

 **Metro** | *Agenda*

Meeting: Metro Council Work Session
Date: Tuesday, March 1, 2016
Time: 2:00 p.m.
Place: Metro Regional Center, Council Chamber

CALL TO ORDER AND ROLL CALL

2:00 PM 1. CHIEF OPERATING OFFICER COMMUNICATION

2:10 PM 2. SOLID WASTE ROADMAP: TRANSFER SYSTEM CONFIGURATION PROJECT **Tim Collier, Metro
Dan Pitzler, CH2M**

2:55 PM 3. 2018 REGIONAL TRANSPORTATION PLAN UPDATE: 2016 ACTIVITIES AND REGIONAL LEADERSHIP FORUM #1 **John Williams, Metro
Kim Ellis, Metro**

3:40 PM 4. COUNCILOR LIASON UPDATES AND COUNCIL COMMUNICATION

ADJOURN

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានក្បួនលំអររើសអើងសូមចូលទស្សនាការប្រកាស www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការការបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទលេខ 503-797-1890 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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Agenda Item No. 2.0

**SOLID WASTE ROADMAP: TRANSFER SYSTEM
CONFIGURATION PROJECT**

Metro Council Work Session
Tuesday, March 1, 2016
Metro Regional Center, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: March 1, 2016

LENGTH: 1 hour

PRESENTATION TITLE: Solid Waste Roadmap: Transfer System Configuration Project

DEPARTMENT: Finance and Regulatory Services

PRESENTER(S): Tim Collier 503-797-1913 tim.collier@oregonmetro.gov
Dan Pitzler CH2M

WORK SESSION PURPOSE & DESIRED OUTCOMES

- Purpose: For Metro Council to help narrow the number of options
- Outcome: Councilors direct staff on the policy direction for alternatives.

TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

Project Background. The Transfer System Configuration Project is one of the six planning elements of the Solid Waste Roadmap Program. The purpose of the project is to determine what model of the public-private transfer system best serves the public interest. "Public interest" is defined as delivering on the six public benefits previously presented to the Metro Council.

Since the last engagement with the council, staff has continued working with stakeholders – including an 11-member Task Force whose members represent facilities that handle over 95 percent of the region's tonnage and over two-thirds of the hauling interests – on background, history, assessment, critical issues, and evaluation criteria. We have also received feedback from local government directors and the Solid Waste Advisory Committee.

We have narrowed the alternatives down to four options, and will ask the Metro Council to help narrow those options further.

Policy Background: the system evolved, not planned

For the last 15 years, tonnage handled by the private sector has grown faster than tonnage through the Metro stations. As a result of its shrinking operating footprint, Metro has found it increasingly difficult to deliver public benefits through its transfer stations – either by direct provision or by influencing the market.

Staff, with input from the task force, have developed a set of criteria upon which to help answer the best approach for the system to deliver services, weighed against multiple options. Those criteria are based on the six public benefits, plus a seventh criterion having to do with not stranding public or private investments.

As the Council heard from staff and CH2M consultant, Dan Pitzler, at the 11/25/15 work session, service distribution (e.g., self-haul, household hazardous waste) compares favorably to many other regions. Hence, transfer system options development has centered mainly around the flow of waste and pricing at private transfer stations.

The process has led us to 4 major alternatives that combine different approaches to managing the flow of waste and pricing of transfer services. Those options are as follows: Status Quo, Allocate tonnage according to the nearest facility, unlimited tonnage allocations with pricing transparency, and market forces. We will share these alternatives with the Council to receive additional input.

The Policy Option:

Working with staff, local governments and members of the solid waste industry, we have narrowed the options for moving the transfer system configuration project forward. We will present the options and look for Council feedback on which options/ combinations of options they prefer for further study to come back with a final recommendation in May.

QUESTIONS FOR COUNCIL CONSIDERATION

- Is there any one option that Council prefers to explore for the solid waste transfer system?
- Are there individual elements that should be a part of Council's preferred option(s)?
- What other information would councilors need to be able to weigh in?

PACKET MATERIALS

- Would legislation be required for Council action Yes X No
- If yes, is draft legislation attached? Yes No

Agenda Item No. 3.0

**2018 REGIONAL TRANSPORTATION PLAN UPDATE:
2016 ACTIVITIES AND REGIONAL LEADERSHIP FORUM #1**

Metro Council Work Session
Tuesday, March 1, 2016
Metro Regional Center, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: March 1, 2016

LENGTH: 45 minutes

PRESENTATION TITLE: 2018 Regional Transportation Plan Update: 2016 Activities and Regional Leadership Forum #1

DEPARTMENT: Planning and Development

PRESENTERS: John Williams, Kim Ellis (x1617, kim.ellis@oregonmetro.gov)

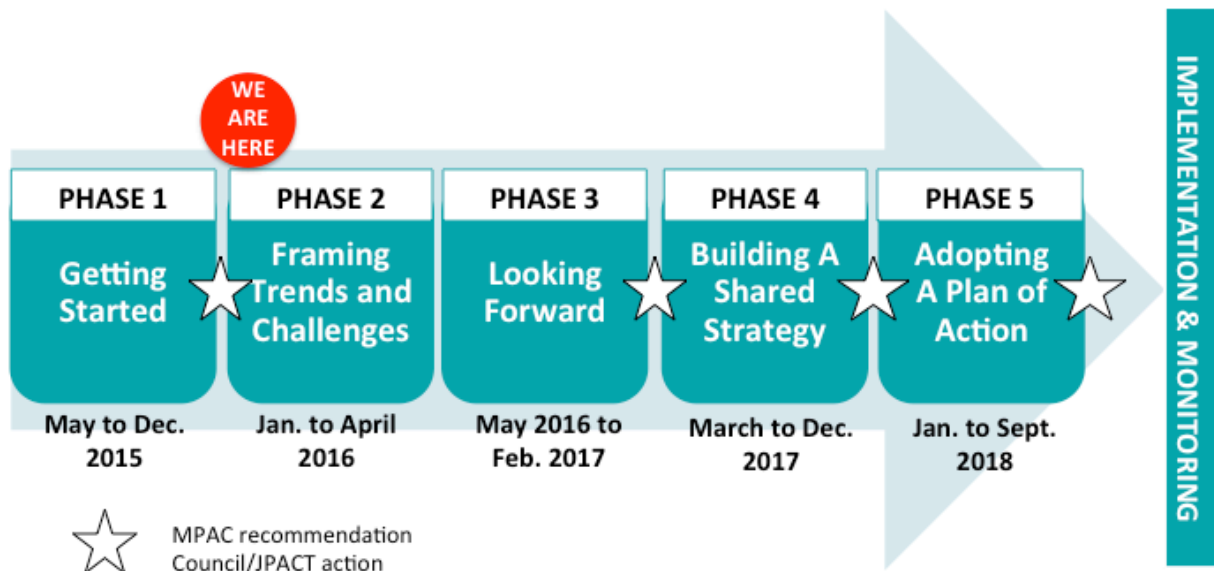
WORK SESSION PURPOSE & DESIRED OUTCOMES

- **Purpose:** Provide Council with an overview of 2016 activities and April 22 Regional Leadership Forum.
- **Outcome:** Council directs staff on moving forward with 2016 activities and the first Regional Leadership Forum.

TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

Through the 2018 Regional Transportation Plan (RTP) update, the Metro Council is working with local, regional and state partners and the public to address regional transportation challenges and renew the region's shared vision and strategy for investing in the transportation system for the next 25 years. Working together across interests and communities can help ensure every person and business in the Portland metropolitan region has access to safe, reliable and affordable ways to get around.

Timeline for 2018 Regional Transportation Plan Update



2016 ACTIVITIES OVERVIEW

A summary of the activities planned for the coming year, consistent with Council's adopted work plan and public engagement plan follows.

2016 Activity	Participants	Council role (suggested)	Time frame(s)
Online engagement through surveys and quick polls	Interested public	Share links to surveys and results on social media and through quarterly updates to cities and counties	Jan. 14-Feb. 16 Spring Fall
Regional Leadership Forums to foster regional leadership and collaboration	Metro Council, MPAC, JPACT, invited community and business leaders	Participate in discussions; share experience through social media	April 22 July 15 (tentative) Nov. 10 (tentative)
Community discussion group on trends, challenges and potential solutions	Organizations representing historically underrepresented communities	Host discussion group; suggest community partners to invite	May/June
Regional speakers series on transportation trends, challenges and other topics of interest	Elected officials, city and county partners, invited community and business leaders	Host speaker events	Feb.-Dec.
Livable Streets Safety and Design Discussion Panels and Best Practices Tours	Elected officials, city and county partners, community partners	Host discussion panels and best practices tours	August, October, December
E-Blasts, social media and newsfeeds with project updates, public comment opportunities and notice of related events	Interested public	Use social media to share comments/ experience on speakers, tours, forums	Quarterly and as needed
Topical workshops and events in partnership with other agencies and organizations	Elected officials, city and county partners, community and business partners, interested public	Host workshops and events	Periodic
Project briefings and presentations to increase awareness about the project and provide an opportunity for feedback	Metro Council, regional technical and policy advisory committees, county coordinating committees	Provide project updates/previews on speakers series, workshops, forums, milestones	Periodic
Equity panel on challenges and performance measures for transportation equity analysis	Community partners, equity experts, academia	N/A	Spring/Summer
Technical work group meetings to review draft	Topical experts and representatives from	Provide leadership and direction to staff	Meeting information can be found at:

2016 Activity	Participants	Council role (suggested)	Time frame(s)
materials and provide input to the project team on eight policy areas that are the focus of the RTP update	regional technical advisory committees and local governments	through regional leadership forums and council work sessions	oregonmetro.gov/rtp

To support the above activities and related discussions, staff are:

- **conducting background research** to document transportation system conditions and prepare the Regional Snapshot on transportation (a collection of data, expert commentary, personal profiles and speaker events) to tell the story of transportation trends and challenges in the region;
- **compiling revenue data** to document local, state and federal transportation funding sources; and
- **modeling** the performance of the 2014 RTP and Climate Smart Strategy investments.

At this work session, staff will provide an overview of the 2016 activities, series of planned Regional Leadership Forums and April 22 Regional Leadership Forum. A new factsheet about the update will be provided at the work session.

QUESTIONS FOR COUNCIL CONSIDERATION

1. Does Council have questions or feedback regarding Council’s suggested role in the 2016 activities?
2. Does Council have questions or feedback regarding the April 22 Regional Leadership Forum?
3. Does Council direct staff to move forward with implementation of the 2016 activities and April 22 Regional Leadership Forum?

PACKET MATERIALS

- Would legislation be required for Council action Yes No
- What other materials are you presenting today?
 - Draft Regional Leadership Forums *(Feb. 22, 2016)*
 - Draft April 22 Regional Leadership Forum Agenda *(Feb. 22, 2016)*
 - Project Factsheet *(to be provided at the work session)*



Regional Leadership Forums

DRAFT 2/22/16

The Metro Council will convene MPAC, JPACT and community and business leaders in a series of conversations to foster regional leadership and collaboration to address regional transportation challenges. Working together across interests and communities can help ensure every person and business in the Portland metropolitan region has access to safe, reliable and affordable ways to get around.

1

Framing trends and challenges

GETTING TO A SAFE, RELIABLE AND AFFORDABLE TRANSPORTATION FUTURE

Not everyone gets the same benefits from our current transportation system. Over the next 25 years, our region will grow by one million more people, placing greater demand on our transportation system. Our region's economic prosperity and quality of life depend on a transportation system that provides every person and business access to safe, reliable and affordable ways to get around.

- Where are we now? What's working? What could be better?
- What trends will affect future travel? What challenges and opportunities do they present?
- What new ideas and solutions should be considered moving forward?

April 22, 2016



2

Looking forward

FUNDING A SAFE, RELIABLE AND AFFORDABLE TRANSPORTATION SYSTEM

Funding is tight and we have many pressing transportation needs. Stabilizing existing transportation revenue sources while securing new funding is critical to ensure our region has the infrastructure it needs to be livable and prosperous.

- How is transportation funded in our region today? What can we learn from other regions and communities? What is being discussed at the federal and state levels?
- What are the risks of not securing adequate funding for needed investments?
- What funding concepts should be explored to pay for the investments we know are needed to transform community and regional priorities into reality?

July 15, 2016
tentative



3

Looking forward

DESIGNING A SAFE, RELIABLE AND AFFORDABLE TRANSPORTATION SYSTEM

A better transportation system is not an end in itself. In addition to taking care of the system we have, we must anticipate the growing demands on our transportation system to meet the needs of all community members today and in the future.

- What is our vision for the future of transportation in the region?
- What are our goals for the investments we do make in our transportation system?
- What mix of investments and strategies can best help the region achieve its goals while supporting community priorities?

Nov. 10, 2016
tentative



4

Looking forward

INVESTING IN A SAFE, RELIABLE AND AFFORDABLE TRANSPORTATION SYSTEM

Planning for the future requires us to prioritize what we want to see from investments in our transportation system. Our challenge is to make our communities and transportation system work better for everyone, at a cost we can afford. We must get the most out of every dollar spent.

- What do we need most from our transportation system – now and in the future?
- What can we afford and how do we pay for new investments while taking care of our existing roads, bridges, bikeways, sidewalks and transit services?
- How should we measure progress toward our goals?

Feb. 2017
tentative



5

Building a shared strategy

BUILDING A SAFE, RELIABLE AND AFFORDABLE TRANSPORTATION SYSTEM

Local, regional, state and federal partnerships are needed to make the investments and take the actions necessary to create a safe, reliable and affordable transportation system that improves our region's prosperity and quality of life for everyone.

- What are the region's near-, mid-, and long-term policy and investment priorities?
- How do these priorities reflect community voices and support community priorities?
- What partnerships and actions are needed, recognizing one size does not fit all?

Oct. 2017
tentative



6

Adopting a plan of action

MOVING FORWARD TO CREATE THE FUTURE WE WANT FOR OUR REGION

In the 21st Century, the Portland metropolitan region remains a vibrant and extraordinary place to live and work with a world-class transportation system that supports our economic prosperity, enhances our quality of life, protects our environment, and provides everyone with access to safe, reliable and affordable ways to get around.

- What is our shared commitment to each other to pursue new strategies, actions and resources to create the future we want for our region?
- How do we move forward together to make it happen?

June 2018
tentative



2/22/16

Getting there with a connected region



2018 REGIONAL TRANSPORTATION PLAN UPDATE REGIONAL LEADERSHIP FORUM 1

Getting to a safe, reliable and affordable transportation future

8 to 11 a.m., Friday, April 22, 2016

Oregon Convention Center, Rooms F149-152

7:30 a.m. Registration and light breakfast

8 a.m. Welcome and morning overview

- *Shaping the future of transportation – Short video*
- *Remarks from MPAC and JPACT chairs and a community/business leader*

*John Williams, Metro Deputy
Planning Director*

*Wood Village Council President
Timothy Clark, MPAC Chair*

*Metro Councilor Craig Dirksen,
JPACT Chair*

*Emerging community
leader/business person*

8:30 a.m. Transportation trends and challenges of a growing and changing city, followed by Q&A

*R.T. Rybak
Former Mayor of Minneapolis*

9:10 a.m. Small group discussion Part I

- *Introductions and one top issue around transportation that you hear about most from your constituents or community?*
- *Picture the region 10 years from now and name the emerging trends that will affect future travel and how*

9:40 a.m. BREAK

9:55 a.m. Small group discussion Part II

- *Regional Transportation Plan | The Movie – Short trailer*
- *What is the RTP movie about for your community?*
- *What one Big Idea should the 2018 RTP update address?*

10:50 a.m. Working together – What's next?

- *July's Regional Leadership Forum preview*
- *Upcoming speakers on related topics*

John Williams

11 a.m. Adjourn

Materials following this page were distributed at the meeting.



Transfer System Configuration Project

Presentation to Metro Council



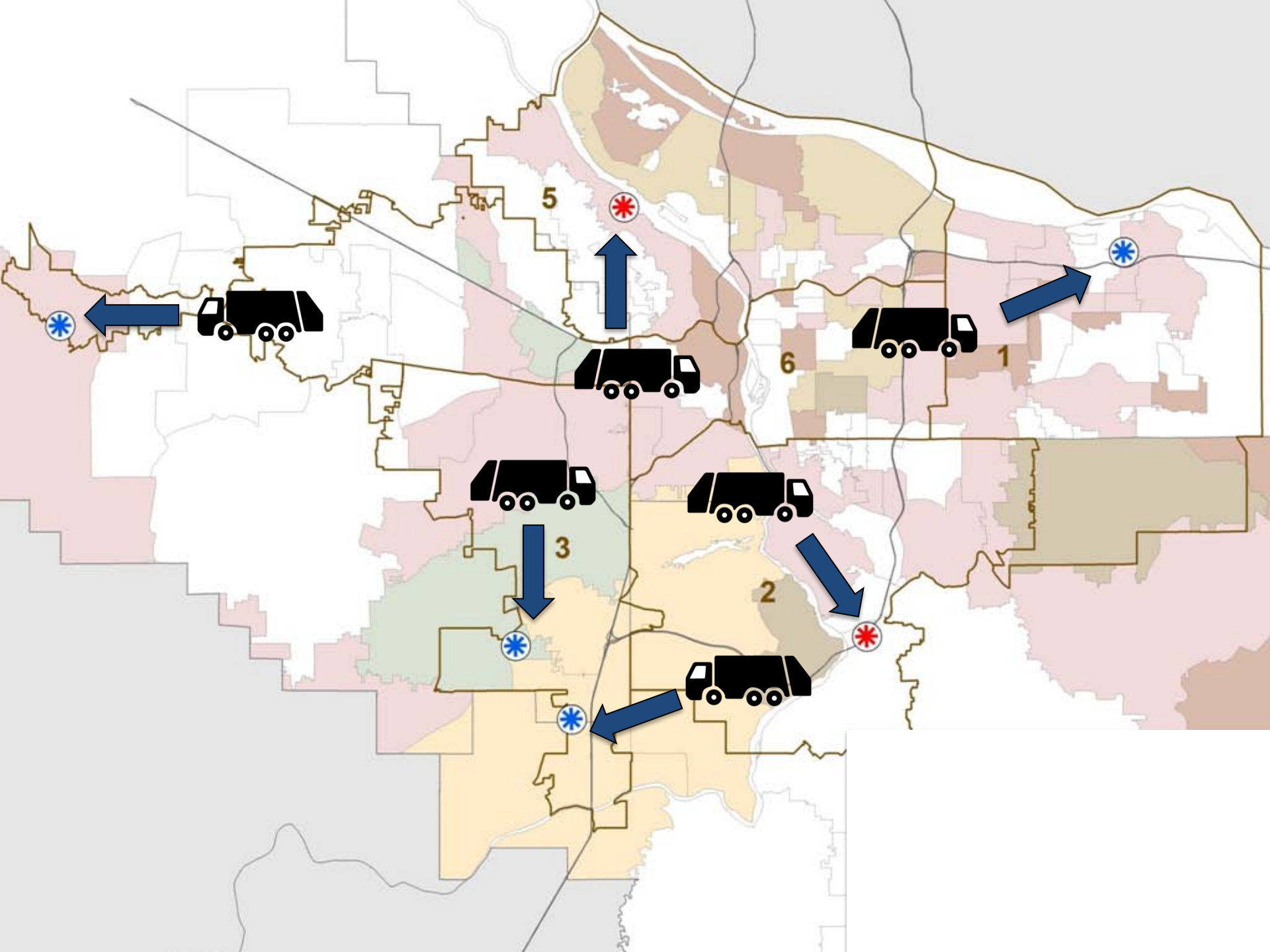
Tim Collier, Director of Finance and Regulatory Services

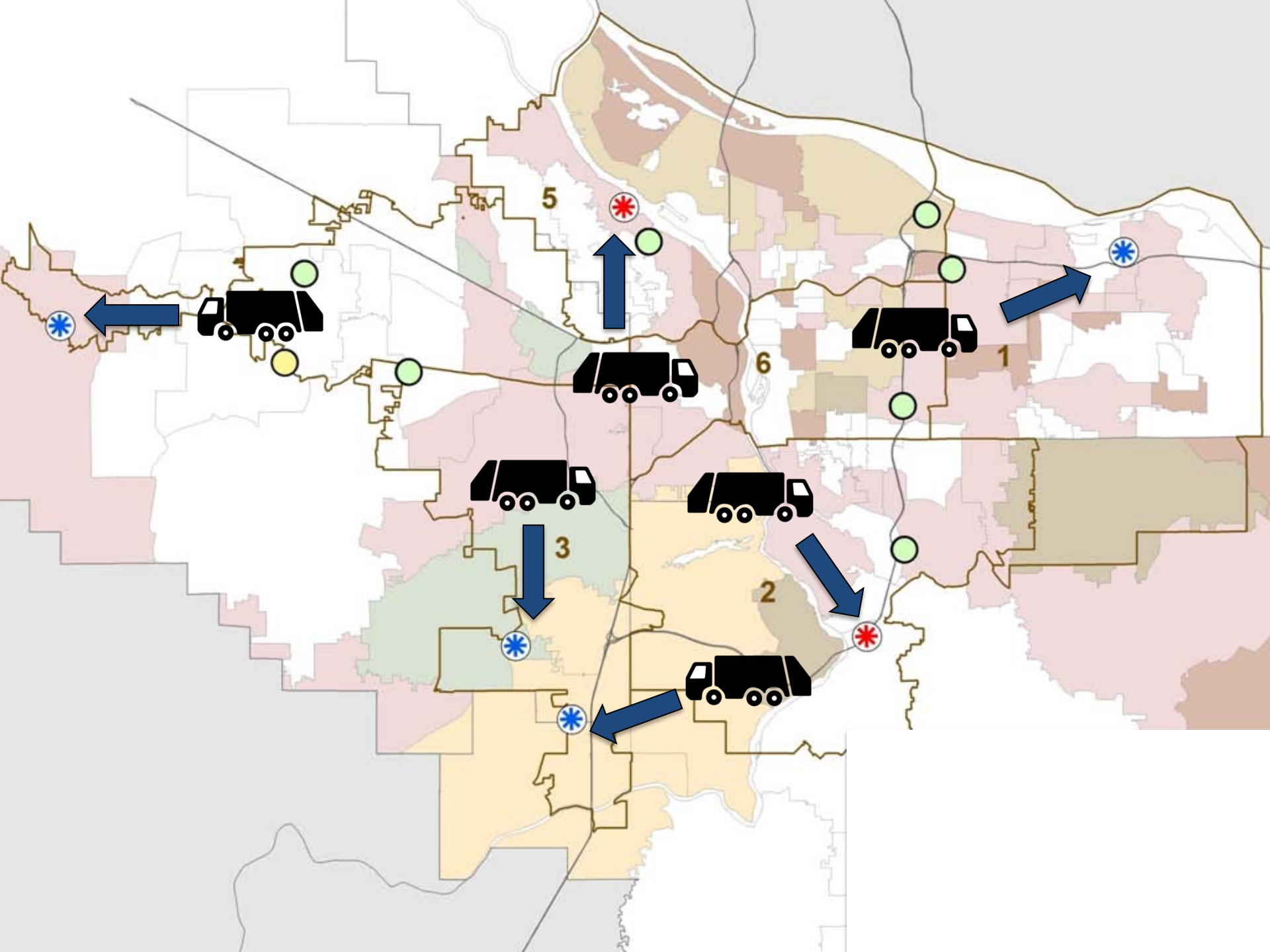
Dan Pitzler, CH2M

March 1, 2016



Metro | *Making a great place*





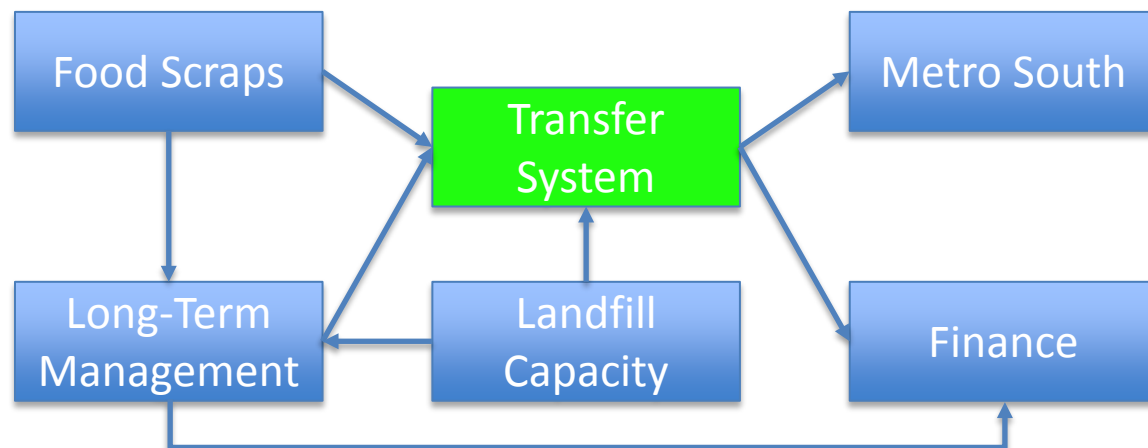


Achieving public benefits

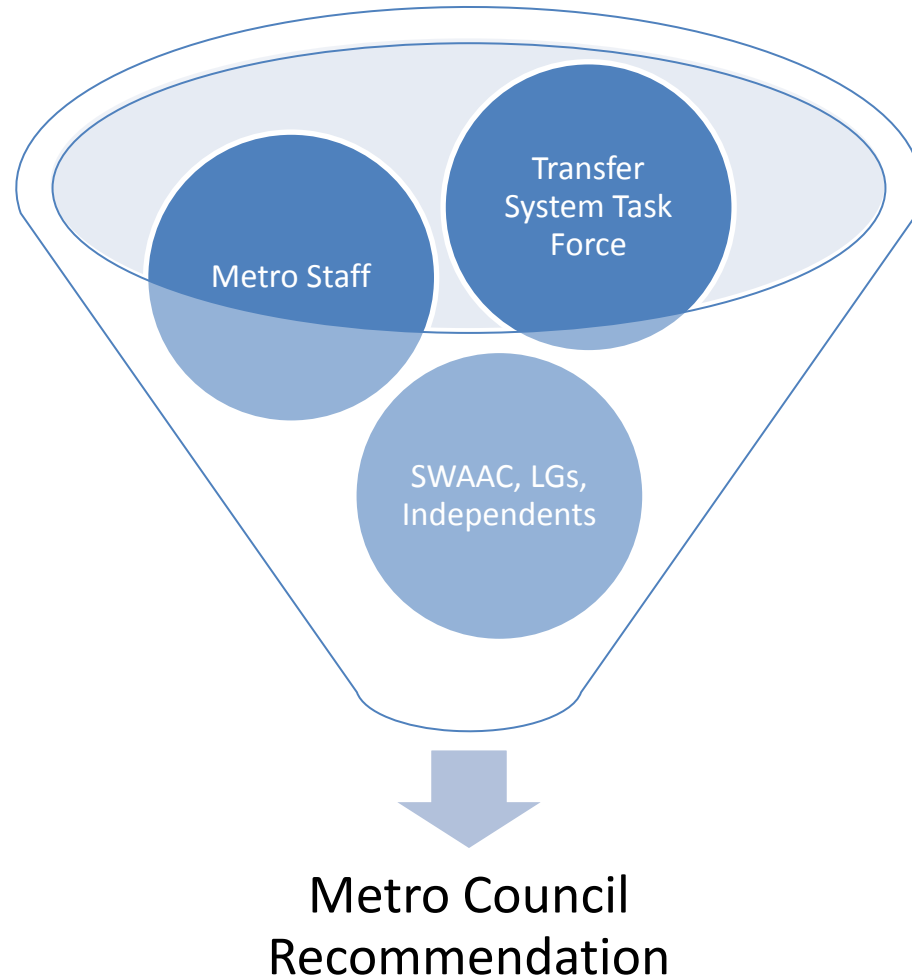
- Protecting the environment and public health
- Focus on recovery before disposal
- Cost-effective disposal through consolidation and compacting
- Can adapt to changing needs in system
- Providing services beyond the curb

Other Solid Waste Road Map Projects

- Can affect the future of the transfer system or be affected by decisions made about the future transfer system
- Transfer system needs to be flexible enough to respond to other Road Map decisions



Stakeholder Input for Transfer System Configuration



Project overview

What model of the public-private system of waste transfer stations best serves the public interest (now and in the future)?

Project Objectives:

- *Determine what services the system should provide, by whom and how*
- *Ensure the transfer system serves the needs of the region for materials generated within the region.*



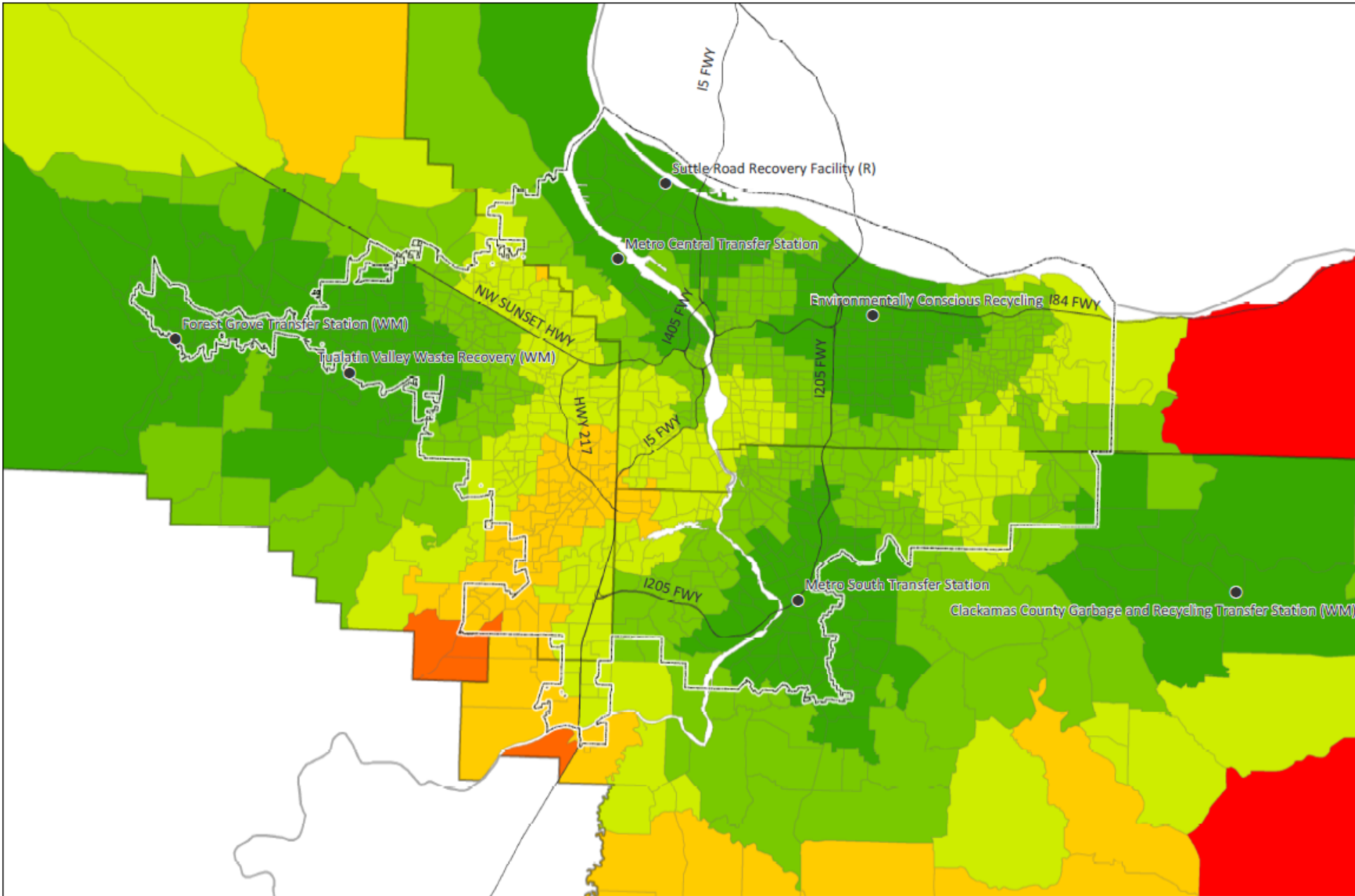


Metro Staff & Transfer System Task Force Agreement on the following service elements:

Self-Haul – Existing system works well, no need for substantial new service

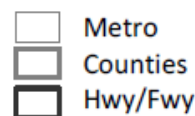
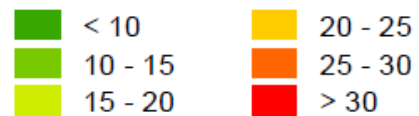
HHW

Commercial Food & Residential Food/Yard



Map 2
Travel Time to Self-Haul Facilities Only

Travel Time in Minutes by TAZ





Metro Staff & Transfer System Task Force Agreement on the following service elements:

Self-Haul – Existing system works well, no need for substantial new service

HHW – If additional service is desired (beyond what is being provided at MCS and MSS), use additional round-ups

Commercial Food & Residential Food/Yard- on hold until there is more clarity about where food will be processed under what circumstances (e.g., private market vs. RFP)

Main Items to Evaluate Further

Flow

What mechanisms determine the transfer station where a collection vehicle delivers its materials

Pricing

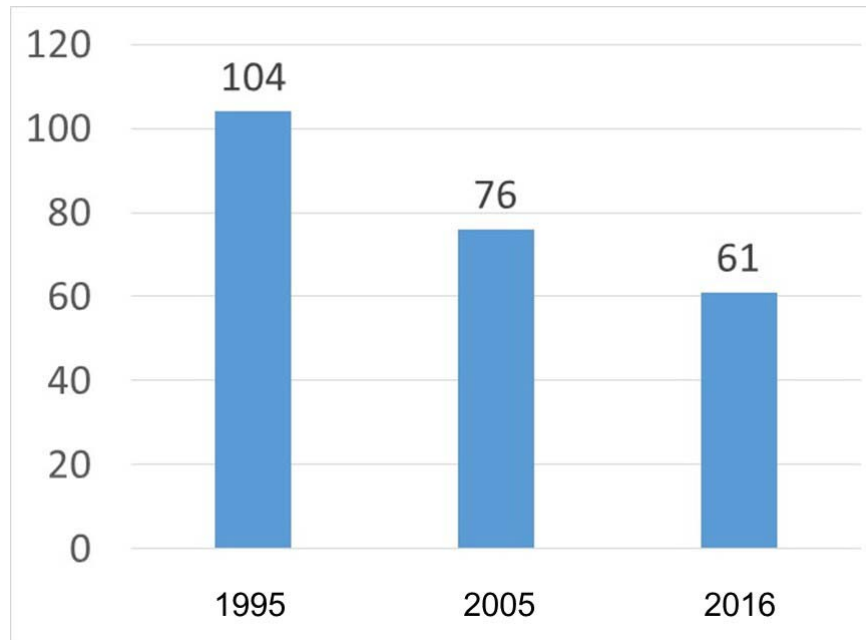
What mechanisms determine tip fees at privately-owned transfer stations

Flow and Pricing Overview

- Wet waste tonnage caps
 - Ensure flow to public stations
 - Helps public station tip fees serve as “benchmark” for private stations
- Competition in collection is in Portland commercial market only
- Vertical integration
 - Approx. 50% of tons delivered to landfills owned by the collector
 - Portland limits the number of residences any hauler can serve

Flow and Pricing (continued)

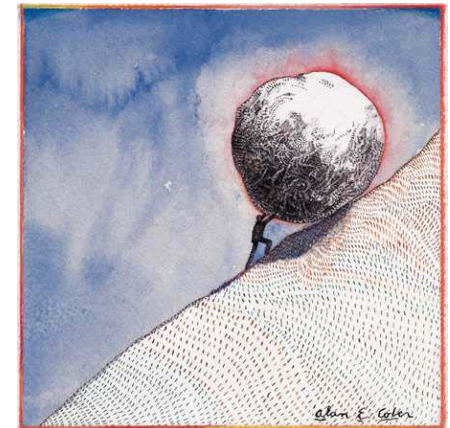
- Consolidation: 104 collection companies in 1995: 61 today



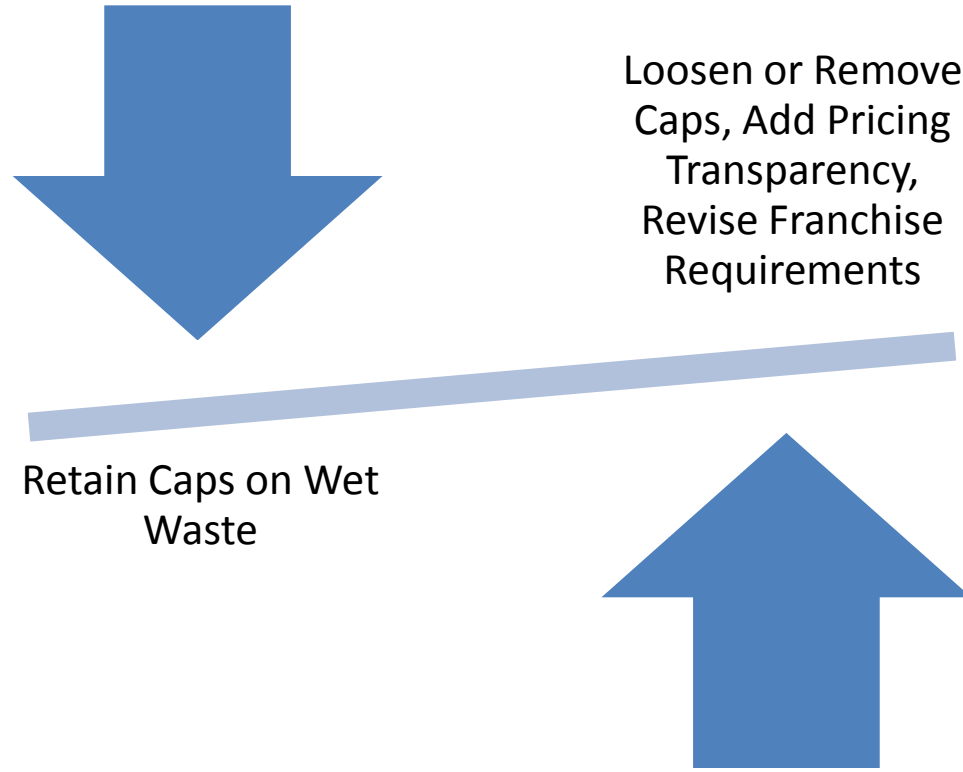
- Without caps, some mechanism is needed to ensure reasonable and transparent tip fees

The Challenge

- **Ideal world** - the transfer system would be designed to minimize cost & maximize Public Benefits
- **Reality** – Services that support Public Benefits are expensive & require higher level of public support



“Toggle” – Ensure that Public Benefits are Received, and Efficiencies Are Passed on to Ratepayers



Public Benefits and Evaluation Criteria

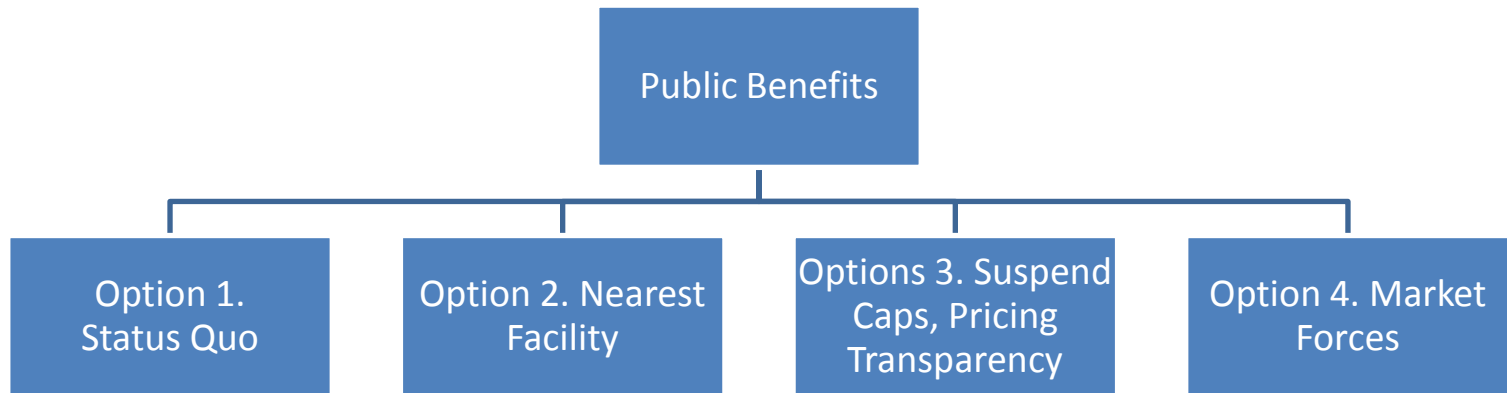
Public Benefit/Criterion	Relevance for Flow and Pricing Options
1. Protect People's Health	Not affected by options
2. Protect the Environment	GHG Emissions may differ
3. Recognize Investment	Relevant for both public and private operators
4. Adequate and Reliable Services for All	Likely similar for all options
5. Maintain Commitment to SW Hierarchy	Likely similar for all options
6. Flexible and Adaptable to Change	Ability to provide new, innovative public benefits could differ among options
7. Sustainable Finance	Key aspect of pricing
8. Minimize the long-term cost of providing transfer services	Key objective
Other considerations:	
Practical to maintain and administer	Implementation and administration may vary among options
Level playing field for all participants	Metro presence valued by smaller, independent operators

Evaluation Criteria for Selecting Flow and Pricing Options

Evaluation Criteria

1. Minimize GHG emissions
2. Recognize prior and future investment
3. Flexible and Adaptable to Change
4. Sustainable finance with efficiencies passed on to ratepayers
5. Minimize system cost
6. Practical to maintain and administer
7. Level playing field for all participants

Four Options for Council Consideration



Option 1: Status Quo

Goal: Allocate tonnage using same method as done today; minimizing change

- Public-private partnership
- Metro staff periodically reviews the state of the system and recommends tonnage cap adjustments up or down as appropriate
- With tonnage caps, public station tip fees act as a benchmark for the private stations

Option 1: Status Quo

Pros	Cons
<ul style="list-style-type: none"><input type="checkbox"/> System not broken<input type="checkbox"/> Relatively simple to administer<input type="checkbox"/> Reasonable provision of Public Benefits<input type="checkbox"/> Responsive to system changes<input type="checkbox"/> Level playing field<input type="checkbox"/> Metro provider of last resort	<ul style="list-style-type: none"><input type="checkbox"/> Some inefficiencies in flows (i.e., trucks not delivering at closest TS)<input type="checkbox"/> Public Station tip fee is imperfect benchmark – uncertain if private sector efficiencies are passed on to ratepayers

Option 2: Nearest Facility

Goal: Allocate tonnage based on optimizing Public Benefits (reduce vehicle miles traveled, resulting in reduced GHG and cost)

- Wet waste caps would differ for each private station
- Tonnage allocated to each facility in a manner that reduces off-route collection vehicle hours and total travel cost, while retaining sufficient tons to Metro stations to ensure Public Benefits

Option 2: Nearest Facility

Pros	Cons
<ul style="list-style-type: none">❑ Pros similar to Option 1, plus reduced GHG emissions and off-route collection costs	<ul style="list-style-type: none">❑ More complex to implement and administer than current system❑ Tried once without success: may be difficult to actually achieve desired benefits❑ Public Station tip fee remains an imperfect benchmark❑ Tons to public stations would decline

Option 3: Suspend Caps, Pricing Transparency

Goal: Metro not perceived as a competitor, Public Benefits paid for using Regional System Fee, private station pricing review to ensure efficiencies are passed on to ratepayers

- Metro review private station rates and set its wet waste tip fee comparable to weighted average of private stations (or similar)
- Metro sets tip fees for public goods (such as HHW) at level that will achieve Public Benefit objectives
- Metro use Regional System Fee and reserves to match revenues and costs through time

Option 3: Suspend Caps, Pricing Transparency

Pros	Cons
<ul style="list-style-type: none"><input type="checkbox"/> Market-based tonnage allocation<input type="checkbox"/> Metro provides non-economic services that provide Public Benefits<input type="checkbox"/> Pricing review provides information to local government regulators	<ul style="list-style-type: none"><input type="checkbox"/> More complex to implement and administer<input type="checkbox"/> Increased uncertainty in Metro annual finances<input type="checkbox"/> Tons to public stations would decline, which may limit or preclude Metro's ability to deliver new, innovative services that provide Public Benefits

Option 4: Market Forces: No Tonnage Caps and Payment for Public Benefits

Goal: Let market forces dictate flow

- Status quo for flow of dry waste
- Metro places no limitations on flow of wet waste to public and private transfer stations
- Like the public stations, each private transfer station would have access to the regional system fee for providing non-economic services that provide Public Benefits

Option 4: Market Forces: No Tonnage Caps and Payment for Public Benefits

Pros	Cons
<ul style="list-style-type: none"><input type="checkbox"/> Simple to administer	<ul style="list-style-type: none"><input type="checkbox"/> Likely increase in industry consolidation and private transfer station profit margins<input type="checkbox"/> Tons to public stations would decline, which may limit or preclude Metro's ability to deliver new, innovative services that provide Public Benefits<input type="checkbox"/> Could compromise Metro's ability to participate in a private-public transfer system

Stakeholder Input from Transfer System Task Force

- Consensus recommendation: Current Public-Private partnership works well, but needs a few adjustments --Retain status quo with a few modifications:
 - Provide flexibility to increase wet waste tonnage allocations based on emissions, collection efficiencies, and market demand
 - Tonnage allocations should not reduce any current tonnage caps at private stations
 - Provide funds from regional system fee to public and private stations that provide non-economic services that provide Public Benefits

Stakeholder Input from Local Government Directors

- Understanding private transfer station costs would be a huge benefit to our collection regulatory duties
- Even if imperfect, imperfect transparency would be better than virtually no transparency, which is what we have now
- Important to ensure that public investment is not stranded

Questions for Council

- Is there one particular option you prefer to the status quo?
- Are there features of an option you would like to add to the status quo or would like to explore further?
- Is there a hybrid option you would like staff to evaluate?



Questions or Comments?