METRO

600 NE Grand Ave.
Portland, OR 97232-2736

MEETING SUMMARY
Solid Waste Advisory Committee
Metro Regional Center, Council Annex
April 28, 2005

Members / Alternates Present:

Councilor Rod Park, Chair	Mark Altenhofen	Matt Korot
Mike Hoglund	Glenn Zimmerman	Eric Merrill
Rick Winterhalter	Wade Lange	Mike Leichner
Jeff Murray	Mike Miller	Paul Edwards
Dave White	Dean Kampfer	Mike Huycke
Les Joel	Loretta Pickerell	Ralph Gilbert
Bruce Walker	Dave Garten	Ray Phelps

Guests and Metro staff:

Janet Matthews	Marta McGuire	Jennifer Erickson
Councilor Susan McLain	Doug Anderson	Lee Barrett
Jim Watkins	Tom Chaimov	Roy Brower
Easton Cross	Barb Disser	Chris Bell
Steve Apotheker	Rene Eyerly	Glen Martens
Kevin Six	DLC Recycling:	Gina Cubbon

I. Call to Order and Announcements .... Rod Park

- Councilor Rod Park convened the meeting, and asked attendees to introduce themselves. New member Dave Garten, representing Multnomah County citizens, told a bit of his background. He is a self-described "high-tech guy," has been a general manager of an Intel business, and is currently a professor at PSU teaching an MBA program on acquisitions, mergers, business strategies, and technology commercialization. "I'm interested in sustainability," Mr. Garten said, "I got a Master Recycler 'degree'... and I put a sustainability program in my kid's elementary school, as well. I'm an interested citizen; that's why I'm here and hopefully I can help out."

II. Solid Waste & Recycling Director's Update...Mike Hoglund

- Disposal System Planning – Metro Council has directed staff to consider and research options to Metro's ownership of its two transfer stations. Staff will evaluate three models:

  1. The current system of public and privately-owned facilities;

2. Franchised, privately-owned facilities; and
3. Publicly-owned facilities that may be run publicly or by a contracted operator

The next step, Mr. Hoglund said, is to develop criteria with Council for a scope of work, and a work plan. "[Council] has asked us, since we are an operator and a regulator, to be as objective as possible. To do so, we have some ideas that we should be rolling-out that will include taking information through [SWAC] and having consultant assistance and developing some sort of public process."

- Update on Columbia Environmental's transfer station application: They submitted a revised application, which started the 180-day time period for approval. The review and Council decision must be completed by June 22.
- RSWMP Sustainability Group (a subcommittee of SWAC): This group is charged with developing goals that could guide solid waste system to become more sustainable over the next ten years. The subcommittee will define sustainability for the solid waste system, determine points in the system where changes could be made to improve sustainability, and recommend goals to move the system there. Three of the planned six meetings have taken place thus far, primarily discussing possible frameworks, defining sustainability, and brainstorming about what a sustainable solid waste system could look like in the region in the next decade or two.

Councilor Park noted that he had inadvertently forgotten to ask for changes to, or approval of, the minutes of the previous SWAC meeting. Matt Korot moved to approve; Mark Altenhofen seconded, and those members present voted unanimously to accept the minutes as written.

III. Rate-Related Policy Discussion..Doug Anderson

Councilor Park introduced this item, thanking the Rate Review Committee (RRC) for their "outstanding work." They worked very hard, and the Committee's work is not yet finished, the Councilor said. He would like to reconstitute the group and "move forward in a broader setting. It's bigger than Rate Review, but smaller than SWAC. I think you'll see the issues that they came up with – as well as the ones they settled – are very interesting. They'll continue to look at cost centers, and who pays for what; they raised some interesting points that we – SWAC – and the industries are going to have to address." While in theory, cost-of-service is simply a matter of users paying, gets much more complicated when applying fact to theory, Councilor Park explained.

Mr. Anderson began to explain the attached background materials. "Many of you know, in general, how our rates are structured," he said. "We have a transaction fee, a tip fee at the transfer stations, but also a Regional System Fee and an Excise Tax on all waste." The RRC's preliminary recommendation this year increases the overall rate by only $0.47, to $71.43 (with no change to the transaction fee), Mr. Anderson informed the group. As shown in the handout, the tonnage charge went up, while the Regional System Fee and Excise Tax each decreased.

This is a preliminary recommendation, Mr. Anderson stressed. "We are still making sure numbers are correct and that we recover revenues and are incorporating all the policies," he said. A draft will be circulated to the RRC members to make sure it correctly reflects their decisions. “The Council has the final vote on these rates,” he continued, “so we’ll have to wait until June 2 to know what the rates are actually going to be.”

Mr. Anderson embarked upon the details of the RRC’s work, beginning with the current allocation model, which is “based on next year’s budget and next year’s tons.” The RRC has debated this model for the last two years. Page two of his handout, he said, gives a very high-level historical outline of what the 1997-2004 model entailed, including the policies on which it was based. Debate, Mr. Anderson continued, centered on the last two bullets of page two, regarding what items are considered of regional benefit, therefore paid by all. Programs such as hazardous waste, safe closure of the St. Johns Landfill, waste reduction, and regulatory affairs (including illegal dumping) were considered to be of benefit across the Metro region, so funded through the Regional System Fee. Administration of those programs and long-term fixed costs are also included; however, Metro’s disposal costs (transfer station operations, waste hauling, etc.) are paid only by customers of Metro’s transfer stations.

The next background piece (handout pages 3 and 4) outlined the RRC’s work and results from last year. “As the system became more complex,” Mr. Anderson explained, “the costs weren’t really following tonnage anymore, and that’s one of the issues.” The Committee decided to look at a true cost-of-service model; however, Metro Council decided to implement only half of the recommendation at that time because the plan would have caused large and complicated changes to the rate components.

Before moving on to page 5 of the handout, Mr. Anderson said, “I would characterize last year’s [RRC] work as really doing a lot of heavy sledding in some really good and valuable rate fundamentals.” The recommendation was a strict cost-of-service model. This year’s group decided to step back and look at some of the policies behind Metro’s decisions which drive the cost-of-service. For instance, he explained, “Metro has made the policy choice to stay open seven days a week, long hours, 161 hours a week, because back in 1997 we made a commitment to thoroughly serve the public.” That was a policy choice that drives the cost-of-service. That was one of the issues the RRC grappled with this year, Mr. Anderson indicated.

He continued explaining the handout, noting that it’s hoped the RRC will look further, into the extension of costs throughout the system. The rate at most private facilities tends to mirror Metro’s rate each year. Additionally, the issue of the “margin” from which private facilities pay their costs proved somewhat contentious.

Upon conclusion of Mr. Anderson’s presentation, the Committee asked questions to clarify the materials, and discussed some of the policy issues RRC wished to look at. Regarding cost allocation, Councilor Park said that “there’s been a push towards going to full cost-of-service. But while it sounds simple on the surface, you get into other questions.” Being open shorter hours, for instance, is more efficient, but being open longer hours is more convenient for the public. The Council’s policy decision regarding that is based partly on wanting to help reduce illegal dumping, he said, and for waste to be transferred safely and appropriately. The ongoing debate is whether that’s a regional benefit, he said.

Asked to address the issues he had as a local rate-setter (who is also a member of Metro’s RRC), the City of Gresham’s Matt Korot started “at the end, this proposed tip fee really represents a ‘time out’ in the process of setting rates.” He came to that “time out,” he said, with the help of other local governments. Together, they looked at unintended consequences of the allocation model. For instance, "the change in the margin. If you just change cost allocations, the Metro tip fee goes up, so Metro customers pay more. At the same time, the private facility tip fees go up, unrelated to any change in services. That raised a flag for us as a cost-impact on the rate payers unrelated to a service change." Other Metro decisions could have the same kind of impact, he continued. When the four allocation issues in the handouts began to be discussed, Mr. Korot continued, it became apparent that they're bigger issues than what is in the purview of the RRC.

While WRI's Ray Phelps (another member of the RRC) agreed substantially with Mr. Korot, he said that because his facility is located further out, "we'd like to minimize the subsidy that the Washington County rate-payers have to provide to the people who use Metro's facilities." There are also a number of costs that private facilities bear which Metro does not, he continued, such as the rise in fuel costs. Acknowledging that Metro has some costs the private facilities don't, Mr. Phelps concluded that it all evens out and a cost-of-service model should be used. Still, he said he's glad that Mr. Korot suggested the "time out" so that issues can be looked at more slowly and completely.

The City of Portland's Bruce Walker asked if the RRC was interested in looking into the operating costs at private facilities. Mr. Phelps replied that it's not currently in the RRC's purview, but yes, some members would like to. Councilor Park clarified that at least one RRC member actually said he'd like to see rate regulation of private facilities. Mr. Korot agreed that there's "a black box in the middle of [local governments'] rate-setting process that relates to the private transfer facilities. If nothing else, for us it drives the need to have a little bit more of a dialogue on that. Where it ends up, I'm not sure. The two rate [experts on the RRC] were struck, I think, by that 'black box' being in the middle of the system." Mr. Phelps said it would be helpful for industry and local government reps to meet and begin to understand one another. "The more we understand each other, the much better off we're going to be."

Mr. White, too, welcomed the idea of taking a break and then getting together to look at the issues soon. Councilor Park said that it became very apparent during the RRC's meetings that, "in order to move to a full cost-of-service model, the Committee would have to make a lot of policy assumptions that the Council hadn't even looked at yet." Mr. Walker added that there are complex issues involved, and he appreciates that local government was represented on the Committee.

After brief further discussion, Councilor Park wrapped up the issue by thanking the RRC and staff again, emphasizing that additional work will be done.

Added Agenda Item: Proposed Budget Amendment .... Councilor Susan McLain

Councilor McLain explained that because of the condensed budget process this year, the budget was received from Council President Bragdon after the March SWAC meeting. Therefore, this is the first chance to present this amendment idea to the Committee. She had difficulty reaching some of the local government reps by phone – everything from someone assuring her that Rick Winterhalter doesn't work for Clackamas County, to needing a 10-digit extension number for Matt Korot. "It's how we stay responsive to the public," Mr. Winterhalter joked.

Prefacing the amendment, Councilor McLain said that in her 15 years of working on solid waste issues, she's worked hard to hear from everyone involved, from industry, users, and local governments. “We know the job’s not done,” she said. “...As a Councilor, I’m trying to figure out how do we make it so that we have the most opportunities for the best tools and the most tools.” She continued, saying that she completely supports the local government per capita grants, and also supports the Commercial Technical Assistance Programs (CTAP). The Council President and staff have budgeted $600,000 for those programs; “Those are programs I want to keep strong and healthy, and make sure they’re doing what you say you want them to do.”

One waste stream that still needs work, Councilor McLain said, is the business sector. The proposed amendment, she explained, takes $40,000 from the per capita grants, and takes the CTAP budget back to it’s previous year’s budget of $400,000. The Councilor proposed that the resulting $240,000 be used to strengthen the business sector outreach. She feels that moving some of the funds would make the three related “prongs” equally strong. “There’s an $80,000 competitive program in there that – even though it was attached to multi-family – didn’t look like a resource that very many people would have utilized.” Instead, Councilor McLain suggested using $320,000 for a larger competitive grant program that would be open to everyone, including businesses. “It seems like if you opened up that $320,000 to businesses directly, you might be able to hit a new customer, or a new strategy that may strengthen what we’re trying to do,” she said. “We’ve heard from citizens and the industry [at the Let’s Talk Trash meetings] that we need to look for as many new and creative tools as possible.”

When the floor was opened for comments, Mr. Walker thanked Councilor McLain for handing out copies of the amendment; he understands the need to focus on commercial waste. However, he feels strongly that the CTAP program has had great results and can achieve even more with the extra funding in the proposed budget. “That was a clear message, it was unanimously adopted by the Contingency Group to expand that budget,” he said. He hadn’t understood initially that this proposal would eliminate the increase to CTAP.” It’s the best dollar-for-dollar service, he concluded.

Mr. Altenhofen expressed concern at the late arrival of the amendment. “We’re well into our budgeting process, well into our planning process already. If this were to come back in the Fall and we’re able to look at the details... I could plan, then, going into my next fiscal year.” As it is, plans have been made with the assumption of the CTAP funds in the proposed budget. Councilor McLain that the budget process has problems that need rectification, but added, “It’s frustrating as a Councilor with this budget process that if [local governments] are depending on money I haven’t decided is in the budget yet, that makes it hard for us to have a budget review. Or do we just rubber-stamp it and send it forward?”

Gresham, Mr. Korot said, is trying to align its resources towards what the contingency group had recommended, “and we’ve looked to Metro staff to help us validate the approach. Some of the staff – I think Steve [Apotheker} has done the work, has found that the onsite technical assistance is an effective way of changing behavior and increasing recycling.” If funds are shifted, he said he’d likely just put it into a grant for CTAP anyway. As far as local businesses having access to the funding, he continued, “I have a hard time imagining that we’re going to get the same amount of impact that we’re having with CTAP.”

Mr. Winterhalter added, “Well, it’s a little bit self-serving, but obviously I agree with my colleagues. One of the biggest things [about the current outreach] is that we got positive feedback on the CTAP program. There are some interesting and compelling things about the competitive grant, and what would we get from the business community... I respect that; however, maybe we should discuss it a bit more and look ahead." Councilor McLain suggested that perhaps a budget note could be added that mandated further review, including business representatives.

In continued discussion, Far West Fiber's Jeff Murray commented that CTAP has been extremely helpful. His business has seen the program's progress grow, as they receive virtually all the material from haulers within that Washington County market. "I've never seen a program go so well. The volume coming out of the Beaverton area has increased incredibly, and it's good quality material... Right now, we're seeing the numbers go up monthly, and it's very exciting. So whatever it is that's doing it, I'd love to keep it going."

On the other side of the coin, Legacy's Tom Badrick likes the idea of competitive grants. "I would suggest definitely pursuing the idea of a competitive grant – one, because I love to apply for grants to get money for it, but not meaning any disrespect to the jurisdictions, [but] for what we do as a health care facility, we don't have your run-of-the-mill garbage. There's very little in the outreach programs that will help me... If I could have some funding that will help me start a new pilot project, trust me: Whatever we're doing at Legacy we'll be helping Providence do, we'll be helping OHSU do. In the big picture, that's not a huge amount of garbage, but we generate 200 tons a month in our facility, and that's not small change, either. So whether it's now or later, a competitive grant might help me do something."

Mike Huycke added that while CTAP funding should be protected to some extent, he likes the idea of competitive grants "to help local governments, businesses, and haulers to collaborate and facilitate discussion between those three groups. When that happens, good things happen in terms of program implementation and material recovery."

Other comments included Mr. White's observation that competitive grants may not be as even-handedly beneficial as grants done on a per capita basis. Until CTAP is proven to be <u>in</u>effective, he said, he would prefer to let it continue its progress. The City of Hillsboro's Paul Edwards added that while he thinks competitive grants are a good idea, they wouldn't benefit his area. Waste Management's Dean Kampfer said that he greatly appreciated Councilor McLain's "looking outside the box," but with the 62% recovery goal looming large right now, "the only way we're going to accomplish that is by local governments, haulers, and Metro working together." He felt the timing for competitive grants may be better at another time.

Councilor McLain concluded the discussion by thanking the group for their comments. She clarified that the proposal isn't actually a new grant program, but an expanded one. "I was trying to respond to the fact that it was only for multi-family, and it seemed like such a small pot that I'm not sure it'll be used as well as it could be." She said she would work with staff to put together a competitive grant task force, on which she would be asking for SWAC members' help.

IV. RSWMP Rate and Revenue Policies .... Janet Matthews

Ms. Matthews introduced this item, handing out three draft regional policies that SWAC members have indicated they would like to hear more about and discuss.

Policy 16.0 – Community Enhancement Fees

The current RSWMP, Ms. Matthews explained, “is rather emphatic that Metro will collect this enhancement fee from all disposal facilities,” but it is only being collected at the three regional facilities (Metro and Forest Grove). The proposed policy would include franchised transfer stations, as well, therefore fulfilling something that is dictated in the current RSWMP. “Any community hosting one of these facilities is certainly entitled to a Metro-collected fee,” she said.

Mr. Kampfer asked if a community could have a host tax rather than a Metro fee, such as in Troutdale? Ms. Matthews responded that she spoke recently to the Metro Attorney about that very issue. State law mandates that only one municipality can charge an enhancement fee (Metro), and that is different than a tax. “In essence, Metro could still place an enhancement fee on that Troutdale facility despite the fact that [the City of] Troutdale has placed a tax on that, as well.”

Councilor McLain noted that the proposed change makes the over-all policy more consistent. Mr. Hoglund added that under the old policy, collection of the fee was required. The modified language, by emphasizing that any community hosting a disposal site “is entitled” to this fee, actually leaves it up to that host community to work with Metro and determine whether it will be implemented. Rather than requiring the fee, the new language makes it more an “on request” situation.

Mr. Murray asked the definition of “disposal site.” Ms. Matthews said that the State defines disposal sites as any transfer station, landfill, etc. It exempts material recovery facilities, but facilities that are MRFs and transfer stations are still defined as transfer stations. Mr. Altenhofen was unsure if the word “entitled” is best, if the intention is to soften the requirement.

Staff will have further discussion of the policy with Metro Council, Ms. Matthews noted.

V. Other Business and Adjourn .... Rod Park

- Because of time limitations, Councilor Park told the group that the remaining agenda item (RSWMP vision statement and regional values) would be addressed at the next meeting. Ms. Matthews asked the Committee to please review the corresponding piece from the agenda packet and e-mail any comments to her. “Remember,” she said, “a vision is a long-term ideal, it’s an ultimate aspiration. It’s not the here and now. We’re looking ahead.”

Councilor Park thanked the group for their attendance, and adjourned the meeting at 12 noon.

Next meeting:
Thursday, July 28, 2005
Room 370 A/B

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Regional Solid Waste Advisory Committee
April 28, 2005
Rate-Related Policy Discussion

Background for the Rate Review Committee's Discussion of Issues

On April 26, the Rate Review Committee (RRC) recommended that Metro Council adopt the following solid waste disposal charges for next year:

Solid Waste Disposal Charges, September 1, 2005 through August 31, 2006
Preliminary Recommendation of the Rate Review Committee
April 26, 2005

	This Year	**Recommended**	Change
Transaction Fee	$7.50	**$7.50**	- 0 –
Tonnage charge	$45.55	**$46.85**	$1.30
Regional System Fee	$15.09	**$14.51**	($0.58)
Excise tax	$8.58	$8.33	($0.25)
DEQ & host fees	$1.74	$1.74	- 0 -
Metro Tip Fee	$70.96	$71.43	$0.47

Notes
- Boldface numbers indicate the rates that RRC recommends.
- These figures are preliminary, subject to verification.
- Council approval is necessary before the rates are effective (action expected June 2, 2005).

- These rates are largely based on the current rate allocation model applied to the FY 2005-06 budget and tonnage numbers.
- The allocation model and its underlying policies have been the subject of extensive debate and analysis within the committee for the past two years.
- The purpose of today's discussion is to allow RRC members to explain this debate, the policy questions, and potential next steps.

Background

Allocation Policies and Practices
1997—2004

Policies

- Programs with a broad regional benefit should be paid by all ratepayers.
  Examples: household hazardous waste, waste reduction, landfill closure.

- The cost of disposal services should be borne by direct consumers of the service.

- The cost of long-term public commitments undertaken on behalf of the region should be borne by all ratepayers.
  Examples: debt service, fixed payments on long-term contracts.

- Indirect costs that follow tonnage should be allocated to a regional rate base so the cost is borne in proportion to tonnage.
  Examples: administration, secretarial, finance and budgeting.

Practice
Cost Allocation Model and Calculation of Rates
1997—2004

Budget Areas (Budget Costs)	Everybody Pays	Metro Customers Only: Fixed Costs	Metro Customers Only: Variable
Regional Programs	→		
Regulatory Programs	→		
Metro Disposal Costs		→	→
Administration & Overhead	→		
Long-Term Fixed Costs	→		
	Total	Total	Total
Divided by:	Regional tonnage	Metro transactions	Metro tonnage
Equals rate components:	Regional System Fee	Transaction Fee	Tonnage Charge

Background

The Committee's Work and Recommendation Last Year (2004)

The Work

- RRC's work started as a check on the allocation policy for administration & overhead.
- Approach:
  - ⇒ Allocate indirect costs to primary programs based on cost causation.
  - ⇒ Allocate "fully loaded" program costs according to the "user/beneficiary pays" principle *See the matrix on the next page.*
  - ⇒ Compare costs and rates with the allocation model then in use.

The Results

Under a strict cost-of-service approach the committee concluded:

- $2.1 million more administrative costs should be paid by Metro customers
- $0.5 million is caused by inspections and audits of private facilities.
- Debt service should be allocated between Metro customers ($1 million) and regional ratepayers ($1.3 million) on the basis of usage vs. stranded costs.
- The numerical result was a recommendation to reallocate:
  - ⇒ $3.1 million from the Regional System Fee to disposal charges at the transfer stations
  - ⇒ $0.5 million from the Regional System Fee to a new "3rd Fee" borne by the regulated community.
- The rate effects from the previous year were:
  - ⇒ $1.50 increase in the Transaction Fee
  - ⇒ $3.78 increase in the tip fee (in part due to a $2 increase in the excise tax)
  - ⇒ $1.48 decrease in the Regional System Fee

These represent the Council's decision to implement only half of the recommendation.

Background

The Committee’s 2004 Allocation Model

Budget Areas (Fully Loaded Costs)	Everybody Pays	Metro Customers Only: Fixed Costs	Metro Customers Only: Variable	Non-Metro Only
Regional Programs*	→			
Regulatory Programs*	O →	→	→	→
Metro Disposal Costs*	→	→	→	
Debt Service*	→	→	→	
	Total	Total	Total	Total
Divided by:	Regional tonnage	Metro transactions	Metro tonnage	*to be determined*
Equals rate components:	Regional System Fee	Transaction Fee	Tonnage Charge	“3rd Fee”

* Program costs consist of the direct budgeted cost, plus an allocation of administration and overhead.

This Year's Work
Consideration of System Effects and Policy-Driven Cost-of-Service

System effects

- Amplification of Metro's cost-sensitivity to tonnage shifts (fiscal impact)
  - ⇒ Implication for increasing tonnage authorization at existing private facilities.
  - ⇒ Implication for approving new facilities.
  - ⇒ Extension of costs throughout the system (local government rates and private tip fees).
- Metro's rates and private facility economics:

		Disposal cost allowed in local government ratemaking
Transaction Fee*	$1.50*	
+ Metro Tip Fee	$71.43	- also -
Revenue per ton	**$72.93**	Gate rate for independent transactions
less Metro charges:		
Regional System Fee	$14.51	Fees paid to Metro on landfilled waste.
Excise tax	$8.33	
equals:		Revenue minus Metro fees = the "margin" from which private facilities pay their costs.
"Margin" per ton	**$50.09**	

* $7.50 transaction fee per ton based on 5 tons/load.

Strict Cost-of-Service vs. Policy-Driven Cost-of-Service

The committee also examined several of Metro's policies that affect the level-of-service; and therefore, the cost-of-service. The primary question is, who benefits and who should pay?

- Cost of sustainability measures at Metro transfer stations.
- Cost of long hours of operation by Metro to serve the public.
- Regulatory costs: disposal facilities vs. recovery facilities (yard debris; "clean" MRFs)
- The end of debt service and smooth rate path transition.

System Effects

Effect on Private Facilities of a Hypothetical $1.2 Million Reallocation to the Tonnage Charge (tip fee) from the Regional System Fee

Rate Components	Before		After
Transaction Fee*	$1.50*		$1.50*
Tonnage charge	$46.85	**+$2**	$48.85
Regional System Fee	$14.51	**-$1**	$13.51
Excise tax	$8.33		$8.33
DEQ & host fees	$1.74		$1.74
Revenue per ton	**$72.93**		**$73.93**
less Metro charges:			
Regional System Fee	$14.51		$13.51
Excise tax	$8.33		$8.33
equals:			
“Margin” per ton	**$50.09**		**52.09**

Conclusion

Comments, questions and challenges from the Rate Review Committee

General discussion by SWAC

Solid Waste	#1

AMENDMENT TO FY 2005-06 BUDGET

PRESENTER: Susan McLain

DRAFTER: Susan McLain/Meg Lynch/Karen Feher

DATE: April 14, 2004

PROPOSED AMENDMENT: (provide a brief summary of the requested action along with the specific line items affected)

This amendment shifts emphasis of the Waste Reduction Division's local government grant program away from per-capita grants toward competitive grants targeting commercial generators. This amendment creates a new grant activity within the department, Commercial Waste Competitive Grants, and budgets it at $320,000. The source of funds comes from a $200,000 reduction in the Local Government Commercial Technical Assistance Program (a non-competitive commercial program listed at $600,000 in Council President Bragdon's proposed budget); a $40,000 reduction in Local Government Waste Reduction Program Implementation (a non-competitive non-targeted program listed at $636,803 in Council President Bragdon's proposed budget); and the entire $80,000 of the Competitive Waste Reduction Assistance Program (a competitive program not necessarily targeted toward commercial generators).

The program changes within the line item are listed below.

DEPARTMENT(S)	Fund(s)	LINE ITEMS		
		Acct #	*Account Title*	*Amount*
Solid Waste	530	5315	Grants to Other Governments	
			Competitive Waste Reduction Assistance Program	*-80,000*
			Local Gov Commercial Tech Assistance Program	*-200,000*
			Local Government Waste Reduction Program Implementation	-40,000
			Commercial Waste Competitive Grants	+320,000

PROGRAM/STAFFING IMPACTS

As competitive grants require more staff time to prepare, evaluate and award, the department estimates that staff administration time would rise from .05 FTE to .20 of an FTE to develop, administer and implement the new program. This increase could be covered by shifting work assignments from existing staff.

ARGUMENTS IN FAVOR OF THE PROPOSED AMENDMENT –

The Solid Waste Functional Plan has identified commercial waste as an important issue to be addressed. This amendment makes all these programs more attractive and useful. Local jurisdictions would still get almost $600,000 to support local efforts for waste reduction that is flexible for local needs. $400,000 is still offered for Business and Technical assistance that can be helpful for business projects, programs and audits. The amendment also offers $320,000 in competitive moneys for more creative development for support of new and better ways to get commercial recycling jump-started with competitive grants.

OPTIONS FOR FUNDING THIS AMENDMENT – What reductions, credits, changes, or adjustments in other budget/program areas will be necessary to accommodate this amendment?

None. The amendment would shift monies within the program.

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