

**Solid Waste Advisory Committee Meeting Summary
April 19, 2004**

Attendees:

Steve Schwab	Tanya Schaefer	Rick Winterhalter
Mary Sue Gilliland	Bruce Walker	Jeff Murray
Mike Leichner	Glenn Zimmerman	Wade Lange
Mike Miller	Matt Korot	John Lucini
Sarah Jo Chaplen	Wendy Fisher	Vince Gilbert
Mike Hoglund	Janet Matthews	Will Gehr
Barb Disser	Dan Cotugno	Dan Schooler
Easton Cross	Mathew Cusma	Michele Adams

I. Call to Order and Announcements

Mike Hoglund

- Mr. Mike Hoglund convened the meeting and explained that Councilor Susan McLain was unable to attend due to illness.
- Approval of March 15, 2004, Meeting Summary: Mr. Mike Leichner said that a couple of comments were incorrectly attributed to him; he did not attend the March 15 meeting. With this correction noted, Mr. Steve Schwab motioned to approve the summary; Mr. Matt Korot seconded the motion; Mr. Leichner abstained from voting, and all others responded aye; the Meeting Summary passed as read.

II. Solid Waste & Recycling Director's Update

Mike Hoglund

- Mr. Hoglund passed out a schedule for Ordinances No. 04-1044 (adopts agency FY 04-05 budget), 04-1043 (amends license and franchise fees), 04-1042 (amends disposal charges and system fees) and 04-1048 (additional \$2 excise tax). He explained that Council is trying to synchronize the schedule for these ordinances as much as possible. The excise tax ordinance would add another \$1.50 for Metro Parks and 50 cents for marketing the convention center. Mr. Steve Schwab asked if SWAC would take a position on this. Mr. Hoglund replied that typically SWAC would not take a position on the budget, but it could. Mr. Hoglund then explained Ordinance No. 04-1043 to amend license and franchise fees and the Rate Review Committee's (RRC) recommendation that these fees be phased in. The Council will likely take the RRC's recommendation on Ordinance No. 04-1043, and amend Ordinance No. 04-1042 relating to disposal charges and system fees, i.e., Metro's tip fee. The overall tip fee is likely to be \$68.44 next year, or \$70.44 with the additional \$2 excise tax.

In response to a question, Mr. Hoglund said the new rate would probably take effect August 1 or September 1. Mr. Bruce Walker expressed concern that major changes are proposed, including funding cuts to waste reduction and local governments, and additional excise tax, yet SWAC has not had a presentation or opportunity for discussion. Mr. Hoglund and Ms. Matthews responded that it is the RRC's charge to review the numbers, and people are welcome to make procedural observations during public testimony to Council. Mr. Jeff Murray questioned why 50 cents of excise tax on solid waste is proposed for convention center funding. Mr. Hoglund replied with the analogy that the excise tax is Metro's property tax; Metro's general fund budget is based on the excise tax. It is the Council's prerogative to look across departments and fund activities according to their priorities. Mr. Winterhalter observed that, by design, the solid waste system is divided, but through SWAC the Council could hear a unified voice yet they choose not to. He noted that shifting rates has policy implications and expressed frustration that SWAC does not have input. Mr. Schwab asked what the overall reduction in the Solid Waste and Recycling Department's budget amounted to. Mr. Hoglund replied that reductions amount to about \$1.5 million.

- Mr. Hoglund announced that proposals to operate Metro's transfer stations are due next Monday. An inter-governmental review team and a consultant will take about a month to evaluate the proposals.

Negotiations with the lead candidate will occur late-May and early-June and the contract will take effect December 1.

- Mr. Hoglund announced that Council reappointed Tanya Schaefer for another two-year term on the SWAC. Council also appointed Mr. Huycke and Mr. Phelps to the Committee. Mr. Huycke was formerly an alternate member; he is now a member with Mr. Phelps as his alternate.

III. Annual Waste Reduction Program Plan (Year 15)

Lee Barrett

Mr. Barrett explained that the purpose of the Partnership Plans for Waste Reduction are to conserve natural resources by delivering regional services effectively and efficiently by giving grants to local governments on a per-capita basis, by competitive grants to local governments and by focusing on recovery in the areas of commercial, construction and demolition (C&D) and organics. These three areas are reinforced through outreach and education efforts and supported by the Plan's \$1.6 million budget.

Mr. Barrett said that a couple of years ago, the Council directed staff to measure the effectiveness of these programs. Mr. Barrett reviewed highlights from the first of these performance measure reports, the Year 13 Performance Measures Assessment Report, covering FY 2002-03 (copy included in the agenda packet).

Mr. Barrett stated that the proposed budget for the Year 15 Partnership Plan for Waste Reduction is approximately \$1.6 million, down 9.6 percent from last fiscal year. The Council President's budget proposes \$649,000 be dedicated to per-capita grants to local governments, \$160,000 be dedicated to targeted competitive grants to local governments, \$120,000 for organics, \$250,000 for C&D, \$455,000 for commercial. He explained that there are two proposed amendments to the President's budget for this Plan, including moving \$50,000 from per capita to targeted competitive grants. The other is to shift \$28,000 of per capita grant funding to the billboard art contest project.

Ms. Sarah Jo Chaplen, speaking as President of the Washington County Cooperative Program and also representing the City of Hillsboro and the Cities of Washington County, said that recently there have been three major proposals coming from Metro having fiscal and economic implications for local governments. These are mandatory recycling for business, Metro's excise tax increasing upwards of \$5 to fund programs not closely tied to solid waste ratepayers money, and finally, proposals to reduce funding for maintenance (i.e., per capita grant) funding in the Partnership Plan. She recognized that there is political pressure from Metro to reach the recovery mandate and that the Solid Waste and Recycling Department is dealing with internal budgetary issues, and thanked Mr. Barrett and Metro for speaking to local jurisdictions about the mandatory recycling proposal. Ms. Chaplen explained that in Washington County, Metro's per capita funding is matched by the County and then passed through to the co-op. Thus, any reduction to Metro's per capita grant funding results in reduced matching funds from the County. They would prefer the competitive grants be cut, rather than per capita grants because it is difficult to do more innovative programs if the base programs are cut. Ms. Chaplen stressed that Metro's per capita grant funding is essential to core services to Washington County citizens and communities.

Mr. Bruce Walker agreed with Ms. Chaplen's comments and added that the City of Portland views this funding as essential to providing services. These funds allow the City of Portland to work with haulers and citizens to maintain programs. He expressed frustration that the staff report lists no known opposition, but thinks that Councilor McLain would be opposed because she has not always been supportive of this Plan. He said that we need a partnership, and Metro, while collecting higher tip fees, does pass through some of it to local governments to work with haulers and customers to provide better services. Now, the Council may raise the excise tax to fund other priorities without a discussion with SWAC, and has cut the department's budget in areas of waste reduction, including cuts to local government funding for core programs. Mr. Walker said he doesn't support these, explaining that he thinks the Council is misguided and doesn't think it's a sound direction for the Metro Council to take.

Mr. Hoglund suggested that local government staff should have their elected officials contact Metro Councilors. Ms. Matthews added that SWAC typically makes a recommendation concerning the yearly Partnership Plan for Waste Reduction, and may do so this year.

Mr. Korot said that although the Metro Councilors are looking at the budget and issues horizontally across departments, it doesn't seem like there has been an opportunity for regional policy makers to engage in a discussion about the tradeoffs between Parks, the Convention Center and Solid Waste. Mr. Korot suggested that the MPAC would've been a good forum to discuss the tradeoffs. He noted that Metro's Council is insulated from the rate-making impact on customers.

Ms. Chaplen recalled that similar discussions have occurred at the SWAC previously, and it was recognized then, like now, that competitive waste reduction grants largely benefit the larger cities that have grant writing capacity. Those cities are also the ones that could likely run their own recycling programs. The Washington County co-op benefits its members by pooling resources to have better programs than they could achieve individually, particularly since solid waste issues are typically not a priority. Additionally, Metro views shifting per capita grant funding to other priorities as a zero sum game, yet local governments rely on that funding for solid waste programs that essentially assist Metro. If competitive grants are viewed more favorably because they are easier to measure, then a way to better measure outcomes produced by per capita grants should be developed.

Mr. Hoglund explained that the Council is probably making these decisions based in part on gut reactions and that \$28,000 out of \$650,000 doesn't seem like much. But, the Council has expressed an interest in receiving more analysis next year on competitive and per capita grant funding.

Mr. Winterhalter noted that \$78,000 out of \$1.6 million doesn't seem like much, but it is actually \$78,000 out of \$650,000 and does have an impact on local government budgets. He suggested that SWAC should have more discussions in the coming year to weight trade-offs.

Mr. Barrett clarified that at this time, these are only amendments proposed by Councilor McLain and the other Councilors may or may not support them. Mr. Hoglund added that the Council has in the past adopted the yearly Partnership Plans for Waste Reduction, with the funding subject to the final budget.

In response to Mr. Murray, Mr. Hoglund committed to relaying these comments to the Council and SWAC may also make a formal recommendation. Mr. Murray then proposed a motion:

The SWAC supports the budget as originally recommended without amendment, that is, as it is presented in materials distributed to the SWAC.

Ms. Wendy Fisher seconded the motion. After discussion relating to process, 14 members voted aye, and there were no abstentions or opposition.

IV. MRF Residual Subcommittee Update

Lee Barrett

Mr. Barrett showed selected slides from a PowerPoint presentation that explain the issue and why Metro and others in the region are concerned. A SWAC subcommittee on contamination and loss of recyclables was convened and made recommendations last year. Pursuant to a couple of those recommendations, MRFs voluntarily reported to Metro on contamination and allowed periodic sampling at their facilities. He explained that the SWAC subcommittee was recently reconvened to review this data and make further recommendations. It made three recommendations: 1) Metro should undertake a substantial region-wide education and outreach program for residential and business waste streams to address recycling contamination issues and improve quality of materials delivered to end-users; 2) it suggested that large roll carts for recycling and smaller carts for other recyclables such as glass and motor oil be provided to customers; and 3) MRFs should continue to report to Metro on a monthly basis and Metro should continue to sample material MRFs send to markets for at least another year. Mr. Barrett said the subcommittee would not meet again until Metro is developing an outreach campaign.

Mr. Gilbert asked if the subcommittee talked about recommending a ceiling for contamination levels. Mr. Barrett replied that a number was not discussed. Mr. Gilbert said he believes there should be an acceptable

level of contamination and the onus should be on haulers to watch what they are hauling to facilities and to educate their generators. Mr. Murray responded that the subcommittee decided not to go down that road because a ceiling doesn't put the burden on haulers so much as facilities and facilities do not have much control over what they receive. Also, in the spirit of partnership, it was felt that people are already making an effort and these efforts should be voluntarily continued. Mr. Winterhalter said that after discussion earlier in the day, he is comfortable with not having a number. Mr. Gilbert asked if there shouldn't be a clear distinction between a dirty MRF and clean MRF. Mr. Lucini noted that clean MRFs are essentially held to a number by the end users who can choose to reject material because it is too contaminated – Metro doesn't have any responsibility for this. Mr. Murray agreed, adding that clean MRFs are not regulated by Metro, yet all facilities have voluntarily allowed Metro to sample materials. He added that as soon as a number is picked, facilities are up against a wall. Also, because none of the facilities are vertically integrated with a landfill, there is no advantage in creating more garbage.

Ms. Sarah Jo Chaplen noted that it would be difficult to undertake a residential education program if Metro's grant funding to local governments is cut. Mr. Schwab said that when bins started being used in 1996, haulers left thousands of notes for customers to educate them. Related education efforts have been underway since 1985. Yet, customers continue to contaminate recycling. Education can only reduce contamination by so much. Mr. Mike Miller asked about the corresponding growth in tonnage and recyclables to contamination. Mr. Barrett replied that there was a 2 percent increase in recycling when commingling began, but that has since gone down. There has been a net increase of 1 percent on residential recycling.

Mr. Hoglund thanked the subcommittee for its work and Mr. Barrett committed to deliver updates on the results of the next year's monitoring and reporting.

V. RSWMP Update Process

Janet Matthews

Ms. Matthews briefly summarized what the Regional Solid Waste Management Plan (RSWMP) is and does. She explained that there are seven stages to the update process. With SWAC and others, the current direction and strategies have been reviewed; discussion issues for the update process have been identified; a discussion guide will be developed to use in the second round of public involvement; a final RSWMP will be drafted and after public hearings, the Metro Council will adopt the RSWMP and DEQ will review and hopefully sign off on it, as well.

Mr. Matthews summarized the groups of people involved and feedback received through public involvement efforts to date. She remarked that the final focus group with service users from the general public was particularly interesting. They were asked about their experiences using the solid waste system facilities, services and programs and their opinions about current policy and goals. They are satisfied with the current solid waste system and describe it as comprehensive, well organized, progressive and helpful. A majority of the participants had used transfer stations, recycling centers, yard debris and hazardous waste facilities. They agreed that the plan vision and overall goal expresses their values on how the system should be grounded. They were supportive of current levels of education and made specific recommendations on how to improve or enhance education levels. They recommend increasing recycling, improving the distribution of information using haulers to educate the public, increasing awareness of Metro responsibilities and decreasing confusion about which materials can be recycled. They were enthusiastic about the 62 percent waste reduction goal and recommend the goal be shared with the public and asking for greater recycling support. Many participants said they would be willing to pay more to increase recycling efforts, but felt they didn't represent residents as a whole.

Ms. Matthews said that since the service users focus group participants were not asked the same questions as the other focus group participants, it is difficult to compare responses. Nevertheless, some differing areas of opinion can be identified. Four stakeholder groups recommended the recycling goal be reevaluated and one group recommended the goal be increased, but the service users group reflected support of the goal and a desire to achieve it. Four of the stakeholder groups recommended further analysis of the benefits of recovering food waste; one stakeholder group and the service user group support the idea

of making composting food waste and yard debris more available to residents and businesses. In response to the question about where to go in the future, five groups suggested the topic remain an issue to be discussed. Two groups were less in favor of remaining a leader in waste reduction efforts, while the remaining groups, including the service users group, felt the region should continue efforts to remain a leader in this area. Ms. Matthews noted that this information would be covered in more depth in a report by the public involvement consultant.

Ms. Matthews said next steps include narrowing the list of issues to include in the next round of regional discussions using a list of guidelines. Ms. Matthews asked for feedback on how SWAC should be involved in the RSWMP update process in the coming months. She said that a discussion guide covering select issues, alternative approaches and trade-offs would be produced for the next round of regional meetings. In the next couple of months, staff will be gearing up for the next round of public involvement activities.

Mr. Korot commented that he hopes the Metro Council will recognize the connection between the development of this plan and actions such as cutting the Department's budget. This RSWMP has to be linked to available resources for the next ten-year period. Given the reduction in Metro's funding, there may need to be a transfer of costs and responsibilities to local jurisdictions.

VI. Other Business and Adjourn

Mike Hoglund

As there was no further business, Mr. Hoglund adjourned the meeting at 4:43 p.m.

Documents to be kept with the record of the meeting (copies available upon request):

Agenda Item I:

- Meeting Summary of the March 15, 2004, SWAC meeting (included in agenda packet)

Agenda Item II:

- Handout: Legislation Schedule and Opportunity for Public Comment for Ordinances No. 04-1044, 04-1043, 04-1042, 04-1048

Agenda Item III:

- Resolution No. 04-3442, including Exhibit A, Staff Report and Attachment 1, for the purpose of approving the Year 15 Partnership Plan for Waste Reduction (Fiscal Year 2004-05) (included in agenda packet)

Agenda Item IV:

- PowerPoint presentation: Keeping Quality in the Equation in Single-stream Collection

Agenda Item V:

- Handout: Comments from Council Work Session on Key Planning Issues for RSWMP Update, Tuesday, March 23, 2004

mca
M:\rem\od\projects\SWAC\MINUTES\2004\041904.DOC