



METRO

A G E N D A

MEETING: **REGIONAL SOLID WASTE ADVISORY COMMITTEE**
DATE: Wednesday, November 17, 1999
TIME: 8:30 a.m.—10:30 a.m.
PLACE: Room 370, Metro Regional Center, 600 NE Grand Avenue, Portland

- I. **Call to Order and Announcements** *Ed Washington*
- 5 min. *II. **Approval of September and October Minutes** *Ed Washington*
- 5 min. *III. **REM Director's Update** *Terry Petersen*
Including distribution of draft waste reduction initiatives.
- 40 min. IV **Debriefing on use of the savings, tax & fee ordinances** *Terry Petersen*
Metro seeks SWAC comments and opinions on the process and the outcomes.
- 40 min. *V. **What to Do about "The 10 Percent"?** *Paul Ehinger*
Metro's disposal contract allows Metro to dispose of up to 10% of regional waste at landfills not owned by Waste Management. This agenda item will include a discussion of (1) the pros and cons of allowing waste to flow to non-WMI landfills, and (2) some options for determining who should get some or all of the 10%.
- 25 min. VI. **Transfer Station Service Plan** *Bill Metzler/SWAC Subcommittee*
Update on subcommittee progress to date. Comments requested on direction of the plan and issues.
- 5 min. VII. **Other Business and Adjourn** *Ed Washington*

* *Materials for these items are included with this agenda.*

All times listed on this agenda are approximate. Items may not be considered in the exact order listed.

Chair: Councilor Ed Washington (797-1546); Alternate Chair: Councilor Rod Park (797-1547)
Staff: Meg Lynch (797-1671) or Doug Anderson (797-1788); Committee Clerk: Connie Kinney (797-1643)

Metro Solid Waste Advisory Committee (SWAC)
Meeting Minutes
October 20, 1999

ATTENDEES

Voting Members

Ed Washington, Chair, Metro Council
Mike Borg, Clackamas County Haulers (alternate), Oak Grove Disposal
Ralph Gilbert, East County Recyclers
JoAnn Herrigel, City of Milwaukie
Tom Wyatt, Browning-Ferris Industries
Jeff Murray, Far West Fibers
David White, Tri-County Haulers/ORRA
Mike Misovetz, Clackamas County
Mike Leichner, Washington County Hauler
Rick Winterhalter, Clackamas County
Lynne Storz, Washington County
Sarah Jo Chaplen, Washington County Cities
Mike Miller, Gresham Sanitary
Steve Schwab, , Sunset Garbage/CCRA
Tam Driscoll, City of Gresham
Susan D. Keil, City of Portland
Scott Bradley, Waste Management
Merle Irvine, Willamette Resource
Jean Roy, Citizen

Non-Voting Members

Terry Petersen, Acting REM Director
Carol Devenir-Moore, Clark County
Doug DeVries (Specialty Transportation Systems)

GUESTS

Dick Jones, Citizen/MCCI
Ray Phelps, Consultant, WRI
Easton Cross, Easton Cross Consultants
Diana Godwin, Rabanco/Allied Waste
Eric Merrill, Waste Connections
Joe Wonderlick, Merina McCoy & Co.
Tim Raphael, Celilo Group/WM
Doug Drennen, DES/LRI
Todd Irvine, Willamette Resources, Inc.
Ken Gimpel, Waste Management

METRO

Steve Kraten, REM	Meg Lynch, REM
Chuck Geyer, REM	Steve Apotheker, REM
John Houser, Metro Council	Leann Linson, REM
Bob Hillier, REM	Doug Anderson, REM
Connie Kinney, Clerk to the Committee	

Chair Washington opened the meeting. There were no minutes to approve from the September meeting.

REM Director's Update

Waste Connections has filed a lawsuit in federal court. Since this is now in litigation, there will be relatively few comments on the subject.

The Executive Officer has authorized a nonsystem license to Pride Disposal for direct haul up to 35,000 tons per year to Yamhill County's Riverbend Landfill.

DEQ has issued its state-wide recovery report. This region is currently at a 43% recovery rate up from the previous year of 42%. The statewide recovery goal is 50% by the year 2000; the region's goal is 52% recovery. It is most likely that neither the state nor the region we will not meet that goal.

Solid Waste Rate and Excise Tax Ordinances

Mr. Petersen gave a PowerPoint presentation with an overview of the three Metro ordinances that modify the excise tax, disposal charges and system fees. (A copy of the points covered is included with these minutes.) The timetable for the ordinances follows:

10/14	Proposed amendments
10/19	SWAC discussion
10/21	Council public hearing
10/28	Full council
TBD	Other council meetings, if needed.

Chair Washington said he would like to poll the committee on their thoughts about the proposed ordinances, beginning with Mr. Gilbert:

Ralph Gilbert: I endorse the program.

Dave White: On the tipping fee, it is currently \$62.50 and the ordinance now says to return \$0.50 per ton to the ratepayers. We have discussed that before. I prefer the rate stays at \$62.50. Also, would leaving the rate at \$62.50 mean the ordinance would be moved back another week?

John Houser: If Ordinance 99-825 fails, we would need to make sure the versions of the other two ordinances reflect the correct tip fee. Some of the proposed ordinances have placed the \$62.50 in them.

Dave White: Tri County Council has said it will try to stay neutral if the Metro Council doesn't lower the tip fee; we reject the \$62.00.

Steve Schwab: I agree with Dave. We don't support the \$62.00.

Joann Herrigel: I pass.

Sara Jo Chaplen: I would like to ask Terry what the philosophical underpinnings of the dry waste credit are?

Terry Petersen: Basically, to try to match up where the savings are and what the tax increases.

Sue Keil: We need to look at the impact of the various amendments on the facilities that are in the system. Some of the discussion that is occurring in service plan meetings really needs to be brought to the Council so that it can look at questions of level of service and see how the costs relate to the individual facilities. Much of the questions revolve around discussions of equity. You are trying to look at equity in the purest sense, down to the ultimate customer.

Lynne Storz: I appreciate Sue's comments. I was trying to make some restrained comments concerning what the Executive Officer has put together (a chart of what local government representatives say), and I am trying to be conscious of that. But I do feel very strongly that there may be some issues at the Forest Grove Transfer Station, and transportation costs in Washington County have historically been higher to facilities, and that is a general concern to us.

Chair Washington: I would ask that none of you try to be constrained in your remarks. I am interested in what is on your minds and how you say that is up to you. The Council really wants to know, without constraints, what your

feelings are. Please don't feel constraint around me. We are gathered here to come up with a product and so I appreciate the respect you are trying to show. Please tell me what is on your mind.

Sue Keil: In that light, I agree with Lynne. I don't think you have taken shots in any way whatsoever. But I think it is not useful to have a shooting match out there between us about who is using money in what way and who's got what kind of authority. I am personally offended by some of the comments about how solid waste funds are used in the City of Portland when clearly we are using it all for solid waste purposes. So again, I don't want to take Metro's budget apart or get into that kind of a discussion whatsoever. But I think it is most useful for us to stay focused on the technical issues and the impact for our ratepayer in the region. Not to the exclusion of diversion, certainly.

Jeff Murray: Lowering the tipping fee by fifty cents only creates a big hassle for the haulers, for local governments and for Metro. It doesn't really mean a lot in the long run. So either lower it or don't. If you do keep money on the table, don't give it back to the ratepayers, but leave it in the solid waste system. My other point is that basically, I see this \$9.00 as an out-of-state tax on solid waste. I think you call it a \$9.00 rebate. When you analyze it, solid waste outside of the system is getting taxed.

Chair Washington: Someone referred to it as an enforcement tool. In what sense?

Jeff Murray: I think you are dealing with two different issues: People who go out of the system and don't pay Metro fees, just completely escape. Then there is solid waste going out of the system, but there are repercussions on the system, because you don't get to take advantage of the lower fees (at the landfill).

Councilor Park: Jeff used the word "tax," and I don't think that is the right context of that. It goes back to make ratepayers whole and doesn't get used for a different purpose. The concept is to level the playing field through types of fees, so the people remaining in the system, don't end up subsidizing waste going out of the system.

Jeff Murray: I shouldn't have used the word "tax," but rather "fees." But I am still concerned with the fee.

Terry Petersen: And I am also sensitive to the interstate commerce issues. You also said this is an out-of-state tax, and that's not quite the case. It really doesn't matter whether it is in-state or out-of-state. The point is that it is waste going to facilities that do not pay Metro fees. And there are plenty of those kind of facilities in Oregon that this would address.

Jeff Murray: My concern is (I should have worded it differently) that when waste does go out of state, and there will be that fee.

Chair Washington: The perception that it is an enforcement tool, how does that set with people? Is that a concern around the table?

Sue Keil: I believe Jeff has it right. There are two different things. And Terry's answer when I asked about that was that he wanted Metro to do both: One is to recover costs, the other is to enforce rules and regulations. I've been concerned over time we in the region didn't have adequate enforcement -- either a regulatory structure or the will to enforce in a heavy way when there was a situation like Terry described before. This, to me, is like Jeff described -- it is managing the solid waste system, but it's not throwing the book at them.

Chair Washington: So you don't think it is heavy enough?

Sue Keil: I don't think this is the way to do it. I think it is the fine structure and the sanctions that will achieve the objectives.

Councilor Atherton: So you don't like a bridge toll?

Sue Keil: No.

Steve Schwab: It's more of a \$9.00 fine per ton than a \$9.00 fee that's payable if you leave. It's kind of like you are setting a rate for something that isn't supposed to happen. Set up a mandatory, or a regulatory punishment fee, rather than a gate fee -- it sounds like a gate fee to me.

Chair Washington: Jeff, any final comments?

Jeff Murray: No.

Mike Leichner: I happen to agree with Dave and Steve. To reduce the rate 50 cents will create nothing but political turmoil for the ratepayers. The Washington County Haulers Association still feels that the savings is the ratepayers' money and they should get it. It should stay in the Solid Waste Department and shouldn't be used for Transportation planning, Parks planning and the like. There is quite a bit of surplus that they can go after if they need it. The ratepayers are entitled to a lower rate for the next three years. I really feel that that's their money and they are entitled to it.

Scott Bradley: No comments.

Rick Winterhalter: Not having the information that Sue asks for is somewhat of a disadvantage. On its face, if you are going to a flat tax per ton to support waste prevention programs, whenever the material goes to a landfill, then it should pay the full rate. Otherwise, it's not considering all of the impacts to the system.

Mike Misovetz: I would recommend staying with the \$62.50, and I think you should entertain a motion to that effect from SWAC. And the second part are the comments that local jurisdictions have not always passed the funding on. As the Chairman of the Solid Waste Board in Clackamas County, I was a little taken aback by these comments. We make rate decisions just like you – on the basis of system costs – and we either pass the rate on or give the ratepayers the services. And that's what we are here to do – provide stable services. The other funding that we are talking about should be given back to the ratepayers. And I will support a motion in that vein.

Tom Wyatt: I go along with Dave and Steve. If the tipping fee is going to be reduced, it should be significant, and the savings should stay in solid waste.

Merle Irvine: My concern over the years has been the impact of Metro rates and excise taxes and things of this nature on our recycling operations. With respect to reducing the tip fee from \$62.50 to \$62.00, a real quick calculation of what that would do to our recycling facility in Wilsonville is that we lose \$32,000 in revenue without any offset in costs. It would impact our efforts out there. I support the \$62.50. With respect to the excise tax, we have the different tiers, one for landfill, one for transfer stations and one for MRFs. If we had a flat tax and everybody paid the same no matter what type of facility, again, going back to our facility in Wilsonville, that would increase our costs – we would pay an additional tax of about \$113,000 per year. Again that would be devastating to our operation. I just want to point out that the credits that are in the ordinances that Metro staff have proposed today really bring us back down to the same level of tax that the MRFs are paying today on the 8-1/2% on our disposal costs. So it looks like we are getting a lot of credits and a lot of savings, but it is basically revenue-neutral. So if you kept it at \$62.50, and the credits, etc. that we have in the ordinances that are being proposed, from a MRF standpoint, we are basically back to revenue-neutral. I support what we have right here. With respect to the way we distribute the money with the general fund or solid waste, I guess I agree with most of the people around the table here, that the majority, if not all of the monies should be kept in solid waste activities in one fashion or another.

Jeanne Roy: I am generally favorable toward the proposal. I want the export waste to pay the full system cost. I'm in favor of the tiered credits. Regarding the tip fee, my preference would be to keep it at \$62.50 instead of \$62.00. I have a question about the proportion that would go to solid waste versus the proportion that would go to other uses. It looked like less than half would go to solid waste, is that correct?

Terry Petersen: It depends on whether you are talking about the gross or the net savings. The gross savings per year, the first full year, is about \$6 million. This ordinance would generate \$3 million and there is no tax revenue, so on the gross number of \$6 million, that would mean 50% to the general fund. I prefer using a net savings of \$5.2 million, because that pulls roughly a million dollars for the cost increases in our current solid waste programs. And the \$3 million is about 60% -- a 60/40 split on a net basis.

Jeanne Roy: The hundred million is for what?

Terry Petersen: Of additional excise tax that would go to non-solid waste. Using the net savings of \$5.2 million -- using the gross savings of \$6 million it is 50/50.

Jeanne Roy: Then I would prefer that at least half of the net (savings) would go to solid waste.

Terry Petersen: A higher percentage than is currently in these ordinances.

Jeanne Roy: Correct.

Sue Keil: Would you provide some clarification on that?

Terry Petersen: In this proposal, \$3 million additional excise tax. So if you use the net number of \$5.2 million in the first year, that's about 60% of the net savings. If you want to talk in terms of gross savings of \$6 million, it's 50% -- \$3 million of the \$6 million gross savings in that first year.

Sue Keil: And the difference between your net and gross is what you've got to do to make the savings happen, isn't it. Aren't you prepaying trucking expenses?

Terry Petersen: The prepayment has already taken place. If we keep our current programs with our current inflationary cost increases (which are primarily the CPI adjustments in our major contracts) and we pull that money to cover for those cost increases, then we have \$5.2 million net available in savings that could be used for either non-solid waste or solid waste purposes.

Councilor Park: May I clarify? Under the ordinances, we are drawing down on those capital reserve funds, and so forth, in terms of generating those kinds of dollars you are talking about under the current ordinances that are in front of us.

Terry Petersen: The ordinances that are before you and the Council would set the rate. And the question that Councilor Park is raising, is how long would we hold that rate; if we hold it for more than three years, it looks like we will have a significant drawdown in some of our reserve accounts. One of the issues that Council will be looking at is whether we should hold the rate for only three years, for example. Then we won't have a significant drawdown in some of our contingency balances such as Capital Reserve, and Renewal and Replacement accounts. The drawdown of those reserve accounts is a function of what the Council of the future would decide to do in terms of the rates.

Sue Keil: One more question about the reserve account drawdown. About a year or so ago, we were in the situation where Metro was sitting on a reserve fund that was more than prudent for reserves. So Metro prepaid some transportation expenses, which brought those reserve funds down to a level than was lower than was prudent. That is further complicating the issue, in terms of looking at the reserve funds. What amount needs to be returned to the reserve funds to bring it back to a prudent level?

Terry Petersen: The one that you are referring to, I believe, is the Undesignated Fund Balance, which was built up over the past few years as our revenues exceeded our expenses. At the end of last fiscal year, the balance in that account, after the STS prepayment of fixed costs, was \$4.2 million. Our plan is to use that money over the next three years to offset our revenue requirements. That is an inherent part of this ordinance, even at \$62.00. If we want to keep the rate at \$62.00 for three years, we will draw down that undesignated fund balance to zero. My recommendation on Renewal and Replacement is that we follow the 20-year projects we have planned for what is needed for renewal and replacement. Metro gets an outside engineering study of what is needed there. On Capital Reserve, my recommendation is that we keep a two-year contingency that reflects our actual capital expenditures over the past five years, which have averaged about \$1.6 million. My recommendation is that we keep \$3 million in that Capital Reserve account. Once it is at that point, we would fund that capital reserve at the rate of about \$1-1/2 million per year, which would reflect our true costs. I did show a scenario to the Councilors that if we kept the rate

at \$62.00 for four years there would be a more significant drawdown in those accounts. We would not be replenishing, for example, the Capital Reserve in those out years.

Dave White: I appreciate this discussion, and I would ask Chair Washington if the next agenda item [the 10 percent] be postponed so we can continue this discussion.

Chair Washington: Certainly.

Chris Taylor: A lot of the talk has been centered around saving money to use for solid waste programs. What are those purposes -- what has been identified within the solid waste program for the use of the funds? Secondly, explain to me the rationale of the dry waste credit.

Terry Petersen: One is new initiatives in waste reduction and hazardous waste. And Councilor Atherton's suggestion to pay off the outstanding debt on Metro's bonds. And then another is to use some of the savings to reduce the rate.

Dave White: And rate stabilization.

Terry Petersen: The question about the dry waste tax credit goes back to Sarah Jo's question. We are trying to make some connection between where the tax increase is (or what the new tax rate would be) and where there were contract savings.

Chris Taylor: And what about the effect on waste reduction? I understand the credit for the recovery facilities, I just don't really understand it for dry waste -- the waste that has not been separated isn't being separated for recycling and spilling into a landfill. It seems to me they are charging a lower price on that is counter to the effect of waste reduction incentive, but maybe I've missed something. I understand the incentive for MRFs and it looks like Option Number 3 would have done that and also would have kept a high rate for the dry waste landfilled. Other than keeping people whole under the current system, it's not clear to me how having a lower rate helps achieve our broader waste reduction objectives. Seems like we are reducing incentive for diversion of that stream.

Terry Petersen: On average, the rate is not lower than the current rate. On average it is about the same. There should be no impact on waste reduction because of the lower tax rate on waste reduction. I've heard from some of you that you thought we should increase the tax for waste reduction incentive, to make it uniform. The first option on that chart is a uniform tax on all waste. And that would have increased the tax rate on dry waste.

Sue Keil: Related to Chris's question, this looks again to me like we are trying to fix a problem with the rate structure. And instead of speaking plainly about what the problem is, raising the bar to the 35% level is the kind of thing we've talked about here before. We thought the incentives alone would do the job, but the incentives did not do the job uniformly at the MRF facilities. There are notable exceptions sitting at this table, but raising the bar to the 35% level is surely something that I'd support. This plays into other discussions then about how incentives get paid out and how they impact particular facilities that are located in a particular area. But what Merle was saying before, I think would be the case for his facility -- if you put these credits and extra costs and what-not in, it is relatively revenue-neutral. He's not being a bigger winner, but he is also not being a real loser.

Jeanne Roy: I have a question for Sue. I don't know what you meant by "raising the bar." Does that mean a requirement, or does that mean that's where the incentives would start?

Sue Keil: That's where they would start. And they start much lower now.

Chair Washington: I would like to go back around the table, because there were some people who did not have any comments on the first go-round. Have any of you any comments at this time?

JoAnne Herrigel: My only comment is that as we've gone around the table and people have made comments, but I don't know if the comments have been effective or not -- other than the fact that people have heard them. If we were to make some kind of motion, or take some kind of action, I think it would be more effective.

Chair Washington: I think that is coming up, but I felt that I wanted to give everyone an opportunity to say what they want to say. These comments have been taken down and they will be shared with the REM committee and the Council as soon as possible.

Chair Washington: There has been one issue that seems to be a lingering problem. I would like to make sure that at our next meeting, we discuss the 10% situation, which will be followed by a full-blown discussion by this committee about the various reserve accounts.

[From the audience] Doug Drennen: I represent Lakeside Reclamation Landfill. My comment is on the \$62.50 or whatever the established rate will be. From what I've heard in this discussion, one thing that grabbed me is the long-term stability of rates. I keep hearing that we should keep the rate stable for two to three years, and I think Metro's horizon ought to be longer than that, say, five or seven years. And the other comment I have is that it is very difficult for me to understand how we can talk about funding all these other things when you have a liability within the solid waste system, which is going to have to be taken care of. I know Councilor Atherton points to the debt, but there may be other things. I just hope that this committee looks at the long-term impacts of the rates and to hold rates to five to seven years. Because it doesn't make sense to lower the rate, even if a little bit, and then have to ratchet it up.

Councilor Atherton: This agency is very unique. We're funding a regional government based on garbage. Garbage in, government out. What has come to us here is an opportunity to revisit the structure of this agency and to develop a long-term model of the role of the regionalism in our community. And that is what I've been thinking about and that's why I have produced an alternative proposal, and I'm giving it another name: The-taking-care-of-business option. There's good reason for that. In my model, for the future of this agency, we don't tax the garbage ratepayers to take care of other programs and processes. When I was a young man I would have accepted taxation ideas more readily. But now that I am older, I recognize the idea of good bookkeeping. And when you pay for something, you expect to get what you pay for. And you don't want to be constantly taxed. It abrogates our decisionmaking, it abrogates our bookkeeping, and it abrogates the way we function in our society. So there is a great deal of value to have the user pay for the type of process. And that's why I produced this option. It wasn't to goof up the Planning or the Greenspaces programs in any way – I think there are other funding options for dealing with those issues. Solid waste is a function we have to keep whole. We have to take care of that business. And there are significant liabilities in the system, as Mr. Drennen just explained. Not only is it the debt, but we also have, I think, liabilities such as the St. Johns Landfill. We also have substantial uncertainty in the system about the issue of the legal challenge to the flow control is one, but there are other uncertainties. I think we should keep the vast majority of the savings in the solid waste system.

Sue Keil: What amount is in the rate currently for the debt repayment?

Terry Petersen: In the regional system fee, it is close to \$2.00 per ton.

Sue Keil: So when the bonds are paid off, it could buy down the rate by \$2.00 per ton.

Terry Petersen: Theoretically, yes, it could be used.

Councilor Atherton: That \$2.00 per ton could be used to stabilize rates, maintain reserve accounts, fund a long-term rainy day fund, or other types of solid waste business. In terms of the proposals to enhance reuse recovery, manufacturing and so forth, we will look to your advice for that, and how much profitably can be set aside to do that and to pay off debt.

Sue Keil: After you have set aside the money to pay off the debt, and you have set aside enough for the capital reserves and other the other reserves to whatever level you feel is necessary, how much is available for other purposes?

Terry Petersen: My understanding is that the bonds could be paid off without penalty by 2004, at \$2.5 million per year for the next four years. The next piece is a \$1.5 million-per-year contribution to the Capital Fund.

Sue Keil: Does that takes care of all the reserve requirements?

Terry Petersen: Yes.

Councilor Atherton: If you take care of all solid waste business, there is not much left over.

Sue Keil: But you would have \$2.5 million that you might have left over for other programs.

Terry Petersen: \$1.5 million per year for existing programs that increase about \$1 million per year. If you fund those kinds of solid waste activities, there isn't much left.

JoAnne Herrigel: I notice there is a donation to the food bank involved.

Councilor Atherton: That is a solid waste proposal; I haven't had a chance to go through the nature and extent of this program. It is contingent upon getting the matching funds.

JoAnne Herrigel: Is this for reuse of food?

Councilor Atherton: Yes.

Chair Washington: Any further discussion on what you were talking about? Before we ask for a motion, there were a couple of people outside when I asked for input from the audience. Is there any? No.

Dave White: I would like to make a motion that the tip fee be kept at \$62.50. Mike Misovetz seconded the motion. The motion passed with two nays (Keil and Leichner).

Chair Washington: Are there any other advisory votes to send to the council?

Sue Keil: I think something needs to be said about the long-term financial stability of the system. I understand the variations of these proposals get to the reserves, which is for me part and parcel of this discussion. If the rate remains at \$62.50 and funds go to other things that do not allow the reserve funds to be maintained at the correct level, we have not taken care of the ratepayers' business. It is not a simple question of keeping the rate at that level, but rather than the proper level of reserves must be maintained for the solid waste activities that we are responsible for at a regional level, and that adequate money be available for maintaining the system. I move that any decision made by the Council have as a part of it a proper maintenance of reserve funds, and I would be specific: Capital and Renewal and Replacement as well as operating contingency reserves for a period of at least five years, consistent with the Regional Solid Waste Management Plan.

Steve Schwab: If you leave it at \$62.50, I like the Atherton amendment of 90/10.

Sue Keil: I have a City Council that has all kinds of suggestions on how any money that doesn't go to solid waste would be used. I certainly can make a recommendation that business be done in the interest of the ratepayers. I am saying that any proposal that is dealt with by the Metro Council needs to maintain sufficient funds to properly maintain the solid waste system, including funding our contractual agreements and maintaining adequate reserve funds.

Restated, the motion should say: Metro should maintain specific reserves to pay for future solid waste responsibilities and liabilities for the next five years. Ralph Gilbert seconded the motion. The committee voted unanimously to pass the motion.

Chair Washington: I've heard from several people at the table, trying to deal with short-term versus long-term system needs. Does this body need to stipulate the proper term, either long or short? Is that important?

Sue Keil: Yes, I think you need to be looking at least five years.

Ralph Gilbert: I believe we are talking about forecasting, which goes back to Councilor Atherton's word, "bookkeeping," and that goes back to Sue's amendment and working within the plan [RSWMP].

Sue Keil: I think we need to keep within the limits of the RSWMP.

Sarah Jo Chaplen: How long would you look at maintaining the reserves? Appropriate reserves for one year or five years? What kind of planning timeline are you looking at?

Jeanne Roy: Previously, the REM staff spoke to the State of the Plan, which said we were not making adequate steps toward the State-legislated mandate of 50% recovery by the year 2000. The RSWMP speaks to that issue and I would like to know what is going to happen if we don't reach the recovery rate. I want to know what is going to happen .

Chair Washington: I want to continue to address the issues that are on the table at present. Other things will come back after these issues are resolved. Your request is noted.

Sue Keil: Thank you for the discussion here today. This helps me with the amendment implications and gives me a better understanding of some of the financial issues.

Chair Washington: Thank you all for the discussions. And I appreciate your recommendations, and they will be shared with the Council. I will try to get these major points of this discussion and the motions just as soon as possible. Hopefully, by the time that REM Committee meets this afternoon.

Councilor Monroe: I'd like to thank each of the committee members for his or her input. One of the reasons we wanted to delay decisions on the ordinances for a week was to get your input. One of my primary purposes for this discussion is that we want to see stability in the system, and to be able to tell the citizens that the tip fee is not going up in the near future, and we will maintain a stable rate at least for the next four years. The other primary goal is not to hurt recycling, but to enhance it and not do any significant harm to the system's stakeholders. There will be winners and losers, but you are all good partners and we rely on your input.

Chair Washington: I want to thank you all for your patience. What I've tried to do as chair and in dealing with the Council is to provide the input based on what we have heard from citizens, and you all. If it is not put together the way it should be, there will be no ordinance passed. We will try to take forward the best package that we can, taking into consideration all of your thoughts.

I want to briefly say that my decision last week that every bit of the money goes back to the ratepayers has to be on the table whether you agree with me or not. I have some idea of where that could go, and in fairness to the citizens in the region, that has to be on the table.

Councilor Atherton: I want to thank you all for listening to my thoughts on the amendment. I still have not heard from you nor do I have any idea your thoughts are on paying off the debt faster. I look forward to your comments.

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**Metro Solid Waste Advisory Committee (SWAC)
Meeting Minutes
September 22, 1999**

ATTENDEES

Voting Members

Ed Washington, Chair, Metro Council
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Frank Deaver, Washington County Citizen
Mike Leichner, Washington County Hauler
Rick Winterhalter, Clackamas County
Mike Misovetz, Clackamas County
Merle Irvine, Willamette Resources
Lynne Storz, Washington County
Sarah Jo Chaplen, Washington County Cities
Mike Miller, Gresham Sanitary
Sue Keil, City of Portland

Non-Voting Members

Terry Petersen, Acting REM Director
Carol Devenir-Moore, Clark County
Marti Roberts-Pillon, DEQ (alternate)
Doug DeVries (Specialty Transportation Systems)

GUESTS

Dick Jones, Citizen/MCCI
Ray Phelps, Consultant, WRI
Easton Cross, Easton Cross Consultants
Diana Godwin, Rabanco/Allied Waste
Eric Merrill, Waste Connections
Joe Wonderlick, Merina McCoy & Co.
Tim Raphael, Celilo Group/WM
Doug Drennen, DES/LRI
Todd Irvine, Willamette Resources, Inc.
Ken Gimpel, Waste Management

METRO

Steve Kraten, REM	Meg Lynch, REM
Chuck Geyer, REM	Steve Apotheker, REM
John Houser, Metro Council	Leann Linson, REM
Bob Hillier, REM	Doug Anderson, REM
Connie Kinney, Clerk to the Committee	

Call to Order, Announcements

Chair Washington opened the meeting. Chair Washington thanked Councilor Park for sitting in on the last SWAC while he was on vacation. He gave a Barbados report, said he was fortunate that his two sons met him there, reported he was not hit by a hurricane and that it is a great place to sit on the beach, relax and do nothing.

Mr. Irvine moved to approve the minutes from the August 18th meeting. There were no corrections. The minutes were approved unanimously.

Chair Washington asked for an introduction of the new hauler members and alternates and welcomed them all. (See attached list.)

REM Director's Update

Mr. Petersen introduced Aaron Brondyke as the new Facilities Inspector, a new position in REM. He also introduced Mark Foye as the temporary Assistant to the Director. Mr. Petersen thanked Mr. Irvine for helping in the selection process of the Facilities Inspector.

Chair Washington asked Mr. Brondyke to give a small explanation of what he would be doing in this new position. Mr. Brondyke said the main focus was to build relationships with the folks in the field and to get to know the players and operations better, and to oversee the facilities as to whether they are operating according to their regulatory agreements.

Mr. Petersen gave an update on the status of the Nonsystem License Applications:

- Approved: Willamette Resources to continue hauling waste to Marion County.
- Waste Connections -- to haul waste to Finley Buttes Landfill through the Vancouver Transfer Station (on hold waiting for response from City of Vancouver and Clark Co).
- Pride Disposal -- to haul waste through their recovery facility to Riverbend Landfill in Yamhill Co. Positive response from Yamhill County received on 8/23/99. Metro to resolve legal issues. Response to be delivered to Pride by October 29, 1999.

What to Do about "The 10 Percent"?

Mr. Ehinger set forth the five parts of his presentation: Review what the 10% is; the impact of diverting 10% of the region's waste; the use of the 10%; the most important uses; Prioritize potential uses; and, the project schedule for putting forth some type of procurement package.

Metro agrees to deliver minimum of 90% of the acceptable waste delivered to any general purpose landfill owned by Waste Management. This provides Metro flexibility. Mr. Ehinger said there are financial impacts to diverting waste from WMO's landfills. He said one financial impact is the increase in the average disposal rate on the tons remaining in the Metro system due to the structure of our contract. For instance,

diversion of 1% of the waste makes an increase of \$0.10 cents per ton. If we send the waste to a non-Waste Management landfill, the financial impacts accrue; if they go to a MRF and waste is recovered, the financial impact is identical.

Mr. Murray pointed out that the impact would be larger if the waste was recovered because no Metro fees would be paid on the tonnage.

Mr. Cross posed the question: If one Waste Connections takes waste out of the region, does the contract speak to that?

Mr. Ehinger said there were a number of terms in the guarantee that persons have agreed not to argue about. He said that the term "Metro delivers" is the subject of some dispute and he can't tell you exactly what that means.

Mr. Ehinger said one of the uses for the 10% savings could go to reduce system costs. Or should it go to help build an organics system. What is the definition of system costs? What should the criteria be? Should it be directly disposal related impacts? Those are questions that staff would like some guidance on. Another thing to use the 10% for is a tool that could be used to help encourage some type of waste recovery, or a bonus for improved performance at MRFs, to help develop additional facilities or programs that wouldn't have been possible without funding.

Mr. Ehinger said one possibility that has been discussed is to use it to improve competition. But is it clear what exactly that means and how do you measure it. Mr. Ehinger asked the committee if they had any ideas.

Chair Washington asked the committee if the types of options Mr. Ehinger mentioned are options the committee believe should be on the list, or are there more, or even different, options? He said he would appreciate a recommendation from SWAC to the Council on whatever ideas it would like to see promoted.

Mr. Murray said he would like to see help with more recovery. He said the way the system exists today, it will take more dollars for recycling to compete with landfilling.

Ms. Keil said there are a lot of competing very significant items on Mr. Ehinger's options.

Mr. Irvine said he really needed time to weigh the impacts, what the facts are and how they relate to one another. Mr. Ehinger said this would be brought back to the committee, but he wanted them to have time to think about how Metro can leverage this savings into something that improves the system.

Ms. Godwin from the audience suggested another item to add to the list is to aid in system stability. She said there has been many changes in the solid waste system during the last five years, particularly if staff is worried about potential costs in the future, or disruptions to the system because of changes.

Ms. Devenir-Moore commented that Metro already has a set of goals for solid waste management and it seems that this particular 10% would not change the priority of those goals. The question then becomes "How can we implement the goals using the savings from the contracts?"

Ms. Herrigel suggested assembling the list of suggestions in some kind of hierarchy, and then asking for input from the stakeholders on whether the hierarchy as laid out is adequate. By doing so, she said, the question about whether or not an RFP should be developed.

Ms. Keil believes that Metro is rightly taking charge of the 10% and to not do so might, by default, see the savings "dribbled away." Ms. Keil said she would rather see a matrix instead of a hierarchy, where you look at the implications presented by various proposals against those criteria.

Mr. Petersen said he didn't know what type of device would be used, but he is suggesting a competitive process. He said then staff can evaluate them based on these criteria.

Mr. Ehinger said he was not sure how fast the process will go. Right now, we are still in the project definition period, which will run at least through this month [September] and probably most of the next month [October], at least until the next SWAC meeting. He hopes to have a draft procurement ready by late November. Assuming we are heading down the right path, we will be before the Metro Council asking for permission to proceed with our action in late December, early January. If we are lucky, we will actually let a contract in May or June.

Mr. Irvine asked if he would come back to this committee with something in writing so he can have some input? Mr. Ehinger said yes.

Chair Washington commented that he is at a different juncture than most of the SWA members. He views it from one perspective, but he is trying to understand 40 or 50 different perspectives. He doesn't have to deal with everything you deal with because you all have different interests, objectives, goals, competition. He asked the SWAC to give good strong information to the Council. He asked the committee if this 10% savings issue was more political than the \$60 million dollars? He stated that the input SWAC provided to Council has helped the Council to move forward with the \$60-million-dollar question. He asked for the same help and input on the 10%, because it impacts each SWAC member in a different way. It is essential for him to be able to take a strong recommendation from this committee to the Council.

Ms. Keil said that to answer Councilor Washington's question about which issue was more political, her opinion is that the excise tax is, by far, more political. She said that the committee really needed more time, however, before a strong recommendation could be achieved because some on the committee were hearing this for the first time.

Mr. White said he feels that in both of these issues, there is a conflict between disposal and recovery. As the prices go up and/or down, there will be an impact on recovery. He said the committee has also discussed keeping system costs down. Each of these elements – disposal, recovery and system costs – makes it hard to say whether the excise tax or the 10% issue is more important.

Chair Washington said the next SWAC meeting would be devoted entirely to the 10% issue if the committee felt that would be helpful. SWAC members all agreed that would be a good idea.

Solid Waste Rate and Excise Tax Structure

Mr. Petersen gave a short PowerPoint presentation on options available for capturing the savings, as well as raising the excise tax. (See attached.) Mr. Petersen reminded the committee that if any of the contract savings are to go to non-solid waste functions, that money has to be raised through the excise tax, not the solid waste fees. Some of the issues involved include the best way to structure the tax, and whether it should be a percent or a per ton tax. Mr. Petersen said if there is an interest in the per ton tax, there are some options available that he shared with the committee.

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New Initiatives in Waste Reduction

About nine months ago, Waste Reduction & Planning staff completed an assessment of the region's waste reduction efforts (State-of-the-Plan Report, 1999), as required by the Regional Solid Waste Management Plan.

We found quantitative evidence that the region's recovery has stalled – we are not making progress. As laid out in the State-of-the-Plan Report, we're doing quite well in residential recycling – the foundation that has been laid is both effective and efficient.

But the low-hanging fruit has been picked, and retrieving additional materials will be much more difficult and more costly, in part because in some waste generating sectors, the collection and processing infrastructure is either less highly developed or nonexistent. Furthermore, the region's booming economy has meant higher waste generation rates, with the result that, to meet our recovery goals, even higher amounts of recyclable and compostable materials must be diverted from disposal.

The assessment also found quantitative evidence that large amounts of valuable, recoverable materials remain in the waste stream, especially in the commercial, construction & demolition debris, and commercial food sectors.

An integral part of the RSWMP assessment process is recommending corrective action. Partially in response to the assessment's findings, a group comprising local government solid waste directors and Waste Reduction & Planning staff met for about six months at the end of 1998 and into 1999 to map out strategies for the next steps needed to achieve our recovery goals. This group concurred with the above quantitative assessment – that our progress has slowed and that, as a region, we need to focus on commercial, C&D debris, and commercial organics for additional recovery.

Last June, this group assigned staff from their respective jurisdictions to participate on three work teams to develop focused, three-year plans that would identify the tasks to be undertaken and the resources needed to reach the additional recovery in these three areas. (DEQ staff participated in the organics work group.)

The three work teams integrated the conclusions of the State-of-the-Plan Report, the data from DEQ's 1998 Waste Composition Study, and other recycling and solid waste data and studies. The teams assessed ongoing waste reduction efforts and resources, developed and evaluated new initiatives, and identified the resources required to achieve the region's waste reduction goals.

Each of the three work teams presented their recommendations in three categories – waste reduction, recycling and market development. The results, which represent three months of much work and many meetings, are the waste reduction initiatives (each of which incorporate work plans and budgets) that are included in your SWAC agenda packets.

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DRAFT
Commercial Organics Work Plan
November 2, 1999

Overview: According to the revised Regional Solid Waste Management Plan recovery rates, the region must recover 2,000 tons of organic waste in order to meet its established goals. This plan, cooperatively developed by the Regional Organics Work Team comprised of Metro, DEQ and local government staff, is designed to guide the region in the direction of increased recovery while adhering to the solid waste hierarchy of reduce, reuse, recycle, recover, compost, landfill.

This plan takes a two-track approach to organic waste management. The first track emphasizes waste prevention, donation and diversion. This is considered to be a least-cost approach as preventing the generation of the material in the first place removes the need to manage it as a waste product; donation is the highest end-use of food that is produced, and diversion to animal feed is the next step down in the hierarchy. Each of these approaches can be implemented in a relatively rapid fashion in that an existing infrastructure is present in the region, and outreach materials may be produced with short turnaround. While the food donation infrastructure does exist, some assistance and support will be necessary to enhance capacity to accommodate a new and increased flow of material.

The second track focuses on developing a processing system to accommodate organic waste that cannot be diverted to higher-end uses. Every effort will be made to utilize existing infrastructure and tailor generator and collection programs to fit within existing operations and regulatory systems. Several pilot projects will be initiated within the next 18 to 24 months to determine the economic feasibility of a regional organics collection and processing system. If the pilots prove successful, the Regional Organics Team will move rapidly towards the development of a permanent collection and processing infrastructure. If the pilots prove that organic waste collection and processing are not economically feasible in the current solid waste environment, only Track 1 programs will be fully implemented, and the group will revisit the issue at a later date. The decision to develop permanent collection and processing facilities is contingent upon economic feasibility. If feasible, and the program determines that public participation is required to leverage processing capacity, then we may face a large, lump-sum budget request within the next two to three years

A series of outreach efforts with a global message to the general public about the regional organic waste efforts will be planned for roll-out once programs are implemented. It is unknown what the specific concept or costs of such efforts will be at this time as they are dependent on the extent of the programs implemented. Additional funds to cover this effort will be proposed in future budget requests.

The following draft plan provides the details and the accompanying resources needed for the immediate implementation of a regional organic waste management plan. During the first three years, the team has chosen to target efforts towards large organics-rich businesses and industries. These targeted businesses are:

- Large retail grocery stores
- Large restaurants
- Hotels
- Institutional cafeterias*
- Produce wholesale warehouses

(*Institutional cafeterias include food service operations in schools and universities, hospitals, large office buildings, corporate campuses, prisons, etc.)

While this plan focuses on the commercial sector, the team may address the possibility of a residential plan in the future. At this time, however, the team feels that the commercial sector has the majority of clean, accessible and recoverable food wastes.

TRACK 1: WASTE PREVENTION, DONATION AND DIVERSION

Develop focused outreach and education programs for targeted food-intensive businesses to increase waste prevention, donation and diversion practices.

A. Waste Prevention	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
<p>1. Research and development:</p> <ul style="list-style-type: none"> ▪ Research nature of each targeted business category to determine most suitable entry point for effective waste prevention messages. ▪ Determine number and location of each targeted business within the region. ▪ Research current methods used for information dissemination within each industry (professional or industry organizations, etc.) ▪ Research existing outreach and educational materials developed for use in targeted industries. ▪ Develop partnerships with industry associations to create suitable and effective outreach messages, appropriate outreach methods, and to lend credence to the program (seek out sponsorships or endorsements.) 	0.16 Intern	\$5,000	0	0
	Organics Team	0	0	0
<p>2. Develop focused outreach and education on waste prevention coupled with on-site assistance:</p> <ul style="list-style-type: none"> ▪ Utilize research results and existing materials currently in use in the region to tailor specific materials for production. ▪ Develop effective outreach tools and methods based on results of research. (design and printing) ▪ Develop distribution plan for materials developed. ▪ Hire temporary staff to distribute materials, provide on-site assistance, coordinate contacts with business groups, provide presentations, provide feedback to Regional Organics Team for future program changes. (total 8,000 hours = 16-20 hours per targeted business) 	Organics Team	0	0	0
	Contract	\$25,000	0	\$2,000
	Organics Team	0	0	0
	2.0*	0	\$81,000	\$81,000
SUB-TOTAL (Section A)	2.16	\$30,000	\$81,000	\$83,000

*These FTE will also perform Track 2 outreach functions within the targeted business community.

B. Donation	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
<p>1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity:</p> <ul style="list-style-type: none"> ▪ Develop grant program to provide funding to qualifying charitable organizations to increase their capability to collect, receive, store and distribute perishable foods. ▪ Create an interagency work team that meets on a quarterly basis to assess outreach and coordinate messages between Metro, local governments and charitable agencies to ensure consistent and effective direction. ▪ Work with DEQ to provide statewide outreach and assistance programs that will supplement activities within the Metro region to increase capacity. 	Organics Team	0	\$200,000 matching grant fund	\$100,000 matching grant fund
	Organics Team	0	0	0
<p>2. Design, print and distribute educational and outreach materials for targeted businesses in coordination with charitable agencies.</p> <ul style="list-style-type: none"> ▪ Research targeted businesses' level of knowledge and comfort regarding food donation to identify barriers and opportunities. ▪ Work with agencies to refine message regarding Good Samaritan Laws, liability issues, "myths and realities" of food donation in all outreach materials developed (in tandem with waste prevention outreach and educational materials). ▪ Work with DEQ and other associations (such as AOR) to develop alternative vehicles for information dissemination regarding food donation and liability throughout the state to enhance knowledge. ▪ Design and print educational materials. 	0.09 intern	\$2,500	0	0
	Organics Work Team	0	0	0
	Metro	\$1,000		\$1,000
SUB-TOTAL (Section B)	.09	\$3,500	\$200,000	\$101,000

C. Diversion	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
1. Conduct market study to determine existing and potential options for increased diversion of acceptable, non-edible foods to animal feed uses: <ul style="list-style-type: none"> ▪ Research current animal feed options, facilities accepting food wastes, tonnage currently diverted, barriers to increased diversion, feedstock requirements, strength and viability of current animal feed market, etc. ▪ Research existing professional and industry associations, government agencies and others involved in regulating animal feed operations and disseminating information to those involved in the industry. ▪ Research current levels of land application of food wastes along with applicable laws and regulations. 	Intern 0.25	\$7,500	0	0
2. Implement animal feed diversion program if research proves increased market capacity exists and can be utilized.	Organics Team	0	0	\$100,000
SUB-TOTAL (Section C.)	0	\$7,500	0	\$100,000
TOTAL (Track 1)	2.50	\$41,000	\$281,000	\$284,000

TRACK 2: ORGANIC WASTE COLLECTION AND PROCESSING INFRASTRUCTURE DEVELOPMENT				
Develop a wide range of processing options using existing infrastructure to the greatest extent possible.				
A. Generator Programs	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
1. Target larger organics generators in concentrated areas and conduct research on willingness to participate in an organics collection program. <ul style="list-style-type: none"> ▪ Focus on franchised areas that will not have mandatory separation programs. ▪ Identify physical and financial barriers. 	Organics Work Team	0	0	0
2. Research proportions of pre- and post-consumer food waste generated by each business type to best tailor separation and collection programs.	Contractor	\$60,000	0	0
3. Develop specific educational materials focused on generator types, geographic area, hauler equipment, and end-use of materials collected. (design and print)	Contractor	0	\$10,000	\$2,000
SUB-TOTAL (Section A.)	0	\$60,000	\$10,000	\$2,000

B. Development of Collection Infrastructure	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
1. Utilize information gathered by City of Portland organics collection and processing pilot project to determine feasibility of implementing Portland's organic waste recycling requirement ordinance.	Organics Work Team	\$10,000	0	0
2. Work with area haulers and businesses to determine feasible organics collection routes throughout the region. <ul style="list-style-type: none"> Research hauler willingness/potential to develop collection cooperatives. 	Organics Work Team	0	0	0
3. Work with haulers to determine equipment needs, collection schedules and assistance required to implement routes.	Organics Work Team	0	0	0
4. Determine true costs of collection to facilitate future planning decisions. <ul style="list-style-type: none"> Conduct pilot projects throughout the region to assess costs. 	Organics Work Team	\$50,000	\$50,000	0
SUB-TOTAL (Section B.)	0	\$60,000	\$50,000	0

C. Utilization and Enhancement of Existing Infrastructure for Delivery and Processing of Organic Wastes	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
1. Develop tip fee at Metro Central Station for the acceptance of organic waste for processing (currently in process).	Organics Work Team	0	0	0
2. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing. <ul style="list-style-type: none"> Work with facility operators, local officials, etc. to research and determine feasibility and likelihood of varied degrees of delivery and reload of organics on a case-by-case basis. Assist with the development of pilot projects to test feasibility of reloading for off-site processing or for acceptance of organic waste for potential of on-site processing. Continue to utilize the two currently-available existing processing options (Arlington and LRI) while working to develop local processing capacity. Examine development of local options such as on-site processing at transfer stations and MRFs as well as local yard debris processors. Consider the use of a short-term Metro subsidy to support organics collection and processing until more economically viable local options are developed. 	Organics Work Team	\$50,000	\$600,000 (pilot projects, infrastructure, grants, etc.)	\$500,000 (pilot projects, infrastructure, grants, etc.)

3. Work closely with Metro transfer station operator (BFI/Allied) to develop organics delivery options. ▪ Develop protocols for acceptance, reload and transport of organics to appropriate processing facilities.	Organics Work Team	0	0	0
4. Investigate financial assistance opportunities such as state tax credits for recycling businesses.	DEQ	0	0	0
SUB-TOTAL (Section C.)	0	0	\$600,000	\$500,000

D. Organics Market Development	FTE	1999-00 Budget	2000-01 Budget	2001-02 Budget
1. Re-establish 1 FTE in Waste Reduction to implement a permanent and meaningful market development program focusing on organics, commercial, and C&D.	0.25	0	\$13,000	\$13,000
SUB-TOTAL (Section D.)	0.25	\$0	\$13,000	\$13,000

TOTAL TRACK 1	2.50	\$41,000	\$281,000	\$284,000
TOTAL TRACK 2	0.25	\$170,000	\$673,000	\$515,000
SUB-TOTAL (Tracks 1 and 2)	2.75	\$211,000	\$954,000	\$799,000
Less Currently Budgeted Funds		(\$240,000)	\$0	\$0
GRAND TOTAL New Funds Needed	2.75	\$0	\$954,000	\$799,000

For future consideration:

- Identify potential generators who may benefit from on-site processing options.
- Consider public-sector purchase and development of processing facilities if existing infrastructure proves unsuitable.

ORGANICS PLAN TIMELINE

FY 1999-2000 Program Initiatives

The following Organics Program initiatives are scheduled to commence within the current fiscal year. Those tasks that span fiscal years have had their budgets adjusted accordingly to indicate each year's particular resource needs.

TRACK 1

Waste Prevention:

1. Research and development.

BUDGET: \$5,000

2. Develop focused outreach and education on waste prevention coupled with on-site assistance.

BUDGET: \$25,000

Donation:

1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity for recovered food. Create inter-agency work team to assess outreach needs and coordinate messages.

BUDGET: \$0

2. Design, print and distribute educational and outreach materials for targeted business groups in coordination with charitable agencies.

BUDGET: \$3,500

Diversion:

1. Conduct market study to determine the existing and potential options for increased diversion of acceptable, non-edible food wastes to animal feed uses.

BUDGET: \$7,500

TOTAL TRACK 1: \$41,000

TRACK 2:

Generator Programs:

1. Target larger organics generators in concentrated areas and conduct research on willingness to participate in an organics collection program.

BUDGET: \$0

2. Research the proportions of pre- and post-consumer food waste generated by each business type to best tailor separation and collection programs.

BUDGET: \$60,000

Development of Collection Infrastructure:

1. Utilize information gathered by City of Portland organics collection and processing pilot project to determine feasibility of implementing Portland's organic waste recycling requirement ordinance.

BUDGET: \$10,000

2. Work with area haulers and businesses to determine feasible organic organics collection routes throughout the region.

BUDGET: \$0

3. Work with haulers to determine equipment needs, collection schedules and assistance required to implement routes.

BUDGET: \$0

4. Determine true costs of collection to facilitate future planning decisions. (begin pilot projects throughout region)

BUDGET: \$50,000

Utilization and enhancement of existing infrastructure for delivery and processing of organic wastes:

1. Develop tip fee at Metro Central Station for the acceptance of organic waste for processing.

BUDGET: \$0

2. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing.

BUDGET: \$50,000 (grants/contracts)

3. Work closely with Metro transfer station operator to develop organics delivery options.

BUDGET: \$0

4. Investigate financial assistance opportunities such as state tax credits for recycling businesses.

BUDGET: \$0

TOTAL TRACK 2: \$170,000

FY 1999-2000 TOTAL: \$211,000

Current FY 1999-2000 budgeted funds: \$240,000

FY 2000-2001 Program Initiatives

The following Organics Program initiatives are scheduled to commence within the next fiscal year. Those tasks that span fiscal years have had their budgets adjusted accordingly to indicate each year's particular resource needs.

TRACK 1

Waste Prevention:

1. Develop focused outreach and education on waste prevention coupled with on-site assistance. Hire 2.0 FTE temporary staff for 2 year positions to distribute materials, provide on-site assistance, coordinate contacts with business groups, provide presentations, provide feedback to Regional Organics Team for future program changes.

BUDGET: \$81,000 (year 1)

Donation:

1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity for recovered food. Develop a 2-year matching grant program to provide funding to qualifying charitable organizations to increase their capacity to collect, receive, store and distribute perishable foods.

BUDGET: \$200,000 (year 1)

TOTAL TRACK 1: \$281,000

TRACK 2:

Generator Programs:

1. Develop specific educational materials focused on generator types, geographic area, hauler equipment, and end-use of materials collected.

BUDGET: \$10,000

Development of Collection Infrastructure:

1. Determine true costs of collection to facilitate future planning decisions. (begin pilot projects throughout region)

BUDGET: \$50,000

Utilization and enhancement of existing infrastructure for delivery and processing of organic wastes:

1. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing.

BUDGET: \$600,000

Local Organics Market Development:

1. Re-establish 1 FTE in Waste Reduction to implement a permanent and meaningful market development program focusing on organics, commercial and C&D. (organics work represents one-quarter of the FTE)

BUDGET: \$13,000

TOTAL TRACK 2: \$673,000

FY 2000-01 TOTAL: \$954,000

FY 2001-02 Program Initiatives

The following Organics Program initiatives are scheduled to commence within fiscal year 2001-02. Those tasks that span fiscal years have had their budgets adjusted accordingly to indicate each year's resource needs.

TRACK 1

Waste Prevention:

1. Develop focused outreach and education on waste prevention coupled with on-site assistance. Begin second and final year of employment of 2.0 FTE temporary staff to distribute materials, provide on-site assistance, coordinate contacts with business groups, provide presentations, provide feedback to Regional Organics Team for future program changes.

BUDGET: \$81,000 (year 2)

2. Update and reprint education and outreach materials.

BUDGET: \$2,000

Donation:

1. Coordinate with charitable organizations to enhance donation infrastructure and build capacity for recovered food. Implement the final year of the matching grant program to provide funding to qualifying charitable organizations to increase their capacity to collect, receive, store and distribute perishable foods.

BUDGET: \$200,000 (year 2)

2. Update and reprint education and outreach materials.

BUDGET: \$1,000

TOTAL TRACK 1: \$284,000

TRACK 2:

Generator Programs:

1. Update and reprint focused education and outreach materials.

BUDGET: \$2,000

Utilization and enhancement of existing infrastructure for delivery and processing of organic wastes:

2. Build local infrastructure by working closely with facilities throughout the region to research potential and assist with the implementation of organics reload and processing.

BUDGET: \$500,000 (year 2)

Local Organics Market Development:

1. Continue support of 1 FTE in Waste Reduction to implement a permanent and meaningful market development program focusing on organics, commercial and C&D. (organics work represents one-quarter of the FTE)

BUDGET: \$13,000

TOTAL TRACK 2: \$515,000

FY 2001-02 TOTAL: \$799,000

REMSHARE\JERIC\ORGANICS\DRAFT PLAN.DOC -- November 2, 1999

**Draft Recommendations
Construction and Demolition Task Force**

11/01/99

Task Force Members:

JoAnn Herrigel,	City of Milwaukie
Rick Winterhalter,	Clackamas County
Judy Crockett,	City of Portland
Christa Morrow,	City of Troutdale
Marcele Daeges,	Washington County
Bryce Jacobson,	Metro

Overview

According to the revised Regional Solid Waste Management Plan recovery rates, the region must recover 130,000 tons of Construction and Demolition debris in order to meet its established goals. This draft plan, cooperatively developed by the C&D Task force comprised of Metro and local government staff, is designed to address shortcomings of the current RSWMP recommended practices for the C&D sector and guide the region in the direction of increased recycling and recovery while adhering to the solid waste hierarchy of reduce, reuse, recycle, recover, compost, landfill.

Statement of the Problem:

Both the 1997 State of the Plan Report and the 1998 C&D generator study show that recycling and recovery of waste materials from the region's construction and demolition sites has not kept up with the amount of growth in the construction sector. The C&D sector is responsible for generating approximately a quarter of the region's waste. While up to 60% of this waste material could be recycled or reused, the *fragmented structure of the industry and complicated nature of most job-sites has made it a challenge to divert materials into recovery programs.*

Background

The RSWMP recommended practices for the C&D sector, as implimented, have not created the tonnage diversion that was originally expected. Among the recommended practices for the building industries, there are several that the task force identified as ineffective:

Recommended practice 2. a, states that *local governments will assure the availability of on-site services for two or more materials and ensure that generators requesting hauling services for construction and demolition sites are offered these services.* Haulers franchise agreements require them to comply with this recommended practice by offering recycling services, but the rate of compliance and the actual effect on recycling are thought to be low among task force members.

Recommended practice 1.b, *Metro and Local governments to perform on-site audits at construction and demolition sites to promote waste prevention*. Despite numerous attempts to interest builders in this service, only a hand full of these have been performed since 1995. The concept may have value if it was used as a component of another C&D program, but as a stand alone item builders have not shown much interest.

Recommended Practice 1.a, *“Earth-Wise” building program to train builders about salvage, waste reduction, recycling, and buying recycled along with other environmental building practices*. Metro staff have found that organizations with a green building agenda are not willing to make waste issues a key concept in their promotions and education to the building industry.

Recommended Practice 4. *Develop regional dry waste processing facilities for waste from sites where separation and collection of recyclables is not possible*. The current system of post collection recovery options does not appear to draw in as much C&D waste as we had hoped for. The task force found that much of Washington County is underserved in terms of processing capacity, recovery facilities have trouble competing with the rates at local dry waste land fills and actual recovery rates have been lower than expected (down to 4% at one facility).

The 1998 C&D Generator Study found that the regions contractors as a group are not well informed about waste recycling issues and put little energy into making decisions about job-site waste. However, the study also found that they are open to assistance on recycling and waste issues if it comes in a format that they can use.

Work Group Objectives

In July 1999 the C&D Task Force had its first meeting to discuss the objectives that would guide the process of making our recommendations. The group agreed to the following objectives:

- Assess what is going on with C&D waste and recycling in the Metro region and around the country
- Identify areas where improvement is needed
- Develop and implement specific programs to address the problem areas
- Create incentives to keep unprocessed mixed loads of C&D material in the Metro region.

Draft Plan Recommendations:

This plan takes a three-track approach to increasing recycling and recovery in the C&D sector.

1. The first track emphasizes waste prevention through salvage and deconstruction. This practice has proven to be an effective way to prevent one of the largest sources of C&D waste, demolition waste, from entering the waste stream:

2. The second track focuses on ways to impact diversion through programs at material recovery facilities, dry waste landfills or transfer stations. The proposed incentives will ensure that either source separated recycling or effective post collection recovery is available to all sectors of the C&D industry. An important component of these efforts will be the education and promotion of the different source separated and post collection recovery service options available to C&D sites.

3. The third track implements a market development program that targets reuse and recycling of the materials prevalent in the C&D waste stream: wood (22%), drywall (17%), composition roofing (11%) and fiberglass insulation (1%). The current markets for these materials are undeveloped or underdeveloped and this represents a major barrier to reusing or recycling these materials.

All of the following recommendations come with several caveats:

- Depend on initial research into the feasibility
- They each require different stakeholder involvement strategies.
- They are designed to either compliment each other or existing activities
- Budgets, tonnage impacts and schedules are speculative and should be seen as a starting point
- Further work of the C&D Task Force may be part of this. Our role is unknown at this point.
- As these recommendations are evaluated and piloted, it will become clearer which of the RSWMP mandated C&D activities we are doing now may need to be modified or phased out.

TRACK 1: WASTE PREVENTION, SALVAGE AND REUSE (B. Jacobson .25 FTE)

Develop focussed outreach and education programs on salvage and deconstruction practices for the regions contractors and property owners.

A. Waste Prevention	Staffing	1999-00 M+S Budget	2000-01 M+S Budget	2001-02 M+S Budget
1. Research and development: <ul style="list-style-type: none"> • Perform research on the messages, opportunities, possible partnerships, identify what the salvage community sees as needed and the best ways to promote/ educate on salvage. • Evaluate commercial or residential focus. • Evaluate need for a secondary focus on source-separated recycling • Utilize LGRC, REM Marketing Team and salvage community to evaluate data from research and identify best opportunities. • Create an implementation plan for education and promotion activities including timeline for project and identify methods of measuring effect. LGRC and Metro to approve. 	Contractor with oversight by C&D task force	\$25,000	0	0
2. Develop and Implement Program <ul style="list-style-type: none"> • Create an implementation plan for education and promotion activities including timeline for project and identify methods of measuring effect. LGRC and Metro to approve. • Contractor to work with Local Governments to custom tailor the messages and tools of the campaign to the specifics of each jurisdiction. • Begin implementing program mid-2000-01. 	Contractor with oversight by C&D task force	0	\$50,000	0
3. Evaluate and measure effect <ul style="list-style-type: none"> • Continue evaluating/measuring effect to determine benefit of continuing program. • Continue to use contractor to follow implementation plan, trouble shoot and fine-tune. 	Contractor with oversight by C&D task force	0	0	\$50,000
SUB-TOTAL (SECTION A)	0	\$25,000	\$50,000	\$50,000
TOTAL (TRACK 1)	0	\$25,000	\$50,000	\$50,000

TRACK 2: C&D WASTE PROCESSING/DISPOSAL (B.Jacobson .5 FTE) Develop a system to ensure that source-separated recycling or effective post collection recovery is available or provided to all sectors of the C&D industry.	Staffing	1999-00 M+S Budget	2000-01 M+S Budget	2001-02 M+S Budget
A. Require that specified C&D loads be processed before disposal				
1. Research and development <ul style="list-style-type: none"> • Compile information on C&D loads and C&D waste hauling to determine appropriate lower and upper threshold and load types effected, where the burden of responsibility should be placed, how processing will be defined, what enforcement efforts will be required. Identify legal issues involved with flow control, interstate commerce code violations and out of state waste. Identify potential effect in tons, identify methods for addressing the limited processing capacity in sections of the Metro region. This data gathering effort will be coordinated with local governments and other organizations as appropriate. • With direction from C&D task force, draft a project timeline 	Contractor with oversight by C&D Task Force	0	\$25,000	0
2. Stakeholder involvement <ul style="list-style-type: none"> • With direction from the C&D task Force, draft a stakeholder involvement plan. In FY 00-01, implement this plan to find out if this concept can move forward. 	C&D Task Force	0	0	0
3. Implementation <ul style="list-style-type: none"> • Pending stakeholder approval, begin limited pilots to evaluate the most effective methods of rolling this program out to all facilities 	Contractor with oversight by C&D Task Force	0	0	\$50,000
SUB-TOTAL (Section A)	0 FTE	0	\$25,000	\$50,000
B. Ban the disposal of certain material(s) commonly found in C&D loads				
1. Initial Research and Development <ul style="list-style-type: none"> • Identify, evaluate and report on disposal bans in other states. Compile this information and present report to local governments and Metro staff. 	Contractor with oversight by C&D Task Force	\$10,000	0	0
2. Stakeholder involvement <ul style="list-style-type: none"> • Metro staff will coordinate a disposal ban work group made up of key stakeholders and local government staff. Participants include ORRA, Tri-County haulers, AOR, ORMDC, Metro SWAC, facility operators and builder groups. If this group finds that this should be a 	Contractor with oversight by C&D	0	\$10,000	0

<p>statewide effort, pull in AOR to assist with the legislative concept. If a regional effort is preferred, develop an RFP for a consultant to look at options for a regional disposal ban. If this work group finds that a ban should be brought forward for further consideration by SWAC and Metro Council, The group will draft a project timeline.</p>	Task Force			
<p>3. Further Research and Development</p> <ul style="list-style-type: none"> Local information on C&D loads and C&D waste hauling to determine appropriate lower and upper threshold and load types effected, where the burden of responsibility should be placed, how bans could be enforced. Identify potential effects on material markets. Identify potential effect in tons. Identify potential methods of measuring the effect of the ban. Identify methods for addressing the limited processing capacity in sections of the Metro region. Identify if this should be a regional or statewide effort. This data gathering effort will be coordinated with local governments and other organizations as appropriate. 	Contractor with oversight by C&D Task Force	0	\$25,000	0
<p>4. Implementation</p> <ul style="list-style-type: none"> Pending stakeholder approval, C&D Task Force will begin pilots. Create measurement methods, education materials and conduct facility staff trainings. Begin limited pilots to evaluate the most effective methods of rolling this program out to all facilities. Full implementation expected in FY 02-03 or 03-04. 	2 enforcement/education FTE at PA 1 level	0	0	\$25,000
<p>SUB-TOTAL (Section B)</p>	2 FTE	\$10,000	\$35,000	\$25,000

C. Educate generators on source-separated recycling and/or other methods to remain in compliance with disposal bans or processing requirements.	Staffing	FY 99-00 M+S Budget	FY 00-01 M+S Budget	FY 01-02 M+S Budget
1. Initial Research and Development <ul style="list-style-type: none"> • Create messages that support source-separated recycling and promote service options that will facilitate a high degree of recycling from targeted C&D sites. • Secure partners such as industry associations and retailers. • Evaluate commercial or residential focus. • Test messages with building industry. Identify methods of measuring effect. • Create an implementation plan for education and promotion activities, create timeline for project. • Compile this information and present report to local governments and Metro staff. 	Contractor with oversight by C&D Task Force	\$28,000	0	0
2. Develop and Implement Program <ul style="list-style-type: none"> • Begin implementing program mid-2000-01. • Contractor to work with Local Governments to custom tailor the messages and tools of the campaign to the specifics of each jurisdiction. • As disposal bans or processing requirements come on-line, modify messages to support these programs 	Contractor with oversight by C&D Task Force	0	\$50,000	\$50,000
Subtotal (Section C)	0	\$28,000	\$50,000	\$50,000

D. Create incentives through the Metro System Fee Credit Program for post collection recovery facilities to increase their recovery of recyclables from C&D loads	Staffing	1999-00 M+S Budget	2000-01 M+S Budget	2001-02 M+S Budget
1. Research and Development <ul style="list-style-type: none"> • Budget and Regulatory Affairs regulatory staff to identify and report on System Fee Credit Program modifications that may offer a stronger incentive for MRF operators to recover C&D materials. Consider implimenting a preference or weighting for reuse and recycling over energy reclamation. • Involve the C&D Task Force, MRF operators and SWAC in this research effort 	REM Regulatory Affairs staff	0	0	0
2. Implementation <ul style="list-style-type: none"> • Create a timeline and begin implementing changes and monitoring effect on tonnage 	REM Regulatory Affairs staff	0	0	0
SUB-TOTAL (Section D)	0	0	0	0
TOTAL (Track 2)	2 FTE	\$38,000	\$110,000	\$125,000

TRACK 3: MARKET DEVELOPMENT (B Jacobson 0 FTE)				
Develop a system of grants and loans to encourage the development of markets for both salvaging and recycling of C&D materials.				
A. Metro to create a REM market development position to support the increased C&D recycling and recovery efforts	Staffing	1999-00 M+S Budget	2000-01 M+S Budget	2001-02 M+S Budget
1. Research and development <ul style="list-style-type: none"> • Research other similar grant and loan funds, and market development efforts. Involve local governments and C&D Task Force as steering committee • Research the program structure needed to develop reuse and recycling markets first and energy recovery markets second. • Metro to appropriate funds, set priorities on materials and or sectors to be targeted and publicize fund • Create implementation plan that includes consulting with finance professionals on the criteria for funding and identifying possible ways to piggyback on other private or public programs. • 	.5 FTE in market development position	0	0	0
<ul style="list-style-type: none"> • Conduct market research on wood, drywall, composition roofing and fiberglass and other prevalent C&D materials 	Contractor supervised by Metro	\$20,000	\$5,000	\$5,000
<ul style="list-style-type: none"> • Start program and receive first applications. Continue to evaluate the effect on tonnage 				
SUB-TOTAL (SECTION A)	.5 FTE	\$20,000	\$5,000	\$5,000
TOTAL (TRACK 3)	.5 FTE	\$20,000	\$5,000	\$5,000

	Staffing	1999-00 M+S Budget	2000-01 M+S Budget	2001-02 M+S Budget
TOTAL TRACK 1	0	\$25,000	\$50,000	\$50,000
TOTAL TRACK 2	2 FTE	\$38,000	\$110,000	\$125,000
TOTAL TRACK 3	0.5 FTE	\$20,000	\$5,000	\$5,000
SUB-TOTAL (Tracks 1,2 and 3)	2.5 FTE	\$83,000	\$165,000	\$180,000
Less Currently Budgeted Funds	0	\$40,000	\$0	\$0
GRAND TOTAL New Funds Needed	2.5 FTE	\$43,000	\$165,000	\$180,000

S/share/jaco/99C&D team draft recs new format current

Draft Recommendations
Commercial Recovery Task Force

November 9, 1999

Task Force Members

Marcele Daeges	Washington County
Anne McLaughlin	City of Portland
Susan Ziolk	Clackamas County
Genya Arnold	Metro
Steve Apotheker	Metro

Overview

A Commercial Recovery Task Force comprised of local government and Metro representatives was charged with reviewing the Metro region's strategy for reaching its commercial waste reduction targets identified in the Regional Solid Waste Management Plan (RSWMP). The task force began meeting in July 1999. It produced draft recommendations on policy and program options, including resource needs, for a three-year timeline. Members of the task force were Susan Ziolk, chair, Clackamas County; Marcele Daeges, Washington County; Anne McLaughlin, City of Portland; Genya Arnold, Metro and Steve Apotheker, Metro.

Statement of the Problem

Progress in commercial waste reduction is not keeping pace to meet the targets for waste prevention and recovery that have been set for this sector in the revised RSWMP. Because commercial waste makes the largest contribution to the Metro region's total waste, it is critical to achieve the waste prevention and recovery targets for businesses in order for the region to meet its recovery rate target for total waste of 52% in the Year 2000. The region's total recovery rate for 1998 was 43.3%, off at least 4 percentage points from where it should be if the region was on track to meet its goal.

Background

Commercial waste is the largest component of Metro's disposed waste, accounting for more than 50% of what is landfilled. Residential (including multi-family) and construction and demolition (C&D) wastes comprise the balance.

The RSWMP sets out commercial waste reduction goals for the Year 2000 of 11,550 tons of waste prevention and 168,000 tons of source-separated business recyclables, primarily paper and containers. These goals represent the increase in waste reduction that is needed relative to 1995 baseline levels set out in the RSWMP.

The RSWMP identifies implementation of several recommended practices to meet the waste prevention and recovery goals.

1. Waste evaluations or audits shall address waste prevention, recovery and buy recycled opportunities in targeted businesses that generate large quantities of paper and packaging.
2. Model waste prevention programs shall be developed for different types of businesses.
3. Coordinated regional and local media waste prevention programs shall be developed.
4. Model buy recycled procurement outreach campaigns and policies shall be developed.
5. Market development efforts shall look at how recycled feedstock shall be substituted for virgin materials in manufacturing processes.
6. Provision of appropriate recycling collection containers to all small businesses.
7. Implement business recycling recognition programs.

Metro has not identified a strategy to comprehensively measure the level of commercial waste prevention occurring in the region. Some data is available on diversion through certain programs, such as paint reuse and edible food recovery. And, this past summer an intern was hired to review existing efforts to quantify waste prevention and to determine the feasibility of applying these approaches at the local level to commercial waste generators. A final report is due in November 1999.

Metro also has conducted focus groups with businesses on how to develop regional media campaigns on waste prevention. The results of these interviews indicated that regional media campaigns could be effective if they provide a strongly motivational message. However, businesses made little distinction between waste prevention and recycling activities. A media campaign should not try to distinguish between these two activities. Also, businesses need to receive site-specific information to solve immediate problems, rather than the general type of knowledge received through media campaigns.

However, despite the lack of measurement of commercial waste prevention, the region has a program that focuses on commercial waste prevention. Local government recycling staff conduct site visits at businesses, during which businesses receive information about waste prevention actions and buy recycled opportunities, in addition to potential improvements in their recycling collection system.

In the area of commercial recovery, programs appear to be diverting only about half of the tonnage needed to reach the target for this sector. However, the available data and on-route collection practices make it difficult to isolate business recovery from efforts that occur at multi-family locations and construction sites.

Also, different local policies and approaches to commercial waste recovery provide different conditions and reporting requirements for haulers and private recycling companies that provide commercial recycling collection services. For example, the City of Portland allows each business to arrange independently for services from its 60+ waste haulers and 30+ independent recycling collectors.

However, the city requires businesses to file plans on how they will divert 50% of their waste and requires all waste haulers to offer collection of all recyclable paper and many other materials.

Outside of Portland, local jurisdictions have created commercial waste franchises. Local governments set commercial waste hauling rates for the franchised hauler, which include recyclables in the rate schedule.

Despite difficulties in meeting commercial recovery targets, the commercial waste stream remains rich in marketable recyclables. About 25% of commercial waste is comprised of recyclable paper, including corrugated cardboard, high-grade paper and mixed paper. A Washington County survey indicated that 90% of all businesses generating corrugated cardboard had recycling collection. Nevertheless, regional waste composition data show that waste compactors, such as those often placed at multi-tenant office buildings, still average more than 10% corrugated cardboard, which is twice the average from other regional waste generators. Mixed office paper is highly recyclable, yet only 55% of businesses generating this material have put recycling collection programs in place. Furthermore, another 12% of disposed commercial waste is made up of metal, glass and plastic containers, plastic film and other scrap metal – all of which are easily recoverable.

A Washington County survey of 599 businesses in August 1998 showed that the average number of recycled materials increased with the size of the business as measured by number of employees. Similar results were found in studies done by the City of Portland in 1993, 1996 and 1999.

Commercial recovery lags in small and medium-size businesses, due to a lack of storage space and lack of staffing resources to implement recycling programs. Also, larger businesses that have recovery programs may not be collecting the full range of recyclables that are generated.

Task Force Objectives and Process

The Commercial Recovery Task Force met for three months, starting in July 1999. It identified the following objectives:

- Assess level of commercial waste prevention and recovery in the Metro region.
- Identify politically acceptable programs and policies that would help the region effectively and efficiently meet its targets for the commercial sector.
- Develop and implement specific programs and policies that were identified.

In addition to discussion by Task Force members, interviews were conducted with more than two dozen haulers and business associations regarding potential actions that could be taken to increase recovery and prevention.

Waste haulers were very comfortable in the role of providing recycling collection services when businesses requested those services and adequate financial compensation was available. However, haulers did not want to be in the position of advising their customers, the businesses, on when and how to set up waste prevention programs. Also, hauler were reluctant to initiate provision of new or

expanded recycling collection, however, they were very willing to respond to their customers' request for such services. Strong economic incentives were the clearest motivator to increase recycling for this group. This may be the most difficult in Portland, where rates are set by negotiation between hauler and customer, and not all customers yet place recycling service as a high priority.

Businesses were supportive of recycling, however, they did not want to spend a lot of time seeking out information on recycling, waste prevention and buy recycling actions. They wanted specific information on markets and materials handling solutions to be provided. This was especially true for smaller and medium size businesses that did not have the staffing levels to figure out how to implement recycling programs. Regulatory actions to increase recycling might be acceptable if convenient, cost-effective recycling collection services were provided.

Finally, local government solid waste and recycling staff are definitely comfortable with the role of providing technical assistance. However, resources are limited for field staff to provide the initial and multiple follow up contacts needed to ensure that recycling collection programs are implemented at businesses.

Also, local government solid waste staff, except for Clackamas County, are not involved in the plan review process for ensuring that the design of new buildings includes adequate recycling collection space to meet regional recovery rates. Washington County has adopted a model ordinance for construction of commercial buildings, but there are no staff to implement it. The City of Portland has adopted an ordinance that applies only to multi-family units, but there is no oversight.

The Task Force developed a list of 20 potential actions. Task Force members, according to the following criteria, discussed each action:

- Political acceptance.
- Program cost.
- Potential new tonnage diverted.
- Ability to institutionalize.
- Ability to monitor and evaluate.
- Problems addressed by the recommended action.
- New problems created by the recommended action.

Then, each action was ranked on a five-point scale, with 1=Low and 5=High. Troutdale, Gresham, Portland, Clackamas County, Washington County and Metro submitted rankings, along with final comments.

Of the 20 actions identified by the Task Force, seven actions received a ranking greater than 3. These seven actions comprise the draft recommendations being offered by this Task Force.

Draft Plan Recommendations

Seven actions are recommended for implementation or further review, where needed.

1. Increase market development efforts, both regionally through Metro and statewide through the Oregon Market Development Council. Develop markets for new materials and local markets for recycled feedstock that might offer higher prices (Ranking 4.7).
2. Implement disposal bans for selected materials. This proposed policy needs greater review by a larger stakeholder group that includes haulers, private recycling collectors, processors, disposal facilities, businesses and the public. In particular, issues such as enforcement, market price impact and flow control need to be reviewed (Ranking 4.3).
3. Expand local governments' technical assistance to businesses on waste prevention, buy recycled and recycling. The current technical assistance program of waste evaluations needs to be assessed for its effectiveness in increasing recovery tonnage. Future technical assistance programs need to be designed to allow for easy program evaluation. Staffing needs to be increased to provide greater contacts and follow ups at each business and to expand the types and number of targeted businesses (Ranking 4.2).
4. Implement design review ordinances for recycling collection areas in new commercial and multi-family buildings. Several local governments have adopted an ordinance, but do not have dedicated staffing to monitor submitted plans and compliance. Adoption of an ordinance and adequate staffing are both needed to ensure that the new construction in the region will have adequate recycling space to enable full participation in reaching the region's recycling goals (Ranking 4.2).
5. Promote commingling. Commingling can result in fewer recycling containers, accepting more materials in less space, with less-complicated sorting instructions. The development of commingled collection and processing capacity in the region is seen as an important shift in how recycling service is provided. Awareness of this new service level would be especially important to businesses facing space and resource limitations in implementing new or expanded recycling collection. One element of a regional media outreach program might talk about the availability of this service. It is important to link any promotion of commingling with a prior inventory of commingled processing capacity in the region to adequate geographic distribution and access by all haulers as noted in recommendation seven below (Ranking 4.2).
6. Target outreach to promote waste prevention. Specific outreach campaigns and technical assistance should target activities (double-sided copying) and packaging (reusable transport packaging) that increase waste prevention. Campaigns that target a specific activity or material in a homogeneous population (e.g., offices for double-sided copying) offer the greatest opportunity to have their results tracked (Ranking 4.2).
7. Ensure the region has adequate commingled processing capacity for commercial recycling with equitable access by the region's collectors and that these facilities are capable of meeting high standards for recovered materials (Ranking 3.3).

DRAFT RECOMMENDATIONS ON COMMERCIAL WASTE PREVENTION AND RECOVERY - 11/9/99

	Staffing	1999-2000 M+S Budget	2000-2001 M+S Budget	2001-2002 M+S Budget
TRACK 1 WASTE PREVENTION Target specific activities for implementation and measurement.				
A. Targeted waste prevention projects.				
1. Review commercial waste prevention measurement.	Intern and Contractor w/oversight by Commercial	\$4,000		
2. Evaluate selected waste prevention activities.		\$10,000		
3. Implement first waste prevention project.			\$50,000	
4. Evaluate first project.				\$10,000
5. Implement second waste prevention project.				\$50,000
Subtotal (Section A)	0	\$14,000	\$50,000	\$60,000
Total Track 1	0	\$14,000	\$50,000	\$60,000

NOTE: Track 2 B2 also includes waste prevention actions.

DRAFT RECOMMENDATIONS ON COMMERCIAL WASTE PREVENTION AND RECOVERY - 11/9/99

	Staffing	1999-2000 M+S Budget	2000-2001 M+S Budget	2001-2002 M+S Budget
TRACK 2 RECOVERY Develop a system to ensure effective commercial recovery is in place.				
A. Promote commingling.				
1. Include as part of, but not the focus of, a regional outreach campaign	Contract	\$225,000		
2. Outreach campaign evaluation		\$15,000		
Subtotal (Section A)		\$240,000	0	0
B. Expand technical assistance.				
1. Evaluate local waste audit programs	Contract	\$25,000		\$15,000
2. Local government waste audits, 6 FTE through contractors or staff includes waste prevention, buy recycled and recovery.			\$300,000	\$310,000
3. Develop Web site and support material for recycling information			\$75,000	\$50,000
Subtotal (Section B)		\$25,000	\$375,000	\$375,000
C. Implement disposal bans for selected materials.				
1. Stakeholder review to identify material and implementation issues.		\$5,000	\$10,000	
2. Study to review market and implementation issues of bans.		\$5,000	\$25,000	
3. Determine administrative rules.				
4. Hire enforcement staff.	1			\$55,000
5. Outreach to publicize new policy.				\$75,000
6. Implement buy recycled program to increase market demand for banned material				\$50,000
Subtotal (Section C)	1	\$10,000	\$35,000	\$180,000
D. Design review ordinances for recycling areas in new buildings.				
1. Technical assistance during review process by local governments			\$10,000	
2. Adoption of design ordinances and implementation rules by local governments.			\$5,000	
3. Funding for local government staff to implement.			\$75,000	\$150,000
Subtotal (Section D)		\$0	\$90,000	\$150,000
E. Ensure commingled processing capacity and standards.				
1. Develop inventory of different commercial commingled sorts and processing facility capacity.	Contract	\$10,000	\$5,000	\$5,000
2. Stakeholder review of commingled processing standards.			\$5,000	
3. Implement recommendations for monitoring facility performance.				\$5,000
Subtotal (Section E)		\$10,000	\$10,000	\$10,000
Total Track 2	1	\$285,000	\$510,000	\$715,000

DRAFT RECOMMENDATIONS ON COMMERCIAL WASTE PREVENTION AND RECOVERY - 11/9/99

	Staffing	1999-2000 M+S Budget	2000-2001 M+S Budget	2001-2002 M+S Budget
TRACK 3 MARKET DEVELOPMENT Ensure adequate market capacity is available.				
A. Increase market development efforts.				
1. Review market capacity for mixed paper, color-mixed and green glass, film plastic, rigid plastic containers.			\$25,000	\$25,000
2. Look at market initiatives that would create higher value regional markets			\$25,000	\$25,000
3. Staffing for commercial material market development, buy recycled and technical assistance	0.5		\$27,500	\$27,500
Subtotal (Section A)	0.5		\$50,000	\$50,000
Total Track 3	0.5		\$50,000	\$50,000

	Staffing	1999-2000 M+S Budget	2000-2001 M+S Budget	2001-2002 M+S Budget
SUMMARY Materials & Services				
TOTAL TRACK 1	0	\$14,000	\$50,000	\$60,000
TOTAL TRACK 2	1	\$285,000	\$510,000	\$715,000
TOTAL TRACK 3	0.5	\$0	\$50,000	\$50,000
SUB-TOTAL (TRACKS 1,2 and 3)	1.5	\$299,000	\$610,000	\$825,000
LESS Currently Budgeted Funds	0	\$279,000	\$0	\$0
TOTAL New Funds Needed For Materials & Services	1.5	\$20,000	\$610,000	\$825,000

Metro's 10 Percent

How Should it be Used?

Solid Waste Advisory Committee
September 22, 1999



Presentation Outline

- What is the 10 Percent?
- What is the Impact of Diverting Waste?
- What Should the 10 % be used for?
- Prioritize Potential Uses
- Schedule

What is the 10 % ?

- "Metro agrees to deliver..., a minimum of 90 percent..."
- Originally only to Columbia Ridge Landfill
- Forest Grove Franchise Committed 10%
- Now to any WMI Landfill
- The Revised Guarantee Provides Metro with Additional Flexibility

Impact of Waste Diversion

- Diversion from WMI Landfills Increases the Disposal Rate on Remaining Waste
- Rate Increases \$0.10 per Percent Diverted
- Impact is about \$8.00 per Diverted Ton
- Waste Recovery Causes the Same Impact

Rate Impact of Waste Diversion



Potential Uses of the 10 Percent

- Reduce System Cost
- Encourage Waste Recovery
- Improve Competition in the System
- Promote Development of Needed Facilities
- Develop Alternative Transportation Modes
- ?

Prioritizing Goals

- How do we Compare Competing Uses?
- System Cost ?
- Waste Recovery?
- Competition ?
- Transportation Mode ?

Project Schedule

- Project Definition: September/October
- Draft Procurement: November/December
- Metro Council: December/January
- Begin Procurement: February - April
- Award: May /June