

Portland Planning and Sustainability Commission

April 10, 2018

12:30 p.m.

Meeting Minutes

Commissioners Present: Jeff Bachrach, André Baugh, Ben Bortolazzo, Mike Houck, Andrés Oswill, Michelle Rudd, Chris Smith, Katie Larsell, Eli Spevak, Teresa St Martin

Commissioners Absent: Katherine Schultz

City Staff Presenting: Bruce Walker; Mauricio Leclerc, April Bertelsen (PBOT)

Vice Chair Rudd called the meeting to order at 12:33 p.m. and gave an overview of the agenda.

Documents and Presentations for today's meeting

Director's Report

Joe Zehnder

- *Commissioner Bortolazzo* will be representing the PSC on the Airport Futures continuing workgroup, the PDX CAC. Thank you.
- *Commissioner Spevak* was the PSC representative on the BPS Budget Advisory Committee last year. He has suggested we consider blocking out some agenda time for PSC members to have a discussion of big (or little) picture ideas for future BPS initiatives (sustainability, zoning, or otherwise) that may be incorporated into a future workplan. We are supportive of this idea and will work with PSC officers to bring this to a future meeting, likely later in the summer once your agenda opens up a bit. Doing this in the summer allows BPS staff to review suggestions in the context of equity and project before next year's budget submission.
 - *Commissioner Spevak* noted we should have at least an hour for this from the commissioners' standpoint.
 - *Commissioner Houck*: Is there an opportunity leading up to this for PSC members to see the current workplan, since an hour will go by quickly? Also, there is the workplan, but we as a commission can operate outside of the PSC venue in terms of if there is a policy issue we want to discuss (and call in outside experts) that might inform Council or staff about particular items. This would be in addition and other ways we can have input in the City. Best practices sharing for stormwater management, and BES' work, is a good example.
 - Joe: Yes, we'll get information to you up-front so the time we put on a meeting agenda will allow us to hear from you.
 - *Commissioner Bachrach*: There should be a process for how the PSC can weigh in on the BPS budget, so I hope we have ample time for the PSC to discuss and prioritize.
 - *Vice Chair Rudd*: I assume we'll hear about how the budget is set-up and resource availability, etc.

Consent Agenda

- Consideration of Minutes from the March 27, 2018 PSC meeting

Commissioner Houck moved to approve the Consent Agenda. *Commissioner Larsell* seconded.

The Consent Agenda was approved with an aye vote.

(Y9 – Bachrach, Baugh, Bortolazzo, Houck, Rudd, Smith, Larsell, Spevak, St Martin)

Solid Waste & Recycling Rate Increase

Hearing / Recommendation: Bruce Walker

Bruce provided an overview and presentation about the proposed rates as a reminder to the PSC about their briefing on March 27.

BPS regulates 12 franchises that provide the services to single-family homes and up to 4 units, and every year BPS sets rates. The factors that affect rates were included in the memo shared to PSC members last week.

We do an annual evaluation of each garbage and recycling company's records. We have a \$2.55 per month proposal (for most) to take effect on May 1 this year. The primary reason is due to unprecedented recycling issues worldwide. China has recently adopted broad environmental and economic policies aimed at reducing environmental impacts, and they notified recycling companies around the world that they will only import unexpectedly-high standards of recyclable materials. This has significantly increased costs. Inflation, fuel costs and disposal costs have also increased significantly in the past year.

Recycling costs represent about 75 percent of the proposed rate increases. Due to the recycling market conditions, substantial costs have been added to our system. Once the cost-of-service rates are determined, incentive discounts are applied to smaller garbage carts and incentive premiums to larger garbage carts in order to encourage customers to reduce their garbage generation and to compost and recycle as much as possible. This year the incentive discounts and premiums are proposed to remain mostly the same as in the current rates. We did add an incentive discount to the 35-gallon roll cart and an incentive premium for the 32-gallon can. This allows the 35-gallon roll cart and 35-gallon can to be the same rate.

The rate increase is still below what rates would be if we had just adjusted for inflation since 2012 (slide 6). BPS is working in collaboration with DEQ, Metro, and garbage and recycling companies to think about long-term issues and solutions.

We have achieved one of the best recycling rates in the country, and we don't want to backtrack on that.

Today we have a hearing, and we request that you forward a recommendation on rates to City Council. On April 18, Council will have a hearing to allow rates to change on May 1.

Commissioner Smith: Do haulers also provide sorting services?

- Bruce: They deliver to privately-owned facilities.

Commissioner Houck: I thought the increase was on the order of \$3. Has it been reduced?

- Bruce: Your memory is correct. Our best estimate before we had the fully-reviewed report was about \$3. The refined amount, the amount we are proposing, is \$2.55.

Commissioner Houck: What about better educating the public? Can an amount of the increase be directed to this?

- Bruce: Recycling sorting is a priority. In terms of getting the message out, we are planning on a mailing (just about the rate increase after Council takes action); then in June, the Curbsider will have further information about sorting. We are also taking additional steps outside of just print information on the website and in our email reminders.

Commissioner Baugh: Regarding the 32-gallon and 35-gallon containers, is the idea to automatically switch people over to the more efficient 35?

- Bruce: Yes, it's preferred that customers switch to ease the work of the haulers as it promotes efficiency and safety in the system. 9 percent of customers still have the 32-gallon can. New customers default to the 35-gallon can. It will be the same cost if Council approves these rates, and we'll then notify customers.

Commissioner Spevak: We regulate the rates. The franchises are regulated on a projective return. So if we raise rates by \$5, that would be a short-time return for the haulers. Does this bear on the balance sheet of the haulers or do they just pass through and it doesn't impact them?

- Bruce: We established rates last year that did not have the substantial cost increase that the haulers experienced on the recycling side. So that means they're currently earning less than what's in the franchise agreement.

Commissioner Bortolazzo: So the rates as proposed take into the account the cost increases. But it's not intended to create a buffer or compensate for the loss in the past year.

- Bruce: There is no going backwards to do a "pay back". We are doing our best estimate for this year with the information we have, but there is no buffer we've purposely put into the costs.

Testimony

1. Beth Vargas Duncan, Portland Haulers' Association: Staff is to be commended for working together, exchanging lots of data and information, and lots of conversations. We have 12 haulers, and each is a member of the PHA. Bruce mentioned what has happened and why we're here addressing the issue now. There have been lots of processes that have increased costs in the past 6 months, which has increased about 4-fold. We are working collaboratively with everyone we can (processors, haulers, local governments, DEQ, etc) to keep our costs down and maximize recycling in the short-and long-term. The rate increase now will help the haulers continue our great service to Portlanders. We know Oregonians lead the nation in recycling, and we must adapt to the changes to continue this work. Support staff's proposal and forward the recommendation to Council. *See written testimony.*

Commissioner St Martin: What are some things we should eliminate from the waste stream?

Beth: This is open for debate. The things that are certainly top of list as contaminants are clam-shells and coffee/soda cups. But there is lots of discussion about what items are top priority.

Commissioner Smith: Your members are delivering to the sorting facilities, which I assume are free-market private enterprises. So they can change their prices in response to the market. I'm trying to understand how the change and costs are affecting. In terms of the contamination rate (China at .5 percent), how do we close the gap? I guess we hope other markets open up that aren't that stringent. Is there a radical change we need to see here?

Beth: Processors are not rate-regulated like residential haulers are. When haulers' costs go up, they need to operate within the costs they have been provided by the City's rate-setting. People need to

feel ok with putting things in the garbage if they're uncertain if it's not able to be recycled. Processors are working to find new markets, but the cleaner the stream, the easier that will be. Haulers to processors to sort. Some of that may go to landfill. They get a concurrence from DEQ, who makes that decision.

Written Testimony Received

Vice Chair Rudd closed the hearing at 1:13 p.m.

Discussion

Bruce: We are seeking a recommendation to send to City Council that reflects the concerns we've outlined on the recycling conditions and recommend that Council approve these rates.

Motion

Commissioner Houck moved to recommend the proposed Solid Waste & Recycling Rates to Council as outlined on the staff memo. *Commissioner Larsell* seconded.

Commissioner Baugh: I'm all in favor of the increase. But we need to take some action, so I'd like to request we include that the City of Portland solid waste system prohibit the use of disposable plastic food service-ware by requiring food service businesses to transition from disposable plastic food service-ware to durable alternatives by 2020. I'd also look for a study to reduce the hard-to-recycle items from Portland's waste stream with things that are recyclable or reusable. Finding more markets is admirable, but reducing or eliminating the use of plastic is the first step. I'd finally ask that Metro have funds to look at alternative markets and we ask Metro to help in that study. It's important for Portland to show and continue our leadership. We don't just want to reduce, we want to eliminate.

Commissioner Smith: To better understand and expand, what's included in your proposal of "service-ware"?

Commissioner Baugh: Following other cities, it is specifically service-ware (plastic forks, knives, straws). Clamshells are not considered service-ware based on what other cities have done. I'm not sure what our City Attorneys would say.

Commissioner Smith: Some of my favorite places use containers that are marked as compostable but that aren't allowed in Portland's composting.

- Bruce: This is challenging. The so-called compostable plastics had to be removed from the commercial compost program because they don't break down as advertised in Oregon compost facilities. Most of the commercial material currently gets sent to an anaerobic digestion facility that won't take these items. The residential program has never accepted these items because the facilities can't take them. So I'm very reticent to moving towards a compostable stream because of the viability of composting these items, and because it's so confusing to consumers.

Commissioner Bachrach: I'm reluctant to advise Council on anything much beyond residential rate increases. By introducing the commercial factor, I'm not sure that's something we have full information about. What we have been hearing is that we all go through the frustration of what we can or can't recycle. So in the rate notice, why aren't we providing further information to people receiving the rate notices? I think this is a first step and high priority.

Commissioner Spevak: I support the proposal, but I'm curious if staff has current initiatives that the mailing could highlight to show how people can be part of the solution.

- Bruce: Waste-reduction grants we have received from Metro help fund our programs, so we work very closely with them. This is a successful relationship. *Commissioner Baugh* is bringing up a new grant program Metro is establishing. I appreciate *Commissioner Bachrach's* comments, and we are working with our communications team about messaging the rate increase. We don't just want to blame it on recycling.

Commissioner Bachrach: I would be willing to ask Council to send their commercial haulers' comments and recommendation back to us to direct staff and then the PSC to do this process as well. Are we waiting for a menu of ideas from staff?

- *Commissioner Baugh:* This is not new, and many cities on the West Coast have the same verbiage on the issue. But I don't know what staff's plan is, but if we can get Council to look at the issue holistically, maybe plastic-ware is one of the suite of issues we take a look at.

Commissioner Houck: We could direct staff to undertake this effort and come back to us about recycling and market issues, and particularly the disposable items.

PSC members confirmed that this direction will be to staff, and will be noted in the letter to Council.

(Y9 – Bachrach, Baugh, Bortolazzo, Houck, Rudd, Smith, Larsell, Spevak, St Martin)

Bruce: Staff will draft a letter your recommendation to Council. We have a very quick turn-around since the Council hearing is just a week or so from now. Thank you.

Enhanced Transit Corridors

Briefing: Mauricio Leclerc, April Bertelsen (PBOT)

Mauricio introduced the topic. Transit is a partnership and a regional effort between PBOT, TriMet, Metro and Portland Streetcar Inc. Last time we presented the elements of the plan. We also presented the Regional Transportation Plan (RTP) that we submitted. We have continued to work to have conversations and to implement some of these actions. Today is a presentation of the final elements of the plan, and we'd request an endorsement from the PSC before we head to Council. There is a need for Portland to take a more active role in transit to make more space so transit options continue to be an attractive option.

April noted we'd welcome feedback on the content of the plan and your input to Council, which we understand you might want to wait to do until you see the final outcomes for the plan. We're looking at TriMet's frequent service, but we're also looking at where service is not yet frequent and areas where there still isn't service. This is all in service to growing transit ridership and encourage transit ridership.

April highlighted the ETC Plan's purpose, goals and outcomes, as well as the proposed shift for PBOT to better support transit. The City-adopted goal is that 25 percent or more of Portlanders commute by transit by 2035.

Buses are a "work horse" and carry significant ridership regionally, but buses are getting stuck in traffic and congestion, so trips are taking longer. The Portland region needs to create a pipeline of lower-cost transit offerings, developed in partnership between TriMet and local jurisdictions to serve the region's growth and be deployed quickly.

Enhanced Transit is in the middle of the regional transit spectrum: frequent service, bus, and corridor-based BRT. It can include several characteristics and can cover multiple lines or just specific sticky spots. As such, there are different tools that can be used in different places.

There is a 3-pronged implementation strategy for the ETC Plan:

1. Adopt policies supporting transit
2. Strengthen ongoing monitoring of frequent lines
3. Develop a 20-year regional transit vision with strong ETC component and nimble implementation

Priority monitoring measures would help us determine where we'll then do more monitoring:

- Transit delay, multiplied by how many people on the bus. It's not just the bus, it's people who are stuck in traffic.
- Transit run-time variability, which impacts both riders and TriMet workers.

We are not waiting until plan adoption in some areas including a transit priority spot improvement program. Examples include the Line 12 and Line 14 improvements installed in 2017; SE Morrison Protected Bike and Pro-time Bus Lane/BAT Lane: SE 11th – SE Grand; and W Burnside BAT Lane/Queue Jump: 4th Ave – Bridge). Soon we are starting a project at NE Grand Business Access and Transit Lane at SE Ankeny – SE Everett / I-84.

We are now supporting the Regional ETC Pilot Program, which will help us advance implementation. It also is in support of the regional transit vision: to make transit more frequent, convenient, accessible and affordable for everyone. A key outcome of the ETC Plan has been its role in framing an approach for advancing Enhanced Transit regionally. The work we did as part of the ETC project was instrumental in getting TriMet and Metro talking about how to implement this in the broader region. The charge of the pilot project will be to develop an initial pipeline for potential ETC projects, which will support improvements to benefit transit reliability, speed, and capacity. We are launching the 122nd Ave Plan to develop a multi-modal conceptual investment plan.

Staff has had, and continues to have, community outreach and engagement events. Later this month, they will release a Final Recommended ETC Plan to the public. They plan to incorporate suggestions and go to Council in mid-to-late May, then continue work including incorporating Enhanced Transit into various projects; continue transit priority spot improvement implementation; and seek additional funding for Enhanced Transit projects for on-going performance monitoring.

Commissioner Smith: Thank you; I'm very supportive of this work. Are there tools in the kit that create opportunity for people walking and biking?

- April: Station design is a key factor. Bike lanes on the opposite side of the street as the bus or streetcar is another example.

Commissioner Smith: I appreciate the use of "person delay". This is a great improvement. I'm looking forward to the BAT lane on SE Grand to get much more reliability and on-time performance here.

Commissioner Bortolazzo: Thank you for the great work and the flexibility this offers. The context-sensitive approach is great. Do you have adequate modeling tools to predict what the best tool to use in any specific situation is? Does this system allow enough flexibility to tinker with the system?

- April: There are tools to do these assessments, and we could be looking to do that during the implementation phase and understand impacts. We are looking into more traffic modeling tools to understand the transit side of things.

Commissioner Bortolazzo: What has the public been saying about this work?

- April: Be bolder, do more, and do it faster. Make sure we get funding. Then there is a minority of people who are concerned about impacts to vehicle traffic. And there are more growing transit needs issues that are outside the scope of this work. Nuances of measures is another category of comments.

Commissioner Spevak: I like this. It's pretty left-brained, but people make decisions more right-brained in terms of behavior change. Incentives work, and people respond to them. I hope there is work going in that direction as well.

- Mauricio: Smart Trips is an incentive that we use. And TDM is another option (e.g. offering transit passes). This is an on-going conversation.
- April: Mobile Streetcar Fest is another example.

Commissioner Larsell: What is the Growing Transit Communities report?

- April: This went to Council last year. It's focused on prioritizing improvement and improving access and safety along lines that are not yet frequent but may become so.

Commissioner Larsell: Is there more than one category of frequent service?

- April: It's "frequent" or "other" (frequent is 15 minutes or less).

Commissioner Larsell: Have you already presented a project list?

- April: In the recommendations chapter of the ETC Plan, there are tables of projects based on the RTP that we'll look to add to the transportation plan. They are based on time frames; some are submitted by TriMet and some by PBOT.

Commissioner St Martin: Good job on the plan. Is the subway a Portland or TriMet project?

- Mauricio: It's a concept; it's not funded but is thought of as potentially a strategic opportunity to better connect the region over the next 20 years. We are flagging a long-term solution, but this could be above ground. There is a vision and a technical part of it, but we know further analysis is needed.

Commissioner Baugh: Are these the projects Art Pearce described in the last round of the TSP? Are these filling it in, or are these in addition to the TSP list?

- Mauricio: We are adding, but by the time the TSP is adopted, we'll need to do another assessment of funds, so these will be considered in the process.

Commissioner Baugh: I want to be sure we are continuing to use an equity lens and aren't over-looking communities that most need these enhancements. If you add a line somewhere and aren't compensating in other areas, high-frequency lines get all the benefits. I'm interested to see and make sure this doesn't happen. I want to be sure enhanced transit doesn't move ahead w/o thinking about congestion pricing or anything the plans won't be able to fill.

- April: We are working jointly with staff working on these things, but we haven't done the analysis of trade-offs just yet. Congestion tolling could help off-set costs, particularly because some lines on the enhanced transit network parallel highway facilities that could benefit from tolling.

Vice Chair Rudd: With tolling, the NEPA process would need to consider the impacts, so maybe that's where this gets analyzed. I agree this is a good approach and consistent with the goal of prioritizing transit. I'd also wonder if we're prioritizing transit that's then zipping along, are we looking at how much things that we're not incentivizing slow down and the potential impacts of that on housing prices as the well-served areas become more desirable.

Commissioner Smith: I'd propose the PSC recommend the plan to Council with enthusiastic support and emphasize it supports strategy for people movement. We should call out need to use equity lens, particularly for people who have been displaced from inner to outer neighborhoods.

Commissioner Bachrach: Is there analysis of what enhanced transit does to congestion? Is there a point you scale it back?

- April: We'll be doing this analysis during project development to see which tools are best for different circumstances. The person-delay metric will help with this.

Commissioner Oswill: Equity considerations were part of the original plan. What about the gentrification mapping that BPS has done and seeing where areas overlap (and to see if there are opportunities to combine work)?

Commissioner Baugh: I will not be voting in favor of this today, because I want to see the final list of projects before I recommend anything to Council.

- Mauricio: You'll have a copy of the plan with projects we're recommending based on the RTP projects. We're not saying these definitely fit into the TSP.

Commissioner Smith: Things will only get built if they're done via the spot improvements or by amending the TSP.

- April: Yes. At this point we are implementing things programmatically, but we'd have to amend some projects to include Enhanced Transit projects, but we haven't assessed what the increased costs would be to the TSP.

(Y7 – Bortolazzo, Houck, Rudd, Smith, Larsell, Spevak, St Martin; N1 – Baugh)

Staff will draft a letter from the PSC to Council and will ask for input/edits.

Adjourn

Vice Chair Rudd adjourned the meeting at 2:43 p.m.

Submitted by Julie Ocken