

 Metro | Agenda

Meeting: Transfer System Task Force – Meeting 5

Date: Thursday, August 20, 2015

Time: 9 to 11:30 a.m.

Place: Room 270, Metro Regional Center

Outcomes: Refined Strategy Table

9:00	1. Welcome	Steve Faust
	• Introductions and announcements	
	> • Summary of Meeting 5	
	• Agenda review	
9:10	2. Task Force role and reporting.....	Tim Collier
9:20	3. Metro code changes.....	Roy Brower
9:40	4. Debrief on presentations to Metro Council and SWAAC.....	Lyndsey Lopez
9:50	5. Waste flow model.....	Joel Sherman
10:00	> 6. Revised evaluation criteria.....	Dan Pitzler
10:10	> 7. Refine configuration options	Pitzler
11:15	8. Comments from the public	Faust
11:25	9. Wrap up and adjourn	Faust
	Recap outcomes; confirm information requests, and next meeting date and agenda	

Key to symbols

- > Material included with this agenda
- Copies of all background materials will be available at the meeting

Transfer System Configuration Project

This project focuses on the region's system of solid waste facilities. The Metro Council has charged the project staff with determining *what management model for the system best serves the public interest*. The project scope includes delivery of services, implementation of public policies, public and private roles, and the economics and governance of the system. The policies and actions that emerge from this project will help shape the future of the regional transfer and recovery system. Options are scheduled to go before the Metro Council in Winter 2015.

Transfer System Task Force

The Transfer System Task Force is comprised of stakeholders that Metro has asked to advise on this project. The Task Force meets on an as-needed basis, and occasionally will host presentations by outside specialists or interested parties. Task Force meetings are open to the public.*

Organization	Representative	Alternate
City of Roses Disposal and Recycling	Alando Simpson	—
Environmentally Conscious Recycling	Vince Gilbert	Vern Brown
Greenway Recycling	Terrell Garrett	Eric Wentland
Gresham Sanitary	Matt Miller	Larry Head
Kahut Waste Services	Andy Kahut	—
Metro Solid Waste Operations	Paul Ehinger	Bruce Philbrick
Pride Recycling	Mike Leichner	—
Recology	Greg Moore	Carl Peters
Republic Services	Brian May	Ray Phelps
Waste Connections	Jason Hudson	Dean Large
Waste Management	Dean Kampfer	Bill Carr

* To be added to the mailing list contact Steve Faust of the project team (steve.faust@coganowens.com) and include "Transfer system project" in the subject line.

Transfer System Configuration Project
Task Force Meeting #5
Thursday, July 9, 2015
Draft Meeting Summary

Attendees

Members: Vince Gilbert, ECR; Mike Leichner, Pride Recycling; Jason Hudson, Waste Connection; Brian May, Republic Services; Paul Ehinger, Metro; Dean Kampfer, Waste Management; Terrell Garrett, Greenway Recycling; Alando Simpson, City of Roses;

Alternates: Ray Phelps, Republic Services; Vern Brown, ECR; Eric Wetland, Greenway Recycling;

Staff: Steve Faust, Jim Owens, Cogan Owens Greene; Cogan Owens Greene; Lyndsey Lopez, CH2M Hill; Tim Collier, Metro; Dan Pitzler, CH2M Hill; Doug Anderson, Metro; Jan O'dell, O'dell Communications;

Guests: Tim Chaimov, Metro; Ken Ray, Metro; Katie Reeves, Metro; Roy Brower, Metro; Greg Moore, Recology; Eric Merrill, Waste Connections; Jeff Murray, Columbia BioGas; Rick Winterhalter, Clackamas County; Dave White, ORRA;

Desired Outcomes

1. Introduction of CH2M Hill and role
2. Shared understanding of accomplishments, process and schedule
3. Refined evaluation criteria
4. Introduction to configuration options; homework

Welcome

Steve Faust welcomed participants and guests. Tim Collier provided some project updates. Tim is now the Metro project lead and point of contact. Doug Anderson will serve as project advisor. Dan Pitzler and Lindsey Lopez of CH2M Hill will assume project management. Tim announced that a recommendation for extending franchises for another year and increasing tonnage caps by 5% is in process and will go to Metro Council on July 16, 2015.

Following introductions, Task Force members requested several edits to the meeting 4 (May 22) summary. Steve will make the changes and post it to the project website when it's ready. Next, Steve reviewed the agenda which includes a review of the project to date, an outline of the process going forward, an exercise to refine the evaluation criteria and an introduction of configuration options.

Task Force Process

Dan reviewed the Transfer System Configuration project purpose and objectives. Task Force comments and staff responses included:

- Tim explained that the Steering Committee includes several Metro staff and the consultant team. Task Force members asked several questions to clarify the role of the Steering Committee and how the Task Force's recommendations would be presented. The Task Force's role is to make a recommendation to the Steering Committee. The Steering Committee will make the ultimate recommendation to Metro Council, but will include the Task Force recommendation in the report.
- A Task Force member asked for a change so the project objectives read "Determine what *other* services transfer stations should provide..."

Metro Boundaries and Key Assumptions

The boundaries and assumptions were identified by the Metro Steering Committee. Task Force members asked a number of questions and made several comments about the language:

- The language about Metro’s role is much more definitive (“will retain”) compared to language about private sector (“there will be some role”). Consultant team will revise the language about the private sector so it is consistent throughout the objectives. For example, “Private facility operation will retain a key role...”
- A Task Force member asked why hardwire funding sources in the statement that the “regional system fee and excise tax will be assumed to continue.” Dan responded that boundaries and assumptions help simplify the process, but we can add a qualifier that the assumption can be changed if a more acceptable funding mechanism emerges.
- Task Force members asked that a definition be provided for self-haul, as it could mean something different to people outside the Task Force. The group agreed to the concept of non-tipping vehicles.
- Task Force members had additional comments about “role of post-collection processing” and “advanced processing,” and assumptions being made about the private sector’s role. What does advanced processing look like for dry material above and beyond the current system? They noted that some assumptions may change based on the outcomes of other Roadmap projects. One member suggested identifying assumptions based in code versus those under the purview of the Roadmap projects. The consultants acknowledged that all Roadmap project outcomes will be looked at in concert.

Critical Success Factors

Dan introduced critical success factors that were identified at the project outset and additional factors identified during a workshop with CH2M and Metro staff. Task Force comments included:

- Of the additional factors, the seventh bullet unnecessarily elevates two of the public benefits above the others.
- Task Force members comments that “smooth transition to a new system” should be changed to “smooth transition to **any** new system,” as it could be determined that the existing system is meeting all the objectives.

Refine evaluation criteria

There was a lengthy discussion about the wording and ordering of statements in the Crosswalks from Public Benefits to Draft MODA Criteria slide. Task Force members asked that the wording and the formatting be changed to better reflect the seven evaluation criteria and relative ranking determined by the Task Force at its last meeting. There also was discussion about whether “good value for the public’s money” and “protect the environment” should be assumed, and not called out. After discussion, the group agreed that they should remain to aid in the alternatives analysis. The project team will amend the wording and order of the Draft Evaluation Criteria to better reflect the Task Force’s prior work. Other comments included:

Introduce configuration options

Dan introduced a preliminary strategy table to help develop configuration options or “system alternatives.” The table includes column headings and the status quo as a sample system alternative. Task Force members are asked to edit or add column headings or recommend a system alternative. Steve will send the strategy table outline to Task Force members. Comments should be returned to you Steve by Friday, July 24. The project team will prepare a complete strategy table to discuss at the next meeting.

Comments from the public

There were no public comments.

Wrap up and adjourn

The next Task Force meeting is scheduled for Thursday, August 20. With the following three meetings scheduled for September 24, October 27 and December 3. Task Force members should let Steve know if they anticipate any conflicts. Tim explained that the project team will be presenting to Metro Council within the next few weeks – a high level discussion about the project’s status and next steps in the process.

The meeting was adjourned at 11:10 a.m.

Transfer System Configuration Project Re-framing

Task Force Meeting #5

July 9, 2015



ch2m.SM

Project Purpose & Objectives

- *Purpose: The purpose of the work is to determine what model of the public-private waste transfer system can best serve the public interest in the future. Through this study, the project team (Steering Committee and Task Force) will develop and evaluate options for the Metro-region transfer system. The results of the study will help the Metro Council make decisions that help prepare facility operators to meet the region's changing waste needs for the next 10 to 20 years.*
- Objectives:
 - Determine what mix of services the transfer system should provide in the future, to whom, and how those services are provided and paid for.
 - Transfer system should serve the needs of the Metro region with materials generated in the Metro region.

Metro Boundaries & Key Assumptions

- The transfer system refers to functions provided by the 13 existing facilities that manage wet or dry mixed materials (excludes inter-company reloads).
- Both Metro and private facility operators will retain some level of facility operation.
- Post collection processing at transfer stations and MRFs receiving mixed dry waste will be retained (e.g. Greenway, ECR, TVWR, etc.).
- Metro will retain some role (regulatory and operation).
- Initially, the Metro funding structure including a regional system fee and excise tax will be assumed to continue (although this may be revisited if required by a particular transfer system alternative).
- Analysis will focus on materials generated within Metro geographic boundaries: transfer facilities do not necessarily need to be within Metro boundaries.
- Self-haul service (e.g., non-tipping vehicles) will remain a service provided by the transfer system.

Metro Boundaries & Key Assumptions (continued)

- Household Hazardous Waste, including HW from conditionally exempt generators , will remain a service provided by the transfer system.
- The existing collection system structure will be assumed for this project.
- Food scraps removal will be an important element of system (separation to allow processing elsewhere), including both commercial food and residential food/yard debris.
- The extent to which advanced processing of wet and/or dry materials could occur will not be explored in this study and will be affected by other road map decisions (e.g., decisions regarding long-term management of residuals have not yet been made). However, the work of the long-term discards project is key to determining the service expectations at both public and private transfer stations.

Metro Critical Success Factors

Critical success factors developed at the start of this project:

- A vision of what the transfer system should look like; a vision supported by data and detail.
- A clear set of actions that:
 - Maximize public benefits
 - Stakeholders can agree to support
 - Are completed in time for regulatory instruments that take effect in 2016
- Stakeholders agree the process was fair, transparent, and honest.
- Stakeholders have mutual respect for the process and ongoing relationships.
- Recommendations that maintain the good parts of the system. (Maybe shore up the system, but don't break it.)
- Financially viable for the public, industry and Metro while providing public benefits.

Metro Critical Success Factors (continued)

Other success factors identified during a workshop with CH2M:

- Confirmation of the role and need for MSS and MCS.
- Steering committee consensus.
- All 6 public benefits, and the 7th benefit identified by the Task Force, are achieved.
- Clarity surrounding franchises in next round, and in long-term (post-2019).
- Establish clear “rules of engagement” for existing and future system participants.
- To the extent that changes are made to the system, a smooth transition occurs in implementing those changes.

**Crosswalks between Public Benefits and Draft MODA Criteria
Metro Transfer System Configuration Project**

Definition of public benefits: "Through its involvement in the regional solid waste system Metro seeks to do the following"

	Draft MODA Criteria	Reason for Change
Protect people's health	Protect people's health	
Protect the environment	Protect the environment	
Get good value for the public's money		In the MODA evaluation, instead of scoring this aspect of the public interest directly, the "value" will be represented by the MODA scores calculated from all other criteria. That MODA value will be compared to an estimate of the life cycle cost of each alternative (see the last criterion), resulting in the value derived for the dollars spent for each alternative.
Keep the commitment to the highest and best use of materials	Maintain our commitment to the solid waste hierarchy as set forth in state law	Perhaps easier to measure and ties directly to state law, which is beneficial.
Be adaptive and responsive in managing materials	Maintain a system that is flexible and adaptable to changing needs and circumstances	Minor wording change to provide added focus for the MODA evaluation of transfer system configuration alternatives.
Ensure services are available to all types of customers	Ensure adequate and reliable services are available to all customers	Minor wording change to provide added focus for the MODA evaluation of transfer system configuration alternatives.
	Recognize prior and future public and private investment	A new criterion added to capture the importance of ensuring that any system changes do not result in substantial stranded investment at existing transfer stations, and create good environment for potential future investment needs.
	Sustainable finance	A new criterion added to aid evaluation of transfer system configuration alternatives: ensuring that funding methods and prices are transparent, fair, and reasonable.
	Minimize long-term life cycle cost of providing transfer services	As noted in comments on public benefit 3, the MODA evaluation will include an estimate of the long-term cost of each alternative. The other criteria measure value: this criterion will measure the cost of providing that value. The result will be the relative value of each alternative for the dollars spent.

Draft Evaluation Criteria
Metro Transfer System Configuration Project

MODA Criteria and Subcriteria	Notes
1. Protect people’s health	Minimize health risks to workers and other people who live within the Metro region
2. Protect the environment	
a. Life cycle GHGs	Minimize fuel use in vehicles traveling to and from facilities, and in the production of goods (e.g., use of virgin materials)
b. Toxics	Manage toxics in a manner that protects the environment
c. Nuisances	Minimize nuisances such as odor, dust, noise, aesthetics
d. Land use	Minimize the use of new industrial land for solid waste facilities
3. Recognize prior and future public and private investment	Ensure that any system changes do not result in substantial stranded investment at existing transfer stations, and create good environment for potential future investment needs
4. Ensure adequate and reliable services are available to all customers	
a. Sizing	Ability to align capacity with demand
b. Essential Services	Ability to provide essential services
c. Service flexibility	Ability to provide optional but desirable services now and in the future
d. Access Equity	Minimize time each class of customer has to travel to access all service types
5. Maintain our commitment to the solid waste hierarchy as set forth in state law	
6. Maintain a system that is flexible and adaptable to changing needs and circumstances	
a. Policy change responsiveness	Responsive to external policy changes (such as change of law, market collapse, new curbside materials, facility access)
b. Opportunistic	Ability to capitalize on opportunities such as a new market or new processing technology
7. Sustainable finance	
a. Fair public funding	Public good funding is fair, transparent, and stable
b. Full cost pricing	Pricing reflects full cost of service provision, and near industry-average margins
8. Minimize long-term life cycle cost of providing transfer services	When compared to the combined value of other criteria in the MODA evaluation, this criterion will allow evaluation of Task Force criterion "Get good value for the public's money.