increases in the number of internet users and from 2011 to 2013, the percent of adults using smart phones increased from 35% to 56%. While Metro adjusted some to this new climate, we found that there was more that the organization could do.

Consistently, those who used the telephone hotline were very satisfied with the service. But the reach was limited and the number of calls declined each year since 2002. Callers in 2013 represented about 4% of the region's population. These callers were not as diverse as the total population and resided for the most part in Multnomah County.

Further, the hotline continued to serve primarily residents seeking information on recycling. It had limited success in incorporating messages about waste prevention and reuse in its conversations with callers. To have a greater impact, businesses would have to seek the hotline's services.

After analyzing the hotline workload, we concluded that there were some efficiencies that could be gained. Staffing could be better matched to the rate of incoming calls potentially freeing up time to perform other tasks. Some of the off-phone tasks could also be redesigned.

We recommend that the hotline's role and function within the organization be examined and other strategies more in line with the current environment be implemented. To support new strategies, we also recommend that the Division address the inefficiencies that we noted.



## Background

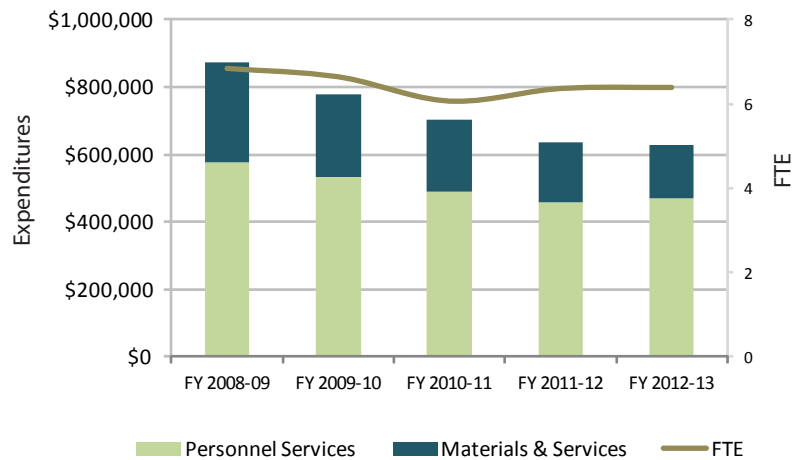
Metro's Recycling Information Center (RIC) operated continuously for over 30 years as a telephone hotline that provided information and referral on recycling. Since 2004, the RIC maintained an online Find-a-Recycler tool to help residents and businesses find places to recycle or dispose of unwanted items and materials. The hotline also served as the phone contact for Metro's disposal stations, hazardous waste facilities and the Metro Paint program. Additionally, the RIC had agreements with the Oregon Department of Environmental Quality to answer statewide calls about household hazardous waste collection events and electronics disposal.

Annual calls to the hotline were highest in 2002, and have declined since then. At the same time, use of the web-based Find-a-Recycler tool increased. Customers most frequently called to inquire about where to drop an item (50%) or for general recycling information (26%).

The RIC was part of Metro's Sustainability Center and operated out of the Resource Conservation and Recycling Division. A manager oversaw the program specialists and temporary employees who staffed the RIC, as well as two other school-based outreach workers.

The primary source of revenue for the RIC was Metro's Solid Waste Operating Fund. Expenditures for the RIC were about \$629,000 in FY 2012-13. Total program costs decreased by 28% over the last five years (Exhibit 1).

**Exhibit 1**  
RIC expenditure and staffing  
FY 2008-09 to FY 2012-13  
(adjusted for inflation)



Source: Auditor's Office analysis of expenditure data in the accounting system. Coding of program expenditures may not be consistent across all years.



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## Scope and methodology

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The purpose of this audit was to identify ways the RIC could provide services more effectively and efficiently. There were two objectives:

1. Determine whether the RIC could better meet waste prevention and recovery goals by broadening customer reach and expanding communications channels.
2. Determine if staff resources could be shifted to other activities to improve efficiencies.

The audit scope was generally focused on RIC program activities over the last five fiscal years. Our analysis of staffing and workload used calendar year data for 2013 because that was the most current data available from the new phone system. Because the RIC had a long history, some of our analyses also considered longer trends. We reviewed the RIC in light of the broader goals of the Resource Conservation and Recycling Division (Division). We did not audit other Division activities.

To accomplish our objectives, we reviewed waste and recovery goals in state and regional plans, including the Regional Solid Waste Management Plan (Regional Plan). We reviewed RIC program documents, Metro budgets and previous related audits. We conducted interviews with RIC managers and staff. We also interviewed staff in other Division programs and those in the Communications and Information Services departments who worked with the RIC program in the areas of outreach and technology.

We reviewed the literature on call centers to identify the elements of well-managed centers. We also contacted other recycling hotlines, call centers and governments to identify best practices for use of online channels and social media by public sector organizations. We documented trends in consumer preferences for communicating with government based on surveys conducted in the region and nationally. We reviewed work plans and reports to assess Metro's marketing and outreach efforts to broaden the reach of the RIC.

We analyzed program expenditure and staffing data compiled from Metro's accounting and timekeeping systems using Erlang statistical models. We assessed the customers served by the RIC based on program data on calls and online traffic, as well as customer surveys. We developed estimates of staff needed to meet current workload and performance levels based on methods used widely by other call centers. We observed daily operations at the RIC. We also reviewed the results of a time study and monthly calendars to estimate the workload requirements of non-phone tasks. During fieldwork, we identified the potential for a conflict of interest within the RIC. We addressed this issue through a letter to management.

This audit was included in the FY 2013-14 audit schedule. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Results

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The Recycling Information Center (RIC) was one of the many ways the Resource Conservation and Recycling Division (Division) carried out its goals. Examples of other activities were:

- working with local governments on their waste prevention and recycling efforts;
- developing policies that impact legislation related to how items are packaged;
- implementing internal sustainability practices; and
- providing education and technical assistance to the building industry.

A previous Auditor's report on Waste Reduction and Outreach recommended the Division shift more of its resources to waste prevention. A subsequent follow-up showed that all but one of the recommendations were in process or implemented. The subject of this current audit, the RIC, presents another opportunity for the Division to shift its resources and focus more on waste prevention.

Two significant changes in the recycling environment suggested that it is time to reassess the hotline's role. One was the need to reduce the overall amount of waste the region generates. The goals for managing waste have shifted to preventing and reducing the generation of waste. The other change was an increasing consumer preference for getting information online. Over the years, calls to the hotline have declined and callers made up a small percentage of the region's population. Hotline personnel and workload could be better aligned to increase efficiencies. This would create opportunities to shift resources to other program activities.

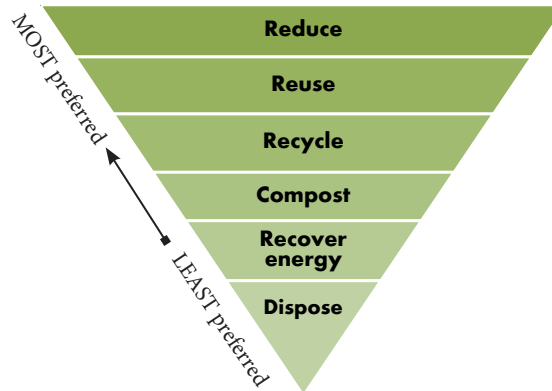
### Recycling environment has evolved

The recycling environment has evolved since the RIC began providing services 30 years ago. Recycling programs were established and the percentage of waste diverted from landfills (recovery rate) increased 33% between 1997 and 2012. A 2012 Metro survey found that 95% of residents in the region always or often recycled at home.

In more recent years, state and regional waste management goals have focused on preventing and reducing waste before it was generated rather than after consumption and at the end of use. Metro's 2008 Regional Plan used a waste management hierarchy to guide solid waste practices (Exhibit 2). It ranked waste prevention and reuse efforts above recycling. In 2012, the DEQ adopted a new framework for the management of materials that emphasized waste prevention through the full life cycle of materials and products.



**Exhibit 2**  
Waste management hierarchy



Source: Oregon Revised Statutes 459.015; Oregon DEQ; RSWMP 2008-18, 2008.

Hotline specialists attempted to incorporate messages of education, waste prevention and reuse in their conversations with callers. Additionally, the RIC’s online Find-a-Recycler tool provided options for reuse and donation. The hotline had limited success in shifting its focus away from recycling. In 2013, about 2% of calls were classified as related to reuse, waste reduction or toxic reduction.

**Consumer preferences  
for information have  
changed**

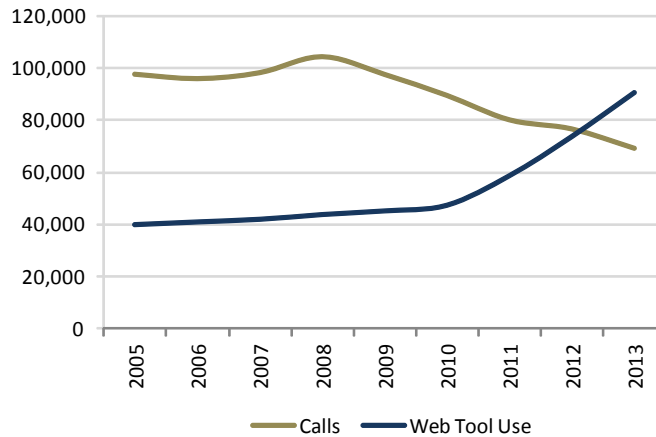
A 2013 national survey by the Pew Research Center found steady increases in the number of internet users and those belonging to a social network over the past several years. Between 2011 and 2013, the percentage of adults using smart phones increased from 35% to 56%.

Governments and businesses are expanding the use of online channels to communicate with the public, generate interest, enhance engagement and promote certain behaviors. For example, GPS technology can be used to find the nearest service location. Social media can be used to encourage behaviors such as recycling, or to potentially increase reach to underserved populations. Self-service applications provide users with information similar to what they would be able to get by making a phone call. Online channels also allow consumers to access information in the format they prefer and at any time.

Results from a 2012 Metro survey found that the majority of respondents in the region (73%) were most likely to use the internet to get information about recycling. About 40% said they would contact the RIC hotline. Customer satisfaction surveys of callers also showed increased preferences for and increased use of online channels. From 2004 to 2014, the percentage of callers who had ever looked for recycling or disposal information on the Metro website increased from 18% to 58%.

RIC expenditures were reduced to reflect the downward trend in calls, but may have to be adjusted more in the future as hotline calls continue to decrease and people increasingly get their information online. Call volume was highest in 2002 and has dropped about 33% over the past five years, according to the RIC's reports. Use of the web tool increased over the same time period (Exhibit 3).

**Exhibit 3**  
Hotline calls and use of web tool  
2005-2013



*Source: Auditor's Office analysis of RIC program reports. Web hits for 2012 and 2013 based on web visits to the Find-a-Recycler tool from Google Analytics and may not be consistent with measurement in previous years.*

The RIC added some new technologies to its phone services. In December 2012, the RIC began to use an automated phone system and callers had the option to hear hours of operation or facility location without speaking to a specialist. The RIC also implemented an online Find-a-Recycler search tool in 2004. This tool provided the public with the same information the RIC specialists used during calls to advise customers where to take their items. Providing this information online allowed consumers to access information about recycling and reuse at any time.

The RIC could do more to use its technologies to full capacity. For example, the RIC's automated messages could better direct callers to the Find-a-Recycler online tool. The RIC could also improve how it uses information about who uses the online tool. These tracking capabilities were lost in 2011, but according to management were restored recently.

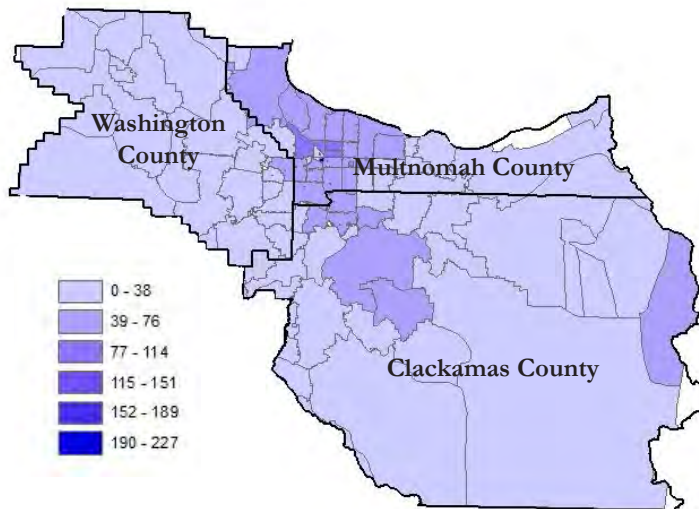
**Effectiveness reduced by limited reach**

The hotline served a small percentage of the region's population and those it served were not representative of the region as a whole. Given this limited reach, it would be difficult for the hotline to impact segments of the population that have the largest potential to contribute to waste prevention goals.

We estimated that in 2013, the ratio of RIC callers to the region's adult population was about 4%. Customer surveys showed that between 2001 and 2013, the percentage of those identifying as repeat callers increased steadily from 40% to 67%. This, coupled with declines in calls overall, suggested that the RIC was serving fewer new customers.

According to the RIC's customer surveys, the population using the hotline lacked diversity and was not representative of the region. Controlling for population, the majority of calls in 2013 were made from Multnomah County (Exhibit 4). Surveys going back many years showed consistently that most respondents were older, white, college educated, higher-income and long-time residents.

**Exhibit 4**  
RIC calls per 1,000 residents  
2013



*Source: Auditor's Office analysis of RIC call data and geographic data from the Metro Regional Land Information System.*

The ability of the hotline to impact waste reduction in the region would likely be limited. Call data showed that the RIC answered calls from predominantly residential callers. For example, in 2013 over 91% of the hotline's customers were residential. The 2008 Regional Plan estimated that this sector would have a much smaller impact than business and construction sectors on potential recovery.

Outreach and marketing efforts to raise awareness of Metro services may not have had a large impact on the number of calls the hotline received. These efforts included Hispanic outreach, Recycle More Recycle Less and Ask Metro. Recent Hispanic outreach efforts were intended to increase awareness and use of Metro's services, with the broader goal of promoting sustainable living and recycling in the Hispanic community. According to the RIC manager, outreach efforts have had more of an impact on website activity than on calls, and the impact on hotline calls has been incremental.

The Recycle More Recycle Less and Ask Metro campaigns were intended to encourage better recycling and waste reduction behaviors, and raise awareness. The Recycle More Recycle Less strategy anticipated, among other things, that the RIC would be one resource for shifting focus from disposal and recycling to reusing and reducing. The pilot for this campaign showed little immediate impact on RIC calls about reuse and waste reduction between May and July 2013.

The Ask Metro campaign was intended to build awareness of Metro and directed questions about a broad range of topics to the hotline and Metro's website. Call data showed no increase in calls during the first month of the campaign compared to calls from the same time the year before. However, it was too soon to judge the impact on calls given the limited timeframe for review.

**Balanced focus on quality and efficiency needed**

Effective call centers strive to maintain high levels of service quality while monitoring efficiency and costs. While there will always be trade-offs between quality and efficiency, managers have a responsibility to take a balanced view when public resources are involved. The hotline focused on customer service and conducted regular surveys which showed consistently high levels of satisfaction among those who called. Metro management viewed the RIC as a long-standing program with a strong reputation in the community. As discussed previously, these positive results were limited to a small subset of the region's population.

We were unable to identify that the RIC hotline used many of the management tools used by other call centers to monitor program efficiency. A 2011 survey of federal call centers found that 68% had adopted a service level performance standard. Another local government hotline we looked at with workload and staffing levels similar to the RIC used performance standards to monitor efficiency. The RIC tracked current year costs, but did not track expenditures over time. Data for monitoring many call metrics were available through the RIC's automated phone system, but this capacity was not fully utilized. The program has not set goals or monitored performance standards related to efficiencies.

**RIC could better align personnel with workload**

Based on a workload model commonly used by call centers we determined that the RIC was overstaffed by about .9 FTE in 2013. This model predicts the minimum number of call takers needed for each shift based on:

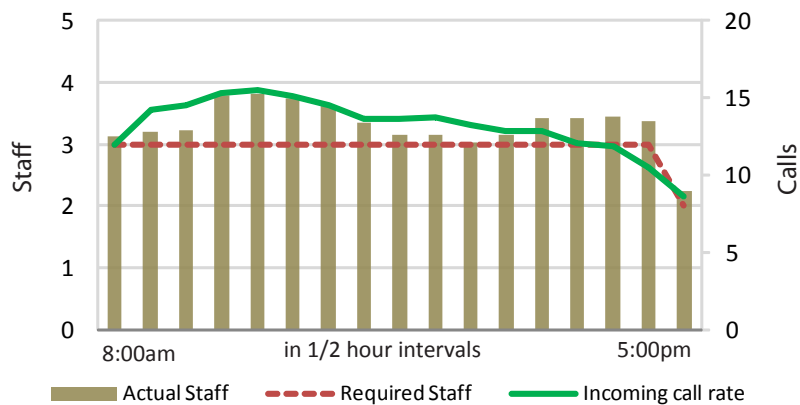
- the number of calls.
- the average duration of each call.
- response times.

The ideal staffing level insures that call goals are met with the fewest number of personnel. Changes in any one of these metrics would increase or decrease the call takers required. For example, decreases in calls received would require fewer personnel. Spending more time with each caller would increase personnel requirements. If performance goals are reduced so that caller wait times are longer, staff requirements would also be reduced.

The workload model estimated that three call takers were needed for most shifts, but it did not consider leave, hours of operation or time spent on off-phone activities. Taking all of these factors into account, we determined that the RIC needed a total of 5.2 FTE to cover each shift given actual call volume and average response times in 2013. The RIC's actual staffing level of 6.1 FTE included 5.0 FTE in regular staff and the equivalent of 1.1 FTE of temporary staff. These calculations indicated the RIC had .9 more staff than required. Calculations for the staffing factor and requirements are detailed in the Appendix. Historical workload and staffing trends also indicated potential overstaffing.

Call patterns varied by time of day, day of the week and seasonally. The workload model indicated that in 2013 the RIC had more personnel than needed to handle calls in the afternoons, especially during the winter months when call volumes were relatively low. This presented an opportunity for staff resources to be shifted to other areas of the program. However, we also found understaffing on Saturdays and on the days following holiday weekends. The exhibit below illustrates how hotline calls fluctuated throughout the day.

**Exhibit 5**  
Actual and required staffing  
by time of day  
CY 2013



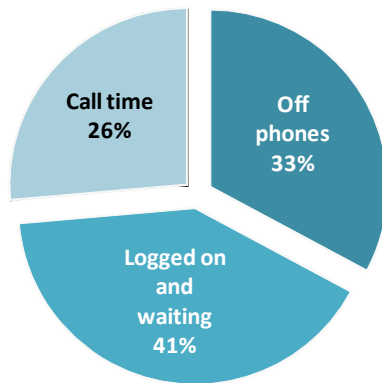
Source: Auditor's office analysis of RIC phone data.

The RIC has not adopted the best practice of using call data to schedule staff based on workload. Work schedules were generally the same throughout the year and for most days of the week. Program staff worked in an open setting which allowed regular communication. They used informal systems to determine who was logged on and ready to take calls, and when to take breaks during the day.

### Non-phone tasks could be handled more efficiently

In 2013, the RIC specialists handled an average of about 7 calls per hour and on average calls lasted about two minutes. Staff spent about 26% of their work time handling calls and 41% logged onto the phones and waiting for calls (Exhibit 6). About 33% of staff work time was spent off the phones, on breaks and at meetings and trainings.

**Exhibit 6**  
Staff time by activity  
2013



Source: Auditor's Office analysis of automated phone report.

Call centers can use an agent occupancy rate to measure the efficiency of staff at answering calls. This rate is calculated as the time spent handling calls as a percentage of time logged on to the phones (answering and waiting for calls). The RIC's occupancy rate for 2013 was 39%. The recommended standard in large call centers is 85%-88%, but the literature notes that small centers will have difficulty maintaining this level. We found references to average occupancy rates of 75%, much higher than the RIC's rate.

The primary reason for the low occupancy rate at the RIC was that specialists performed a number of other tasks while remaining logged in to the phones. These tasks included:

- responding to emails and after-hours phone messages.
- running data reports.
- distributing and maintaining an inventory of publications on recycling.
- scheduling temporary staff.
- keeping the referral database up to date and accurate.

We observed that phone specialists were knowledgeable, worked hard and kept busy, but some had difficulty getting tasks completed in a timely fashion because of ongoing phone interruptions. Some staff expressed frustration during interviews about the challenge of sustaining focus when doing non-phone work.

The process used to conduct annual updates of the referral database could also be more efficient. The RIC's annual update process was manual, paper-based and labor intensive. It required phone calls to over 500 different recycling organizations about location, phone contact, hours of operations, materials accepted and pricing. It involved multiple steps by many different RIC staff. We found delays during this year's update process, which could result in inaccurate referrals into the summer months when call activity is typically highest. Because this database was used both by online users and the specialists who assist hotline callers, it was important to insure that it was accurate and up to date.

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## Recommendations

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1. To more effectively meet current regional waste prevention and reduction goals and shifting consumer preferences for information, Metro should:
  - a. Reassess the hotline's role within the organization.
  - b. Identify and implement other strategies to broaden reach.
  
2. In order to operate more efficiently and effectively, the RIC hotline should:
  - a. Schedule staff to align with workload.
  - b. Redesign off-phone tasks to increase efficiency.
  - c. Shift resources to match current waste reduction goals.



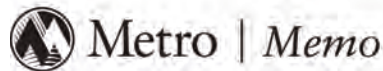


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## Management response

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Date: September 10, 2014

To: Suzanne Flynn, Metro Auditor

From: Martha Bennett, Chief Operating Officer  
Scott Robinson, Deputy Chief Operating Officer  
Jim Desmond, Sustainability Center Director  
Matt Korot, Resource Conservation & Recycling Program Director  
Vicki Kolberg, Resource Conservation & Recycling Manager

Subject: Management response to Recycling Hotline audit

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Thank you for the opportunity to respond to your recent audit on the operations of the Recycling Information Center (RIC), which had a specific focus on the “Hotline,” the telephone based service of the RIC. We appreciate the time and effort that you and your staff expended. The audit report provides useful findings and recommendations that can help us to continue to improve our work.

In this memorandum we provide our responses to your recommendations. These responses also address some of the findings reported in the *Results* section of the report.

*Recommendation 1:* To more effectively meet current regional waste prevention and reduction goals and shifting consumer preferences for information, Metro should:

- a. Reassess the hotline’s role within the organization.
- b. Identify and implement other strategies to broaden reach.

*Response:*

- a. In regard to current regional waste prevention and reduction goals, we do not believe that a reassessment of the hotline’s role is necessary. The work of the Sustainability Center’s Resource Conservation and Recycling division (RCR), of which the hotline is a part, is guided by two principal documents:
  - Chapter IV of the Regional Solid Waste Management Plan (RSWMP), which delineates the waste reduction efforts that Metro and its partner local governments will implement in the region. This chapter fulfills Metro’s statutory requirement to have a waste reduction plan.
  - The RCR’s Strategic Action Plan, which builds on the RSWMP to identify, in additional detail, specific actions that the RCR will take in implementing elements of the RSWMP waste reduction plan. This strategic action plan utilizes a product lifecycle (also referred to as “materials management”) perspective that is not fully fleshed out in the RSWMP.

The relevance of these two documents to this audit is that they provide context for the role of the hotline in Metro’s waste reduction work. The RIC as a whole, and the hotline function specifically, is one tactic within one strategy (consumer education) employed by the RCR to carry out this work. As such, we expect the hotline to operate consistent with Metro’s overall waste reduction objectives, but it is not a primary means of driving behavioral or structural change related to waste prevention. That said, one of the elements that is

characteristic of both the integration of the RIC into the RCR's broader work and the excellent work of the hotline itself, is that the specialists actively look for opportunities to move conversations with callers from how to get rid of something to how to reuse or prevent in the first place.

In terms of the hotline's role, it's also important to note that the hotline does not exist solely to help implement the waste reduction plan. Its responsibilities include providing information about the services provided by Metro's transfer stations, household hazardous program and MetroPaint. In fiscal year 2013-14, 47% of the calls received by the RIC related to these services.

Regarding shifting consumer preferences for information, we agree with you that this needs to be front and center if the RIC is going to stay relevant. We believe we have already taken significant steps in this direction, with others on the horizon. Metro has provided the Find A Recycler database on its website as an alternative and supplement to the hotline since 2004. Staff in Metro's Information Services department have noted that this effective tool is one of the most comprehensive such databases they have seen, with a vast amount of location-based data that is dynamic and mobile device-friendly. Find A Recycler has expanded our reach, with 66% of the 93,000 visits during fiscal year 2013-14 being new users of the site. The remaining 34% of users are indicative of the brand loyalty that the tool has engendered, similar to that developed with callers to the hotline. RIC staff is responsible for populating and keeping current the content of Find A Recycler.

In addition, RCR, Communications and Information Services staff are jointly developing a pilot project to test an online "chat" or social media-based service to provide another option to customers for getting information. Implementation of this pilot is not planned until after the new Metro web site has been in operation for six months and Communications and Information Services have assessed its overall functionality and user satisfaction, since those factors will, at least in part, shape the demand for and effectiveness of a new function.

All of these actions, including our continuing use of the hotline, reflect a commitment to provide our region's citizens with options for how they get information.

- b. We agree with you that the reach of the hotline is not broad and we need to continue to identify, implement and assess additional or alternative approaches for driving a more geographically and demographically diverse set of customers to information that Metro provides, whether it's the hotline, Find A Recycler or other sources. At the same time, it would be unrealistic to expect that we will achieve a completely demographically balanced customer base, since, as the report notes, customer preferences for how they receive information are changing. For example, the report correctly points out that hotline users are older than the general population. Given differences in generational preferences for how to receive information, we may not move that needle much, so we need to meet younger customers' needs through our online services. However, there certainly seems to be potential to attract more geographically and racially diverse callers to our hotline and we are committed to continuing to work in this area.

*Recommendation 2:* In order to operate more efficiently and effectively, the RIC hotline should:

- a. Schedule staff to align with workload.
- b. Redesign off-phone tasks to increase efficiency.
- c. Shift resources to match current waste reduction goals.

*Response:*

- a. Your analysis of call volumes and off-phone work as they related to staffing levels is helpful. The conclusion that the RIC is overstaffed by 0.9 FTE relative to call center industry norms may not be as straightforward as it seems, because the work of the RIC is part of the RCR's overall work plan and excess capacity above what is required to make the hotline function is used to support other priority projects within the RCR. However, for longer term planning, we can use the data on hourly and daily call volume trends to better calibrate base staffing levels for the hotline function. Over time, this can inform decisions on both staffing for the RIC and allocation of duties for non-RIC work.
- b. The findings regarding redesigning off-phone tasks to increase efficiency are also helpful. We will investigate options for doing this in order to be more effective at our work, support the desire of RIC staff to be as efficient as possible, and to allow us to better calibrate base staffing levels.
- c. As noted in our response to Recommendation 1a, we do not believe that an overall shift in resources allocated to the hotline is necessary to align with current waste reduction goals. Instead, some shifting may become feasible if the RCR identifies available capacity as a result of more closely determining base staffing levels for call services and finding efficiencies from better design of off-phone tasks.



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## Appendix

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## Calculation of Staffing Factor and Staffing Requirements

Given call volume, the average duration of each call, and the average time it took staff to answer calls, we determined that 3.0 FTE were needed for each shift. However, because of several other factors that reduce the amount of time staff are available to answer calls, we calculated the total amount of program staff needed.

The calculation begins with a total of 2080 work hours per year per full-time equivalent staff. See table below. Each adjustment then subtracts out the average time staff will not be available to provide phone coverage due to leave, breaks and off-phone work. All of these adjustments are captured in the Leave Factor (the ratio of staff needed above 1.0 FTE to actually have 1.0 FTE available). Two additional factors are then applied to adjust for the RIC's work hours and the fact that the hotline must be staffed six days a week. Each of these factors is then multiplied together to calculate the final staffing factor. This staffing factor is then multiplied by the number of call takers required per shift to calculate the total FTE requirement for the program.

Calculation of Staffing Factor		Data source and calculation details
Total Hours per FTE	2080	Annual work hours per FTE
LEAVE Hours	-288	Auditor analysis of Kronos timekeeping data for RIC staff in 2013. Leave includes holidays, vacation and all other absences. Average accounts for the fact that temporary employees are not eligible for leave.
Work Hours less LEAVE	1792	Average leave hours subtracted from total hours.
BREAK Hours	-112	Factor calculated as $.5 / 8 = .0625$ to capture the fact that RIC specialists are eligible for .5 hour of off-phone break time per 8 hour work day: two 15-minute breaks. This ratio was applied to Work Hours less Leave to calculate average annual break hours.
Work Hours less LEAVE + BREAKS	1680	Average break hours subtracted from Work Hours less Leave.
OFF-PHONE Hours	-153	Average off-phone hours to attend meetings, trainings and do other administrative tasks. Calculated based on RIC Time study and calendars for March and May of 2014. Average also includes 1.5 hours of off-phone time per week for regular staff.
Estimated Hours Available	1527	Off phone hours subtracted from Work Hours less Leave and Breaks.
LEAVE FACTOR	1.36	Leave factor captures time not available due to leave, breaks, and off phone work. Calculated as Total Paid Hours / Estimated Hours Available.
RIC HOURS FACTOR	1.06	The RIC was staffed from 8:30 am to 5:00 pm which is 8.5 hours, but specialists work an 8 hour day. Factor is calculated as $8.5 / 8$ .
RIC WORK WEEK FACTOR	1.20	Adjustment factor is calculated at 6/5 to capture the fact that the RIC must be staffed 6 days a week, but staff work a 5 day work week.
STAFFING FACTOR	1.74	Final Staffing Factor calculated as LEAVE FACTOR * HOURS FACTOR * WORK WEEK FACTOR.
CALL TAKERS REQUIRED PER SHIFT	3	As estimated by the Erlang staffing model based on call volume, call duration, and response times.
CALCULATED FTE REQUIREMENT	5.2	CALL TAKERS REQUIRED * STAFFING FACTOR
ACTUAL FTE	6.1	Includes FTE of specialists and temporary staff.
Difference between Actual and Required FTE	0.9	Calculated FTE Required based on Staffing Factor subtracted from actual FTE.



**METRO**

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Agenda Item No. 4.0

**CONSIDERATION OF COUNCIL MEETING MINUTES FOR  
SEPTEMBER 18, 2014**

*Minutes*

Metro Council Meeting  
Thursday, October 2, 2014  
Metro, Council Chamber

Agenda Item No. 5.1

**Resolution 14-4558**, For the Purpose of Considering a Request  
for a Transfer Station Tonnage Limit Increase at Willamette  
Resources, Inc.

*Resolutions*

Metro Council Meeting  
Thursday, October 2, 2014  
Metro, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF DENYING A REQUEST ) RESOLUTION NO. 14-4558  
FOR A TRANSFER STATION TONNAGE LIMIT )  
INCREASE AT WILLAMETTE RESOURCES, ) Introduced by Chief Operating Officer Martha  
INC. ) Bennett in concurrence with Council  
President Tom Hughes

WHEREAS, Metro Code Chapter 5.01 (Solid Waste Facility Regulation) governs the regulation of solid waste disposal sites and facilities within Metro; and

WHEREAS, Metro Ordinance No. 13-1306 amended Metro Code Section 5.01.125 to delete (d)(4), which allowed the Chief Operating Officer to authorize a tonnage increase of no more than 5% based on certain findings; and

WHEREAS, pursuant to the changes to Metro Code Section 5.01.125, the Council is required to approve any franchise tonnage increases; and

WHEREAS, in support of Ordinance No. 13-1306 staff recommended that the Council consider tonnage increase requests only where the applicant demonstrates an explicit public benefit if the request is granted; and

WHEREAS, Metro Ordinance No. 13-1307 extended Willamette Resources Inc.'s ("WRI") franchise through December 31, 2015 and authorized a 70,000 tonnage limit; and

WHEREAS, on July 10, 2014, WRI submitted an application to Metro asking that Metro increase its current franchise tonnage limit by 15,000 or 55,000 tons; and

WHEREAS, WRI has not established that increasing its franchise tonnage limit will result in a public benefit; now therefore

BE IT RESOLVED that the Metro Council denies WRI's request for a tonnage increase

ADOPTED by the Metro Council this 2nd day of October 2014.

\_\_\_\_\_  
Tom Hughes, Council President

Approved as to Form:

\_\_\_\_\_  
Alison R. Kean, Metro Attorney

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 14-4558 FOR THE PURPOSE OF DENYING A REQUEST FOR A TRANSFER STATION TONNAGE LIMIT INCREASE AT WILLAMETTE RESOURCE, INC.

September 22, 2014

Prepared by: Roy Brower  
503-797-1657

Adoption of Resolution No. 14-4558 would result in the denial of a request made by Republic Waste Systems, Inc. (Republic) seeking a tonnage limit increase to its franchise at Willamette Resources, Inc. (WRI), a privately-owned transfer station located at 10295 SW Ridder Road, Wilsonville, Oregon. On July 10, 2014, the applicant requested that Metro increase WRI's current franchise tonnage limit by either 15,000 (21% increase) or 55,000 (79% increase) tons per calendar year. Staff recommends denial in accordance with the Metro Council action<sup>1</sup> that was adopted on August 1, 2013, which authorized a two-year term extension and established a franchise tonnage limit for WRI of 70,000 tons.

## BACKGROUND

Metro's major solid waste contracts (operations,<sup>2</sup> long-haul transport and disposal) will expire at the end of 2019. In an effort to shape the future solid waste system to better attain public benefits and improved sustainability, Metro has undertaken a multi-year effort to plan for the future of the regional solid waste system known as the Solid Waste Roadmap. A major component of this effort is to take a comprehensive look at the roles, responsibilities, configuration, rates and services offered by all transfer stations in the system, including those owned by Metro (South and Central) and by private companies (Waste Management, Republic, and Pride Disposal). This project is known as the Transfer Station Configuration Project (SW Roadmap Project #5).

In August 2013, Metro Council adopted Code changes that were intended to largely maintain the current solid waste system's configuration at status quo market levels and allow decision makers, staff and stakeholders to focus their efforts on developing and evaluating long-term public goals and outcomes for the region's solid waste system. In particular, the Council extended the term of all privately-owned transfer station franchises through the end of 2015 in order to align them with the decisions resulting from the transfer station configuration project of the Solid Waste Roadmap. Council also adopted changes to the Metro Code regarding future configuration of transfer stations. In total, these changes were intended to: 1) provide interim two-year clarity for the region's solid waste system while conducting a high-level review of the solid waste transfer system through the Roadmap; 2) allow for general market continuity during the two-year period; and 3) create minimal disruption while the future course for the solid waste system is being considered by stakeholders, staff and Council.<sup>3</sup>

In addition, the above-mentioned Code changes eliminated the "regional" and "local" distinction among privately-owned transfer stations, established a temporary moratorium on new transfer station franchise applications, and eliminated administratively-issued tonnage limit increases. As a result, the Council – not Metro's Chief Operating Officer -- should determine whether to approve or deny any requested franchise tonnage cap increases during the interim two-year period. During this interim period, staff recommends that Council only consider those requests that can

<sup>1</sup> Metro Ordinance Nos. 13-1306 and 13-1307.

<sup>2</sup> Metro's operations contract expires in 2017 but can be extended for two additional years.

<sup>3</sup> See staff report for Ordinance No. 13-1306 (Amending Code Chapter 5.01 Regarding Solid Waste Transfer Stations).

demonstrate sufficient new public benefit for granting the tonnage increases (e.g., demonstrable rate payer savings, more efficient routing, etc.) or could be attributed to a unique sub-regional phenomena e.g. significant population growth, large development or expanded regional boundary.

### Tonnage Cap History

Tonnage caps have served many elements of the public’s interest. With the exception of the Forest Grove Transfer Station, Metro has set annual franchise tonnage caps for each of the privately-owned transfer stations since 1999. The original purpose of these tonnage caps was to responsibly manage the financial risk of transitioning between regional system fee and excise tax collection methods in 1998. Over the years, however, the stated purpose of tonnage caps evolved. For instance, tonnage caps have been used as an unofficial basis to assure economically sufficient tonnage flowed through the public facilities until the bond indebtedness was paid off in 2009. Caps were also intended, in part, to assure that locally-based transfer stations did not become large-scale solid waste transfer stations without providing the local government and community the opportunity to consider the impact and land use of such facilities. Today, and for the next two years, caps help assure there are no major disruptions to the market or solid waste system.

As a defining characteristic of a “local” transfer station, Metro established a uniform 70,000 ton annual tonnage cap at three transfer facilities. Forest Grove Transfer Station, however, was designated as a private “regional” transfer stations with no cap on tonnage. Metro Council later adopted changes to the Metro Code in 2013<sup>4</sup> that eliminated the distinction between “local” and “regional” transfer stations and, for the first time established a 125,000-ton cap at the Forest Grove Transfer Station. Table 1 shows an abbreviated history of tonnage caps since 1999.

Table 1  
Abbreviated History of Transfer Station Tonnage Caps

Year	Tonnage Cap	Type of Waste
1999 - 2001	50,000	Wet and Dry
2001 – 2005	62,000	Wet
2005 – 2008	65,000	Wet
2008 – 2013	70,000	Wet
2013 – 2015	70,000 <sup>5</sup>	Wet

WRI has complied with its tonnage caps during the term of its current franchise. In 2008, WRI’s tonnage cap was set at 70,000 tons of putrescible waste per year which is currently authorized through the end of 2015. Non-putrescible waste, special waste, cleanup waste and waste generated from outside the Metro regional boundary is not subject to the tonnage cap.

Metro is engaged in a separate high-level policy effort to consider the role of tonnage caps in today’s system environment through the Solid Waste Roadmap planning effort. Metro is also updating the Solid Waste Community Enhancement Program to account, in part, for local impacts of these solid waste facilities and provide some assurance that local impacts from such facilities are addressed through funding local enhancement projects. In the meantime, transfer facilities must comply with their franchise tonnage caps and ensure that customers, whether their own or third party, are re-directed to the public facilities or private facilities with room under their tonnage cap. The Metro Council will have the opportunity to consider and adjust, as desired, all private facility tonnage caps when it once again considers all private transfer station franchises in 2015.

<sup>4</sup> Ordinance No. 13-1306.

<sup>5</sup> Forest Grove Transfer Station has a tonnage cap of 125,000 tons per year



### 2013 Code Adoption Process

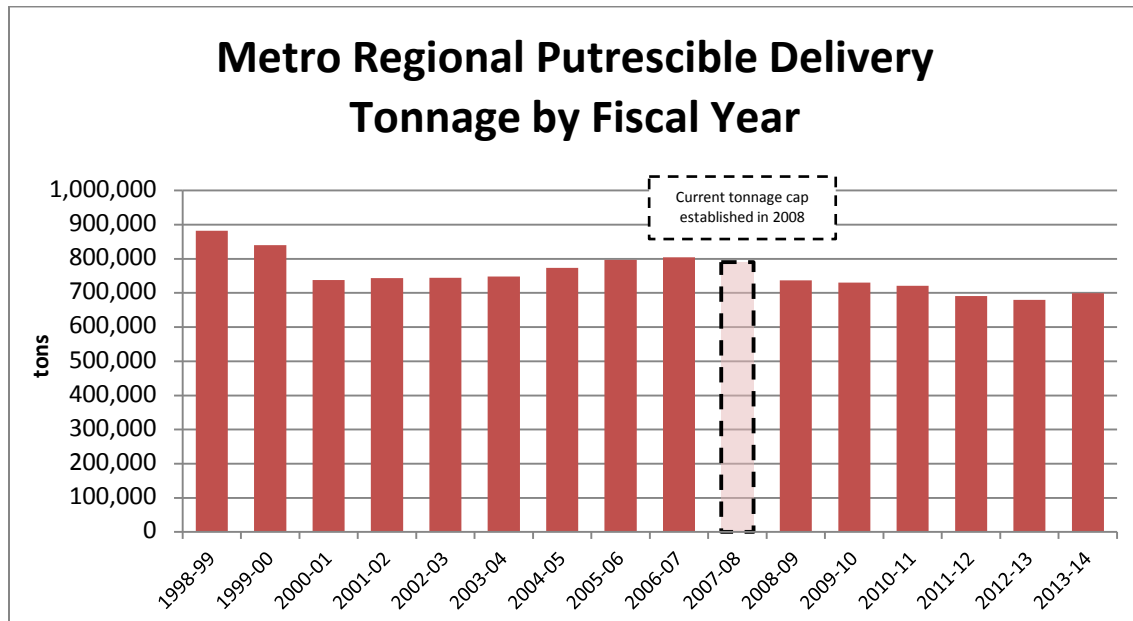
As part of the 2013 code adoption process and two-year franchise extension, Metro staff met individually with each private transfer station owner/operator in advance to discuss the plan to put the solid waste transfer system in “stasis” for two years – through the end of 2015 - while a comprehensive planning effort was undertaken. While some verbal concerns and questions were initially raised by operators, ultimately industry stakeholders did not submit any formal comments or object during the public hearing period.

### Regional Solid Waste Tonnage Trends

In consideration of WRI’s request, Metro staff reviewed the latest regional solid waste data to determine whether some appreciable increase in regional solid waste tonnage has occurred. The current 70,000-ton caps were set at the start of the current franchise period in 2008. Regional tonnage has not rebounded to the levels of FY 2007-08 when caps were last set. Non-putrescible (dry) waste tonnage has increased across the region – by as much as an 8% for the first six months of 2014 compared to 2013. The dry waste, however, is not required to be counted under the tonnage limits at private facilities. Regional putrescible (wet) waste tonnage, continues to “bounce along the bottom,” apparently reflecting the ongoing effects of the recession and the economy’s slow recovery. It is not clear that wet waste tonnages are trending in an upward manner but appears to be stable with only a slight uptick – still far below the pre-recession tonnage levels. It is still unclear whether this slight increase (about a 3% increase during the first six months of 2014 compared to 2013) is a trend.

Table 2 below provides a summary of regional wet waste tonnage:

TABLE 2



### WRI Tonnage Cap Increase Request

On July 10, 2014, Republic submitted an application to Metro requesting either 1) a 55,000 tonnage limit increase (to 125,000 total tons of capacity); or 2) a 15,000 tonnage limit increase (to 85,000 total tons of capacity). As part of its application, Republic raised a number of issues and questions about the purpose and usefulness of tonnage caps in today’s environment. Staff agrees that the issues raised by Republic are worthy of consideration as the role of tonnage caps – and privately-

owned facilities -- are considered within the Solid Waste Roadmap. However, Metro staff recommends that these issues be considered separately from the context of an individual and isolated regulatory decision on a limited tonnage cap increase. Rather, these questions need to be considered as part of the long-term policy and configuration of the future system.

Furthermore, Republic did not provide evidence or build a case for the specific tonnage cap increase that is the basis for its request. In particular, Republic did not demonstrate that:

1. Regional wet solid waste tonnage has increased so significantly that increased tonnage caps at its privately-owned stations was necessary to accommodate the increased growth,
2. A tonnage trend was occurring sub-regionally where Metro's available data may not provide a sufficient level of information. Something indicating that significant growth and tonnage increased on account of unique circumstances, significantly increased population or increased construction or other unusual conditions, or
3. There was a significant new public benefit or sustainability improvement that was not known when the interim tonnage caps were set in 2013, or has emerged since.

## **Conclusion**

The Chief Operating Officer recommends adoption of Resolution No. 14-4558 which would deny a tonnage limit increase for WRI. Staff recommends this denial for the following reasons:

1. Putrescible waste tonnage has not increased significantly on a regional basis and has not yet exceeded pre-recession levels, when tonnage caps were last set. Republic did not justify an adjustment to WRI's franchise tonnage limit;
2. The applicant did not present evidence indicating that any unique or unusual circumstances exist sub-regionally near the facility that would justify an adjustment to WRI's tonnage cap;
3. The applicant did not present any new information that was not already considered in 2013 about public benefit and sustainability that would lead to increased tonnage caps at this time;
4. WRI did not offer any public comment or formally object to the current conditions of its franchise at the time of its term extension just over a year ago;
5. Currently, there is a significant surplus of regional capacity for transferring wet waste to a landfill, and an increase in tonnage caps at this time will simply shift tonnage around among facilities potentially creating potential unknown or unintended consequences;
6. Metro has already initiated a comprehensive planning effort to assess the future roles of public and privately-owned transfer stations, including consideration of the future and relevancy of tonnage limits at privately-owned facilities as part of the Solid Waste Roadmap;
7. Staff finds that consideration of the policy questions raised by the applicant are more appropriate as part of the Transfer Station Configuration Project as opposed to an individual and isolated regulatory decision;

8. Any expansion of individual solid waste facility operations, services, and traffic should be broadly considered with the accompanying impact on the local jurisdiction and community hosting the facility;
9. While this request originated with one company, individual tonnage cap decisions are likely to impact the other three privately-owned transfer stations. Pride Recycling has filed a similar application that is also under consideration by Metro Council (Resolution No. 14-4559);
10. Waste Management has not sought additional tonnage increases for either of its two transfer stations. If a tonnage increase is granted at one transfer station, then, it is likely that the other privately-owned facilities would also seek equitable increases; and
11. Finally, making individual isolated facility or regulatory decisions potentially usurps consideration of other policy options for the future solid waste system e.g. use of other disposal sites, or use of energy recovery or conversion technology options.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition**

Republic is known to oppose the adoption of this resolution. Metro has received several letters from business organizations supporting Republic's request to increase its tonnage cap (Wilsonville, Tualatin and Lake Oswego Chambers of Commerce, and Clackamas County Business Alliance). The Mayors of Tualatin, Lake Oswego and Wilsonville, and the Chair of Clackamas County Board of Commissioners also provided letters of support for the Republic request. There is no other known opposition to the proposed ordinance.

### **2. Legal Antecedents**

Current provisions of Metro Code Chapter 5.01. WRI's current franchise adopted on August 1, 2013 (Franchise No. F-005-08B).

### **3. Anticipated Effects**

Denial of WRI's request will retain the status quo for the next 15 months until the end of 2015.

### **4. Budget Impacts**

Adoption of the proposed resolution will not have an impact on the budget.

## **RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of Resolution No. 14-4558 which would deny a franchise tonnage limit increase for WRI in 2014.

Materials following this page were distributed at the meeting.

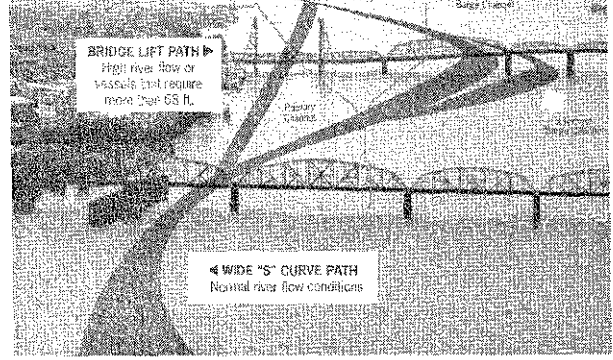
# Immediate Congestion Relief

Adding a new opening to the existing railroad bridge will eliminate most of the bridge lifts by permitting more barge traffic to use the "hump" under the current I-5 bridges.

◆ **Decrease Lifts by 95% on I-5 bridges**

◆ **Install electronic warning sign boards on I-5 freeway stating bridge lift times**

◆ **Pleasure crafts lift "queuing system"**



1. **Lifts will decrease by 95% (CRC DEIS) with an upgrade to the BNSF rail bridge lift system.**  
 The addition of a mid-channel opening on the BNSF bridge in line with the I-5 "hump" will allow most barge traffic to avoid causing bridge lifts on the I-5 bridge. A mid channel opening will make it easier for marine traffic to use the main or barge channels. We have approximately 20-30 lifts a month during high water. With a new lift, approximately 95% of the vessels needing a I-5 lift would have better channel access not needing a lift.

### Benefits

- Highway - Less congestion and incidents from lifts
- Marine - Safety, wider lift opening, less maneuvering to us barge channels, more options to access channels for emergencies.
- Rail- Time savings – opening a new lift will be faster than the 1907 swing span.
- Air Quality- Less lifts helps to keep the traffic moving
- Historical - 95% less lifts means less wear and failures on the old I-5 lifts
- Cost Savings- Keeping traffic moving, keeping business traffic moving, less raising of bridge,

2. **Install electronic warning sign boards on I-5 freeway stating bridge lift times and make public announcements for commercial marine traffic.** ODOT/ WADOT currently manage I-5 bridges lifts, freeway warning signs, and public announcements about traffic. The DOTs need to include bridge lifts information into the current transportation warning system. The commercial marine traffic can notify their schedule prior to needing a lift.

3. **Lifts for pleasure crafts during non-restricted lift times will be regulated to a "queuing system"**  
 It is common for marine pleasure craft traffic to "line-up" and have one bridge lift, at scheduled times, instead of individually as we do now.

4. **The lift upgrade has been recommended in transportation studies for decades.**  
 Please see matrix

5. **Upgrading the BNSF rail bridge has many supporters**

6. **Federal funding must be sought to adding an additional mid-channel lift because it benefits the highway and marine traffic safety more the privately owned BNSF rail company.** The type of funding sought can be infrastructure, employment area grants, safety grants, and 4(f) Historical Resource grants for less lifts I-5 bridges.

7. **BNSF is willing and has added lifts to other rail bridges, in record time.** The lift upgrade on the Willamette River rail bridge took 72 hours, and is the largest in the world. I-5 Transportation and Trade Partnership in 2002 estimated \$42 million dollars and recommended upgrading the rail bridge.

## **Though Traffic Streamlining For immediate congestion relief on I-5 freeway.**

The I-5 freeway though Portland from Stafford in the south all the way to the I-5 bridge with Washington is considered to be antiquated and over capacity. The obsolescence comes from narrow lanes, short on and off merge lanes, lack of merge lanes, and no emergency pullout areas.

The location of the I-5 freeway in Portland though neighborhoods has made I-5 widening impossible. Widening the freeway when all the arterioles leading up to, and adjacent to, the I-5 freeway are over capacity now, and can not hold more traffic, will not relieve congestion or help the environment, and will be less safe. Leaving us to add capacity in other locations and maximize inside the current Right Of Way..

### **Immediate and Cheap Congestion Relieve**

#### **Add capacity to I-5 bridge for emergency pullout lanes.**

Replace Jersey barriers on both sides of each I-5 bridge with steel panels attached to the bridge. Removing Jersey add 2' to 3' lane space each. The Jersey barriers have 18" between the freeway lane and the barriers. So with two barriers 4' to 6' plus the 18" this is 5'6" to 7'6" space for emergency pullout by re-striping the freeway bridge lanes putting the additional space together on one side.

#### **Warning signs**

Warning signs directing freight truck traffic to use left lanes avoiding continue start, stop, and extra pollution that comes from being in the slow lane as traffic merges in.

Warning signs directing though traffic approaching the I-5 bridges North and South to use the left lanes, leaving the right lane available to help short merge lanes just before the bridges.

#### **Less braking on freeway**

Enlarge exit entrance to SR-14 east from I-5, by 10' with painted line re-striping. The enlarging of exit entrance will keep drivers from breaking on the bridge. Future realigning the entrance to SR-14 by raising and lengthening exclamation lane would make it easier to us.

#### **Relocate ODOT Truck Permit Center from Jantzen Beach to Hayden Meadows.**

Freight trucks needing an ODOT permit must us the very close to the bridge on and off ramps at Jantzen Beach to purchase a permit on the island. Hayden Meadow just south of the island had good on and off ramps for north and south access to I-5, truck friendly, and has available commercial space. The historic tolling building can be turned into a much needed community center and be restored for the 2017 bridge birthday party.

#### **Increase transit service with One Stop Hop express bus service**

Increase bus service from residential areas into specific employment centers. Currently express buses just go to transit transfer or city centers. The transit user must go from residences to transit, then, transfer once or twice to get to employment centers other than downtown Portland, requiring 2 to 4 transfers to and from work each day. The Rivergate, ports, industrial, and terminals areas are the number one destinations of commuter and are not near downtown and have poor to moderate bus service. Buses connecting with park and rides in residential areas and going directly into Swan Island, Hillsboro, Rivergate, Columbia Blvd. Corridor, or the airport are needed. One bus that goes to where the user is going from near their resident will attract ridership. Get on a bus in Salmon Creek and get off in the NW Industrial Area, or Hillsboro. It's a WINNER!

Testimony Oct. 2 Metro Courtney Scott Northeast Portland courtney@scottwork.com

Good afternoon President Hughes and Metro Councilors. I have some questions that I would like answers to about the issue of TB at the zoo. When I asked Teri Dresler about this, she referred me to Jennifer Vines at Multnomah County Health. Jennifer, via her communications director, David Austin, did not provide answers to 5 of the six questions I sent. David simply replied that after a quote "thorough investigation" there are no answers as to how the elephants became infected. I sent followup questions asking how then was the county planning to protect the other elephants from contracting the disease? Is the zoo's current methods of quarantining and spraying affected areas sufficient to prevent future outbreaks? And are there other infectious diseases that the elephants are vulnerable to? Also, I would like to know if the USDA requires zoos to treat elephants with TB drugs, as these drugs are often damaging to the elephants' health. I asked if this investigation included a search into Tusko's possible contribution to the TB problem, as he was formerly at Have Trunk Will Travel which has a history of TB in elephants. I have not received an answer to these questions, so I am referring them to you. I would appreciate it if you could contact me with those answers. My email is on this testimony which I submitted to each of you.

And last, we ask for a public hearing on whether the elephants should stay at the zoo or be retired to sanctuary. All it takes is for one of you to make a motion to propose a hearing. All it takes is one of you to use your empathy and compassion to step up and make a difference for these elephants. Start sending elephants to sanctuary and then over time give Elephant Lands to another species, such as the giraffes, change the name to Giraffe Lands. They are in an undersized space now. Then give the African porcupines the giraffes' current habitat. Those poor animals are in a closet sized space. Make the giraffes the big draw at the zoo. Why does it have to be the elephants? As Scientific American points out, they are uniquely unsuited for captivity. It just takes one of you, and I urge you, whichever one of you that is, to go against current Metro and zoo PR spin about the elephants and be willing to open a dialogue with the public as the Mayor of Seattle is proposing to do over the future of the Woodland Park Zoo elephants. And please start by freeing Packy now, he doesn't need to wait for a hearing, he needs to roam on vast grasslands and enjoy what time he has left in a sanctuary now.

Thank you.

# Willamette Resources, Inc. Tonnage Increase Request

Consideration of Resolution NO. 14-4558

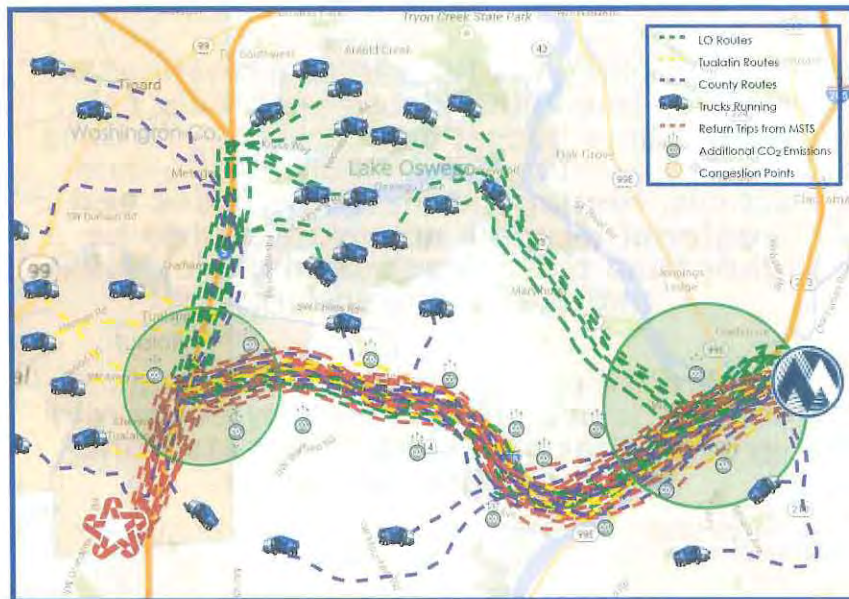
Metro Council Presentation  
October 2, 2014



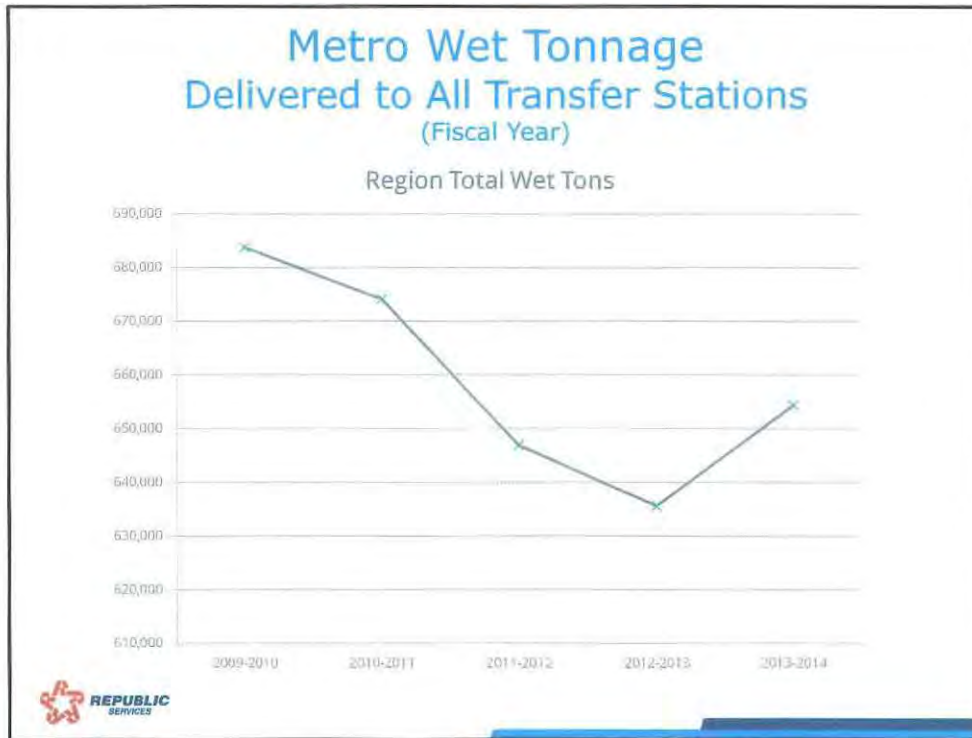




## Collection Restricted – 70,000 tons

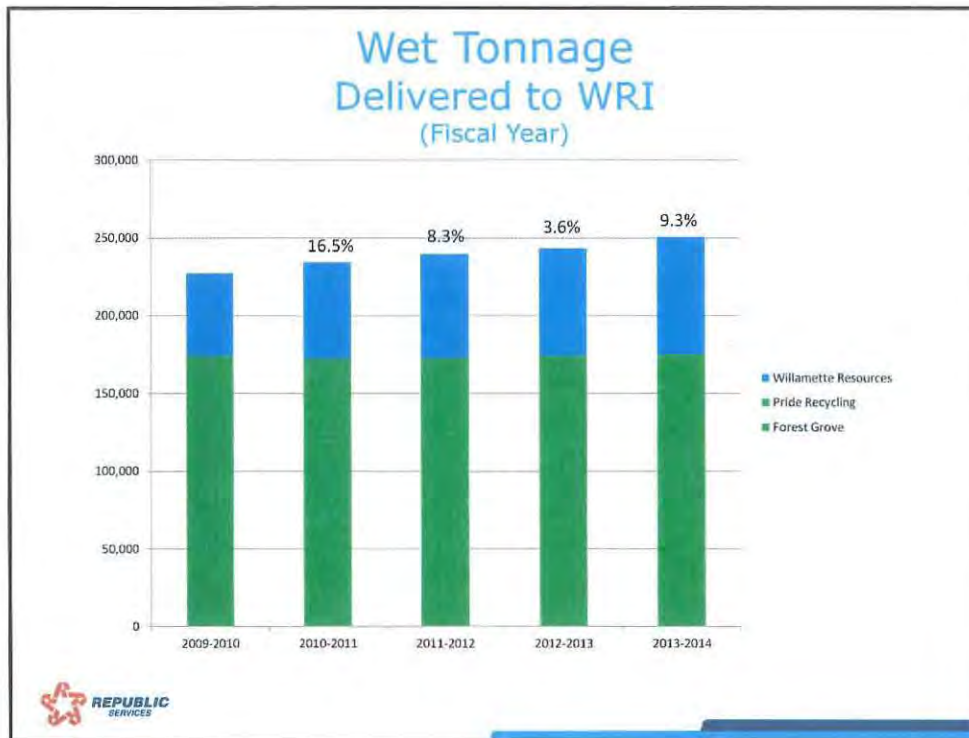


WRI will need to divert 10,000 tons to Metro South. This will not only cause major traffic issues but will cost \$68,859.19. The environmental impact of 267,215 pounds of CO<sub>2</sub> and consume an unneeded 13,215 gallons of fuel.



Metro’s assistant finance director stated publicly earlier this year that Metro will be reducing its tip fee for FY 2014-15 due to an “increase in the amount of tonnage collected, and we (Metro) expect (future tonnage growth to continue.”

From ‘09-10 to ‘12-13 the Metro Region experienced a decline in Wet Tons Delivered to All Transfer Stations. But, from ‘12-13 to ‘13’-14 the METRO Region experienced an unexpected 3% increase in Wet Tons Delivered.



If we break this down further, Pride Disposal combined with Forest Grove TS for a net increase of 732 tons for this 5 year period.

WRI has gone from 52,801 tons (FY 09-10) to 75,433 tons (FY 13-14), resulting in a 42.9% increase in wet tons.

How do you ask has this one TS increased so dramatically over its other 2 TS in the Same SUB-REGION?

## 15,000 Tons All Generated in Washington County

- Aloha Garbage Co., Inc., started delivering to WRI in late summer 2013
  - Aloha no longer could deliver to Pride Disposal.
  - Metro had denied Pride's request for a tonnage cap increase
- Aloha Garbage realistically had only two transfer stations, both privately owned (Forest Grove and WRI), it could use to continue to "cut costs to our (Aloha's) customers, both through competition between facilities and through reduced truck miles travelled resulting in less fuel used."
- There is no publicly-owned transfer station in Washington County. Thus it is neither financially nor environmentally practicable for Aloha Garbage to use either of the publicly owned transfer stations located in NW Portland or Oregon City.



## Tonnage Increase Supporters

### State Representatives

John Davis  
Bill Kennemer  
Julie Parrish

### Board of Commissioners

John Ludlow – Chair Clackamas Co.

### Aloha Garbage Co., Inc.

Steve Larrance

### Mayors

Lake Oswego - Kent Stuebaker  
Tualatin - Lou Ogden  
Wilsonville - Tim Knapp

### Chamber of Commerce

Lake Oswego  
Tualatin  
Wilsonville



The population growth rate of Washington County represents a consistent 1.5% rate of annual growth. Population data for Washington County shows it is the fastest growing county of all 36 counties in Oregon in aggregate terms (PSU's Populations Center), and tied for second in percentage terms to Deschutes County. This is not a new trend. The population growth of Washington County has risen steadily since 1960 (92,237 residents-Oregon Blue Book) through 2013 (554,995 residents-Oregon Vital Statistics).