



METRO

MEETING: REGIONAL SOLID WASTE ADVISORY COMMITTEE
DATE: Wednesday, April 16, 1997
TIME: 8:30 - 10:00 a.m.
PLACE: Metro Regional Center, 600 NE Grand Avenue, Portland
 Conference Room 370

- | | | |
|---------|---|------------------|
| 20 min. | 1. Updates and Introductions
a. Executive Order - Disaster Debris Assistance "Triggering"
b. FY 1997-98 Tip Fees and Excise Tax
c. FY 1997-98 Budget Deliberations and Council Action to Date
d. Introduce Jan O'Dell, REM Public Relations Specialist | McFarland/Warner |
| 5 min. | 2. Approval of Minutes *
Action Requested: Approval of the Minutes of Feb. 19, 1997 | McFarland |
| 15 min. | 3. Sale of Landfill Gas to Portland LFG
Status Report: No Action Requested | Watkins |
| 40 min. | 4. Consideration of Regional Solid Waste Management Plan (RSWMP) Amendments Relating to Facilities *
Report from the RSWMP Amendment Task Force
Action Requested: Recommendation to the Executive Officer and Council | Task Force |
| 10 min. | 5. Other Business / Citizen Communications | McFarland |
- Adjourn**

*** Reports are enclosed for these agenda items.**

All times listed on this agenda are approximate. Items may not be considered in the exact order listed.
 Chair: Councilor Ruth McFarland (797-1547) Staff: Marie Nelson (797-1670) Committee Clerk: Connie Kinney (797-1643)

S:\SHARE\P&TS\SWAC\AGENDA97\041697.AGA

ATTENDEES

Frank Deaver, Citizen
Lynne Storz, Washington County
Mike Leichner, Wash. Co. Haulers
Michael Misovetz, Citizen
Sue Keil, City of Portland
Tom Wyatt, BF rans Ind.
Dave Kunz, DEQ
Ralph Gilbert,
David White, ORRA Tri-County Council
Merle Irvine, United Disposal
Garry Penning, WMO
Steve Schwab, Sunset Garbage

METRO

Bruce Warner
Tom Miller, Wash Co Refuse Disposal Assn.
Terry Petersen
Roosevelt Carter
Genya Arnold

Updates and Introductions

Chair McFarland brought the meeting to order and turned the meeting over to Bruce Warner, REM's director.

Mr. Warner proceeded with REM updates. REM is participating in the Yard, Garden & Patio Show at the Convention Center this week with two booths: one on composting, and the other on common-sense gardening (alternatives-to-pesticides). In addition, REM staff are involved in the show's special sessions by a teaching seminar on composting.

There are four Agreements currently being finalized by Palmer Capital Corporation in which a portion of the landfill gas will be sold to Ash Grove Cement and the remainder will be flared. The Agreements are scheduled to come before the REM Committee in March.

Staff is currently reviewing the final modifications to the location of the building at Metro South and the bulking process to incorporate the changes into the bid document. The RFB for design and construction will come before the REM Committee in March.

Staff is currently reviewing the final modifications to the location of the building at Metro South and the bulking process to incorporate the changes into the bid document. The RFB for design and construction will come before the REM Committee in March.

Metro received 53 tons of self-hauled flood debris. This is about 6% of the flood debris received by Metro during the flood of February 1996. Metro received about 306 tons of ice storm debris from self-haulers.

Local governments accepted about 7,500 tons of ice storm debris. The total costs reported by local governments are about \$164,000. Local government disposal costs (costs to actually process the ice storm debris and transport it to end users) totaled \$118,000. Metro's disposal cost for both ice storm debris and flood debris totaled \$9,000. Therefore, the total disaster debris disposal cost to Metro is expected to be \$127,000.

Metro's Rate Review Committee will continue consideration of FY 1997-98 proposed solid waste system disposal rates on Wednesday, February 19th, at 5:30 p.m. Issues for consideration include:

- the proposed "special regional user fee;"
- discussion of "revenue/rate stability" as a primary system objective;
- review of proposed "cost allocations" for FY 1997-98;
- review of proposed "REM fund balances;" and
- review and recommendation of proposed FY 1997-98 system disposal rates.

The Committee is working within very tight time parameters due to the extended period it took to complete work on the A.C. Trucking Rate Case. The Committee expects to complete its review and recommendations by Wednesday, February 26th. This will allow the Council time to consider proposed changes and adopt new rates for FY 1997-98 consistent with the budget and meet the Charter's time mandate.

The Regional Environmental Management Committee and the Finance Committee will both be considering an agenda item that would allow us to enter into an agreement with Stop Oregon Litter and Vandalism (SOLV) to coordinate the seventh annual "SOLV-IT" event scheduled for April 19, 1997.

The event will focus this year on at least six large chronic illegal dump sites and 50 to 60 community-based events. The annual event will be emphasizing collection of recyclables and re-usables such as tires, scrap metal, and more. SOLV will also be providing event coordination and reporting. The total cost to Metro is about \$30,000 and SOLV has leveraged other funds and in-kind services for a total of about \$103,000 (*i.e.*, 3 to 1 match for Metro).

Approval of Minutes

Chair McFarland asked for approval of the Minutes from the meeting of January 15, 1997. Ms. Keil moved for approval. The motion was carried and the minutes were approved unanimously.

Special Regional User Fee

Mr. Warner began the discussion of a Special Regional User Fee by saying that after it was presented to RRC they felt it should be presented to SWAC to look at. Mr. Warner said that although RRC has not recommended action on this fee but they will continue to look at staff's recommendations. Mr. Warner said REM was seeking input, advice, issues, and problems with a proposal staff has put together for a small portion of the region's waste. Mr. Warner said that

two years ago REM staff brought forth a proposal to reduce the user fees to this same wastestream. Late last year after several "stakeholder" meetings, it was decided not to change the way we do business. There is still a number of wastestreams that pay a disproportionate cost of the user fee. Mr. Warner said he would like to brief this committee on what this fee is. He indicated there were no wholesale changes to the rate structure or major modifications to the flat rate structure we have today, but there are some important policy issues that need to be explored. Mr. Warner added that staff has not developed all the details on how to administer this policy decision. Mr. Warner turned the discussion over to Mr. Roosevelt Carter, Business & Regulatory Affairs Manager in REM.

Chair McFarland said that she believed the upshot of the "Stakeholder" meetings held last year was essentially if it wasn't broke, don't fix it. But perhaps there is a few little pieces around the edges that are broken. Chair McFarland asked if it was alright to interrupt Mr. Carter with questions during the presentation or would he prefer to wait until he was through? Chair McFarland also invited the guest gallery to entertain questions of Mr. Carter.

Mr. Carter said that over the past six years Metro has used a flat fee rate model to assess charges for use of the system and this model has four basic cost categories and two rate-payer classes. (Mr. Carter presented an overhead showing the breakdown of the rate system). We have identified four separate cost categories which involve: Administrative, Planning, Waste Reduction, Hazardous Waste costs, etc., as one cost category of Metro's fee system. We have a Metro User Fee which pays for facility operations, Fixed Transport Cost, Fixed Debt Service, and Capital Costs. We have a Regional Transfer Charge which pays for the variable costs of the Transfer Station Operations, and a Disposal and Transportation Fee which pays for transport and disposal. Then we have two separate rate-payer categories: Waste that comes to Metro facilities is assessed fees based on services at the transfer stations that Metro owns and operates, and the Regional Rate Payer which pay for all administrative costs, overhead costs, and things of that nature.

Mr. Carter said that as one of the developers of the system currently in place, he knows there are inequities in this system that we have recognized over the past number of years. Mr. Carter said that Metro has a fundamental responsibility as a regulatory agency to always seek equity and fairness in its policies and practices and we have attempted to do that through the stakeholder process and also through the industrial and low-grade waste rate proposal that we did a couple of years ago. Mr. Carter said that the basic inequity is that a small class of industrial users (generating roughly 70 - 100,000 tons of waste) and perhaps as many as 50 generators who cannot avail themselves of all of the services that Metro provides. So the equity question is should these people have to pay for services which they are not eligible or are unable to avail themselves of. He said these people are now trying to find ways around the system and that's usually what happens when the system doesn't work for them.

Mr. Carter said the proposed special Regional User Fee is similar to the overall regional user fee will reduce Metro's potential financial windfall from industrial and special waste. Eligibility for this fee will be generators of waste that must be landfilled, they have few opportunities for recovery of materials that are in the waste, there is no economical recoverable content within the

waste, landfilling is the best practice for handling the waste, and Metro does not provide a full range of services to the generator. Mr. Carter said the proposed fee will pay for a portion of the basic infrastructure of REM Department which includes REM Management, Administrative functions, Solid Waste Enforcement and other support functions including accounting, legal, rent, etc. This class of customers would not pay for transfer station operations, waste reduction programs, planning and engineering services, and debt services because they cannot avail themselves of those services.

Ms. Keil asked if the planning and engineering would relate to transfer stations, nothing centrally? And also the debt service does not include debt service on the headquarters building?

Mr. Carter said when he included overhead and other support functions, all of those costs are relevant to that. The debt that we have on the transfer stations would not be included.

Mr. Penning wanted to know about costs associated with the closure of St. Johns Landfill.

Mr. Carter said yes, it would include those costs. The theory is that those folks once used that landfill and they should have to help offset those costs. We have assessed these special fees such that those services they cannot avail themselves of have been extracted. The revenue that would be collected from this class of customers we estimate to total about \$350,000 which goes as a revenue offset to the costs that the rest of the users pay. We are proposing this special fee to be about \$5.00/ton.

Chair McFarland asked how much of a loss that would be from the \$16.00 regular user fee? And the answer was \$700,000 to \$800,000.

Mr. Kunz said there was some money that goes from the user fee to general land use planning and is that shown in special fee?

Mr. Carter said it was not.

Chair McFarland said that comes from the excise tax.

Mr. Carter said the base fee would be \$4.83, (excise tax of \$.36) which then comes to \$5.19 and then we rounded that down to \$5.00.

Ms. Mills asked who else besides Schnitzer Steel (what other types of industries) are included -- because he referred to possibly 50 users.

Mr. Carter said producers or generators of waste slag, Kyanite, sewage grits & screens, asbestos, contaminated soil residue are a few.

Ms. Mills asked with regard to the disposal system support in your sheet on the rates, why would this special user fee not support development of our regional disposal system?

Mr. Carter said that when we developed the transfer system, these folk generally handled their own waste, it is generally heavy, and they haul it themselves so they have not benefit.

Ms. Mills said she did see some regional good and if you are a player in the region, I understand they don't use the transfer station. But being a regional player, all of us have some responsibility for supporting the regional system or structure and so that concerns me a little. And so while I can understand perhaps not supporting the cost of the contract at the transfer station, I believe there should be some percentage for just general system-wide support included in that dollar amount and perhaps since the real total of your user fee amounts to \$5.19, perhaps you should round it to \$5.25 to recognize that they do have do have a responsibility in this region to support that kind of function.

Ms. Roy commented that she could see how if these users are not using the transfer station they would feel the inequity, but she did not see, as was explained, the difference in using the service of perhaps the waste reduction services of Metro, she doesn't see a line there between those users that feel they are benefited and these "special users." Ms. Roy feels that should be a system wide responsibility. Ms. Roy also wants to point out how Schnitzer received a special exemption at the legislature to landfill their waste. And she is bothered because by lowering that cost it takes away the motivation for them to find some other, better use of the waste, or to redesign automobiles so that type of (non-recyclable or non-usable) waste is not created.

Mr. Carter in answer to Loreen's question: Should all users pay to support the system? And Mr. Carter agrees with that even though it may not appear that way. We are charging them for regulatory affairs, Metro excise tax, enforcement and certain administration and finance. And we are charging them at the same rate we charge other customers. It is only those costs which are readily identifiable as not benefiting these special class of customers that we are excluding

Mr. Miller said that actually we are describing a type of material as opposed to a customer type, but the primary reason why these people don't use the transfer stations is the \$20 to \$60 differential that they already get by going to other facilities.

Mr. White remarked that it was stated that this group of people has become very good at avoiding paying and he wants to know that if Metro assumes that by lowering the fee to \$5.00 that you are going to bring them in or do you foresee that you will have to still spend lots of money in enforcement. Are they so good at avoidance that even the \$5.00 is going to be hard to get from them?

Mr. Carter remarked that our motivation is fairness and equity. These folk are being overcharged. We are not currently addressing their special concerns.

Mr. Irvine feels we are opening up a can of worms. You listed some materials up here. Sheetrock from demolition projects that has paint on it - can only be landfilled. That contractor is paying a disproportionate share on user fees, and therefore shouldn't he also have a reduced fee?

Chair McFarland believes we are running into the same obstacles we did before.

Mr. Gilbert: That definition up there has to be defined a little bit better. If I answer the questions correctly, I can dispose for \$5.00. This has to be on a case-by-case basis and really study it when people apply for it. That becomes cumbersome.

Ms. Keil said that it seems reasonable to her that if they are not using transfer station and they are not using the Jack Gray Trucking contract, that should be excluded. Ms. Keil wants to be fair, but does is there disposal in addition to the \$5.00 per ton?

Mr. Carter replied that they would pay disposal where they take it.

Carter: They will pay disposal where ever they take it.

Ms. Keil commented that she also understands that some of this is used as alternative daily cover and wanted to know if there a difference in what Metro is proposing for tons that would be used in that way versus disposed tons

Mr. Carter said that irrespective of what is done with this waste, it would be charged the \$5.00 special user fee. But the \$5.00 is a surcharge on top of the disposal fee from whatever landfill they use.

Ms. Keil said that as far as she was concerned, the driver is the real cost associated with handling waste that is taken directly to a disposal site, not running through out transfer stations. And she thinks Merle's point is a good one. The idea that there is no viable alternative other than landfill, doesn't hold weight. If we are going to look at it, the definition needs cleaning up, because if believe it doesn't make any difference whether there is an alternative, its being landfilled, there is a cost associated with that.

Mr. Carter said they realize they do have to tighten up the definition and that it has to be very clear. There is a potential that others will ask for similar consideration. The problem that is inherent in a flat fee system such as we have now is that we try to categorize a large number of people in the same way and it doesn't really work for everybody.

Mr. Cozzetto asked that people under the current regional user fee also don't use a lot of available resources and he wants to echo the same concern that others are going to ask for consideration of the special fee because they feel they better fit the special category. He believes we may be opening up the flood gates and are trying to carve out one special case for a small entity. One other point he wanted to make is that they are not paying for disposal system development fees and those people did use these resources over the past 20 years and helped fill up St. Johns Landfill and others also.

Mr. Carter asked the Committee if the concept of a "special user fee" okay and is this the type of thing we should be doing given that we need to work on the definitions, and given that others

will come in and ask for the same consideration? We are as regulators, trying to be fair and equitable in how we administer the costs.

Ms. Keil said that for her it would be a "by exception" excluding costs -- the transfer station component of it and the transport (and there may be other things too). But as a broad scale exclusion as we've done here, probably isn't appropriate. She believes Loreen's point about the system and Jim's point as well were good ones. But there are some things that clearly are not costs associated with this waste.

Chair McFarland said that she would like for people to respond, either to herself, the REM Committee, staff, through phone calls, letters, etc. It is clear this is a long way from being resolved.

Ms. Mills asked if the SWAC would see this again before it moves forward through REMCom?

Chair McFarland replied absolutely.

Mr. Schwab commented that tonight the Rate Review Committee would be discussing whether or not they wanted to pass this special rate and as a member of that committee, he would like some direction from the SWAC.

Chair McFarland replied that she heard this group say they were not comfortable in immediately moving forward on this. Ms. McFarland asked Mr. Warner if it was reasonable to have this matter come back before the SWAC after more clarification.

Mr. Warner replied that it certainly was not an unreasonable request. But he did say we were in a bit of a dilemma because of timing. Mr. Warner said he believed the discussion at the Rate Review Committee would be aimed more towards whether this was a good concept and something we should pursue.

Mr. Schwab said he must not have clearness on that, because RRC is not a policy committee. But SWAC sets policy.

Mr. Warner said that he concurs and he and staff will endeavor to keep both committees up to speed and he appreciates the comments received at SWAC today.

Facility Operations - Terry Petersen

Mr. Petersen said that our operator at Metro Central Transfer Station has installed some equipment to process nonrecyclable paper and plastic into fiber based fuel. They've had that in place for a couple of years off and on working out the bugs, but now they've got it up to full producing up to 75 tons per day. We want to maximize recovery if we could particularly that material that has no recycling alternative. So I have a proposal I want some advice from you on. Mr. Petersen asked Genya Arnold to show a video clip that Channel 12 made on fiber based fuel at our transfer station.

Ms. Arnold explained that this clip was about Metro's in-house fiber based fuel program and then travels to Metro Central to show the cubes are made. Then there is a brief cameo about a special event that diverted significant quantities of waste paper and plastics from garbage to FBF. Ms. Arnold then described the program she has developed to collect FBF material from different establishments which included outdoor events such as Rose Festival, as well as theaters, fast food establishments, etc.

Chair McFarland stated that there was currently an RFP out on the operation of those two transfer stations and Ms. McFarland asked what kind of a role this is going to play in those -- how this might change, if any that RFP. And, if that is the case, this proposal would have to go before the Council or at least the REM Committee.

Mr. Petersen replied that this program will have absolutely no impact on the RFP. The RFP has already been published, and it has been approved by the Council. The criteria that will be used to evaluate the RFP (the proposals) will not be impacted in any way by this project. He said the department staff is looking at is that at some point in the future, the Metro Council will be faced with the decision on what to do with that equipment at Metro Central. He said Metro does have the option to buy it, or perhaps we would want to receive proposals that include the purchase of the equipment from the current operator. Mr. Petersen said they would like to study what the maximum tonnage that they could put through that equipment might be given some additional incentives.

Ms. Driscoll said that in terms of your question of tonnage -- in terms of what you are producing, what is the demand. Who out there could use it? In terms of supply and demand we can crank out as many pellets as possible, but who is going to be using it.

Mr. Petersen said he would like Mr. Wyatt with BFI talk about demand. There is a lot of food contaminated paper in the wastestream. He said it is very costly for the operator to pull that out and if we could provide some additional economic incentive, we might be able to get the generators to separate out the FBF material and bring it to the transfer station clean or separated from garbage and that's the program we are looking at here. Mr. Petersen distributed a copy of the proposal. He said that currently source-separated recyclables are taken at the transfer station free of charge, but solid waste destined for the landfill pays all fees and all charges and in-between we take yard debris and wood that goes to energy recovery or composting and the Metro Council has chosen to waive the Regional User Fee on that material (\$54.00/ton) that is recovered. Mr. Petersen said he is proposing to basically extend that policy to include FBF material.

Mr. Cozzetto said he read the proposed action sent in packet. Are you talking about whoever is running the transfer station when they pull this material out receiving the \$17.50?

Mr. Petersen said he is not suggesting that the Council adopt a new rate ordinance that establishes a posted rate for FBF material. I am suggesting that we extend the policy through a credit program.

Mr. Anderson said that Mr. Petersen's proposal is that the fee would be waived on source-separated material, not materials pulled out of the garbage. For example, yard debris and wood has to be source-separated currently to receive that fee waiver, as does fiber based fuel.

Mr. Deaver asked if the credit would be to the hauler or, for instance, McDonalds?

Mr. Petersen replied that in most cases it is hauler, but could be a company that self-hauls.

Mr. Penning said that currently the contractor gets an incentive or recovery rate for the FBF recovered from the wastestream. He wanted to know if they would get that credit on this source-separated material.

Mr. Petersen said they would.

Mr. Penning said that if they get the credit for fiber based fuel, do they get the credit for source-separated yard debris and wood?

Mr. Petersen said it was different for recyclables and FBF than it is for yard debris and wood. He said we have an avoided cost payment of \$34.80 now for FBF, because the full fee of \$75/ton but because we avoid the transport and disposal cost Metro pays the operator \$34.80 avoided costs for FBF because it wasn't landfilled.

Mr. Penning asked if the same policy (avoided disposal cost payment) would apply to the Organics Pilot program.

Mr. Petersen said that was a possibility. He said that was a policy question as to how far we extend both the avoided cost payment and fee waivers.

Chair McFarland said that even if we approve this, this would still be in the category of a pilot program to see how it will work.

Ms. Keil said that if something comes in source-separated like that, there is no difference and we should be uniform in our treatment of materials. Ms. Keil asked why is this program (avoided cost payment) only in effect at Metro Central?

Mr. Petersen said we never had that avoided cost program in place at Metro South but with the new contract it will be extended to Metro South

Chair McFarland replied that in view of that statement this program does apply to the new contracts then.

Mr. Penning said but in the RFP, Metro specified that source-separated and wood does not get the recovery credit. So, to me -- does or doesn't that get carried over from the RFP

Mr. Petersen interjected that he wanted it very clear that Metro is not proposing any change in the RFP. He suggested that Garry reread that section on avoided cost payments and it is very clear on what is and isn't included. On the new contracts we've asked for a specific bid price on wood and yard debris, and that's the distinction -- on those items we will not pay the avoided cost payment at either place. Mr. Petersen said he really didn't want to see his proposed program get mixed together with the RFP because in his mind they are two very separate things.

Mr. Cozzetto said that he really didn't know a lot about the RFP but that this was brought before SWAC several months ago and one of the points that were looked at in the RFP was what they (proposer) projected as a recovery rate and to me this would have an effect.

Mr. Deaver said that from his point of view this would have a tremendous effect on the profitability of that facility, one way or another. If he were bidding on that, I would take that into consideration.

Ms. Roy asked if the Regional User Fee Waiver for yard debris and wood would be continued in the new rates?

Mr. Petersen replied that was a rate setting question that goes to the Metro Council.

Mr. Penning said that if the Council doesn't approve this or at some point in time it is ended, and if you knew that going into the bidding process, under worst case it would be status quo. But the best case is that you may be able to run additional volumes through this and get the recovery incentive. Mr. Penning does not see any down-size risk to any of those numbers. So, he does see it as having an effect on the RFP.

Chair Ruth said that her response to the implied question (what's the Council going to do) and I can't predict that, but even though they may take actions in either direction having to deal with the rate setting and may be very responsive to these suggestions, she believes that the point has been made that to bring this program out just before the RFP is not good timing. Chair McFarland said Mr. Peteresen was getting quite a range of advice on this and she hoped he was not asking for a group agreement, because there were a variety of ideas on his proposal.

Ms. Storz stated that listening to this discussion it was clear to her that we need to do more in terms of market development. She has had some disheartening conversations with scrap paper processors and markets and that in November and December she asked Terry that if scrap paper markets disappeared, and we are still collecting the material, what are our alternatives -- do we stop programs and is FBF still actually a viable alternative for it. I know that in Washington County we didn't project high enough for disposal of scrap paper in our current rates.

Mr. Miller said he thought that the concept on Mr. Petersen's proposal was valuable, but he thought the Committee was struggling with right now was the timing in terms of it coming down at the same time that we are reviewing or renewing our operating contracts with the vendors. And if Terry is asking for advice, I would offer that he bring this back after the RFP's have been reviewed and/or the contracts awarded.

Ms. Devenier said that in Washington FBF or any kind of incineration, is not higher on the hierarchy than landfilling. Washington law was set in 1990 and that's what it says. So anything that is mixed paper and plastic is directed to the facilities. So if it is considered in Oregon as recyclable, need to know so that we can deal with it differently because that stuff may come over the bridge -- the other way.

Ms. Mills requested that when this proposal was brought back for review she would like to see something addressed about the recycling hierarchy and she would also like to request that there is scheduled periodic reviews. As it now reads, it seems to say that the project will continue as long as their recycling equipment works and she believes there ought to be more review.

Mr. Cozzetto also commented that when the proposal is brought back that it be proposed as a pilot project.

Mr. Petersen said he believed he had received his advice and they will discuss it.

Illegal Dumping Plan -- Marie Nelson

Ms. Nelson said she was pleased to report that at the last Council meeting, the Metro Council adopted the Illegal Dumping Plan, and the action that is requested of SWAC is to endorse a request by the same task force that developed the Illegal Dumping Plan to designate a regional work group whose job it would be to implement parts of the new Illegal Dumping Plan that call for regional cooperation and coordination. Ms. Nelson said that the task force that developed the plan made some recommendations that are included on a memo about the important affiliations that need to be at the table when the new plan is implemented. And a list of people willing to serve is included. Ms. Nelson said the list reflects affiliations that were recommended by the task force themselves and people who had volunteered through the task force network or us calling to see who might be willing to serve. We are still looking for candidates especially from East Multnomah County, and Washington County.

Ms. Nelson said the specific action requested is to endorse the concept of a workgroup to implement the plan and any recommendations SWAC would have about the list to make it more inclusive.

Ms. Keil commented that since the Multnomah County Sheriff is active in enforcement, should perhaps the County be a member?

Ms. Nelson said there was discussion at the force level and it was felt that through Metro's contract with the County that we had some feed back and input to the Sheriff's.

Mr. Gilbert moved that SWAC endorse this program. It was seconded and was voted for unanimously.

Chair McFarland asked if there was any other business to come before this group.

Mr. Kunz said that he has asked Mr. Paul Slyman to talk to SWAC about what is coming from Oregon's legislature with regard to solid waste and recycling issues.

Mr. Slyman, Solid Waste Policy and Program Manager, DEQ (who replaced Pat Vernon).
Container Tax Proposal: A proposal which will do a lot of things on the existing bottle bill. Three pieces: 1) will expand coverage of the items covered under the bottle bill (Snapples, Waters); 2) will give the retailers relief – bill currently allows returnables to go to stores, and this would move returnables to redemption centers; 3) would raise .03-1/2 cents per container, revenues to go to clean streams, parks and Coho Salmon (endangered species listing). Worst Case Scenario: No's 2 and 3 may fail and 3 (redemption centers) may pass. This has been proposed to the Senate Revenue Committee for feedback. Major opponents: Soft drink manufacturers and distributors.

Required double-sided copies in State offices. It would mean that all paper produced has to be double-sided (may include State Courts).

Advanced Disposal Fee on Tires: Back to \$1.00. Nothing new on this for a while. Recently DEQ received a proposal for a pyrolysis facility in Prineville and perhaps the bill on that facility and ADF are somehow linked.

Glass and Recycled Content on Glass: Our statute currently reads it has to be 35% in 1995, 50% in the year 2000. DEQ sends out surveys every year to glass manufacturers around the nation and we receive letters declaring this unconstitutional. It is Mr. Slyman's speculation that this statute will only glass that is manufactured and sold in Oregon (presently pertains to glass manufactured or sold in Oregon).

Senate Bill 144: Has 11 points (4 major, 7 minor). Major: 1) reset recovery rates for wastesheds. DEQ will set advisory rates, the wasteshed will adopt their own rate (could be DEQ rate, 1995 achieved rate, or statutory rate). If everyone adopted their 1995 adopted rate nothing would change. 2) Commercial recycling: we are looking at amending so that it is palatable to people who found it distasteful; 3) Waste prevention: we are recognizing that in statute and the questions about the hierarchy it had (waste prevention is listed at the top of DEQ's hierarchy). DEQ also defined waste prevention; 4) Commodities of interest: the old proposal would ask Legislature to identify two commodities of interest and the EQC to identify additional commodities of interest that would have to be recycled at a particular rate. DEQ did poor marketing job. Really wanted to say recover things for their resource value not just because of their weight.

Mr. Penning asked what DEQ's definition of resource value was.

Mr. Slyman said they need to define that. I.e., a lot of energy goes into the manufacturing of aluminum as opposed to yard trimmings, for example. Right now a yard of yard trimmings is given the same value as a pound of anything else for us.

Ms. Keil asked what kind of changes he would make in the commercial section?

Slyman: It is an options approach and it requires it on the business unless the government chooses to have a special program. We took City Of Portland language. We will amend to say we will analyze your wastestream and prioritize. Some materials do not need to be picked up weekly – only as appropriate.

Ms. Mills commented that she was a representative from Washington County Cities and we are concerned about the approach DEQ is taking about advisory only. We see it as a way to get around the rule if there are mandated services, then the state has to offset the funding of those. To change the words to advisory, we might still see it as mandatory if our watershed or Metro sees it as mandatory, and there will be no financial assistance from the state. The local governments that I represent are concerned about that.

Mr. Slyman said he wasn't sure what Ms. Mills was referring to.

Ms. Mills said that Metro has imposed 52% of recovery by the year 2000, and at some point I wonder if that additional recovery is worth the cost.

Mr. Kunz pointed out that the new RSWMP does not impose consequences if not met by 2000. There is a waste reduction component to the RSWMP that are set in rules. But the standards are such that the local jurisdiction chooses their own rate of reduction.

Mr. Slyman stated that DEQ sets an advisory, the watershed adopts their own level. Or you can adopt your 95 achieved level.

Ms. Nelson, responding to Ms. Mills question stated that our RSWMP, chapter 5 mandates 50% but that our Executive Officer's challenge to our local government partners was to reach 53%.

Thereafter the meeting was adjourned.



METRO

DATE: April 9, 1997

TO: Solid Waste Advisory Committee (SWAC)

FROM: RSWMP Amendment Task Force

RE: **Agenda Item No. 4 - Consideration of Proposed Amendments to the Regional Solid Waste Management Plan (RSWMP) Relating to Facilities**

The RSWMP Amendment Task Force was appointed by SWAC in January to review proposed amendments to the Regional Plan that had been advanced by the Director of Regional Environmental Management. The Task Force will make recommendations to the full SWAC membership. SWAC's role is to review the Task Force's recommendations and make specific recommendations about these amendments to the Metro Executive Officer and Council. It is anticipated that the Council will consider adoption of any recommended RSWMP amendments in June. The Task Force has been meeting since late February to consider possible Regional Plan amendments or clarifications in the following areas:

1. *Facility issues* - Defining the relationship between materials processing facilities (MRFs) and source separation programs, and between reload facilities and transfer stations.
2. *Alternative practices* - The process and schedule by which the Metro REM Director approves alternatives to the RSWMP's recommended practices proposed by local governments.
3. *Waste prevention for businesses* - The targeting approach (types, sizes, numbers, materials, etc.) for two recommended practices: a) waste prevention evaluations; and b) model waste prevention programs.
4. *Source-separated recycling for businesses* - a) The intent of the practice calling for distribution of containers to small businesses; and b) Expansion of the recommended practice which calls for more recycling of paper and container materials to include other prevalently disposed recyclable materials.
5. *Source-separated recycling for construction and demolition sites* - Clarification of the term "assure availability" of source-separated recycling for construction and demolition sites.
6. *Other* - A number of "housekeeping" type amendments to the RSWMP, such as implementation date changes, and clarification of lead roles and responsibilities.

Action Requested for the April 16 SWAC Meeting. SWAC will be asked to consider recommending Executive Officer and Council approval of amendments relating to item 1) above, regarding solid waste facilities.

Action Requested for the May 21 SWAC Meeting. SWAC will be asked to consider recommending Executive Officer and Council approval of amendments relating to items 2) through 6) above. Information about those proposed amendments will be included in the May 21 agenda packet.

Task Force Recommendations Relating to Post Collection Processing and Defining the Role of Reload Facilities and Transfer Stations

During an early Task Force meeting, there was discussion of whether the current Plan language was sufficient to deal with some emerging issues in post-collection processing. Of particular concern was the how “up-stream” source-separation programs might be impacted by the development of MRF’s targeting some of the same materials.

The group discussed the impact of MRF’s on both the commercial “dry waste” and the construction and demolition (C&D) waste streams. With regard to C&D, the general consensus was that the Plan’s directives (i.e. encouraging on-site recycling but supporting MRF’s because sites are often constrained for space) were still appropriate and that no change to the Plan was required.

Regarding commercial dry waste, two issues were considered and the following conclusions reached:

1. How would full fledged “wet/dry” commercial collection would be treated under the Plan? Should recovery at a MRF be allowed to substitute for a commercial source-separation program?

Task Force Conclusion: The consensus of the group was that using a MRF instead of a source-separation program would clearly constitute an “alternative practice” that would need to be dealt with under the Plan’s alternative practices provisions.

2. Should MRF recovery rates be adjusted if commercial source-separation programs removed many of the recoverable materials before they entered the MRF?

Task Force Conclusion: There was agreement that this issue could be dealt with through REM administrative processes and through Council action in approving franchise agreements. Formal Plan amendments did not seem necessary.

After these initial discussions, staff brought forward more specific possible Plan changes for the groups discussion. These are discussed below.

Amendment A -Clarify Purpose of Dry Waste Processing for Business Waste Reduction Practices

Task Force's Recommendation - Amend the “key concept and approach” description, RSWMP page 7-17, for Recommended Practice #4 relating to processing facilities for mixed dry waste, to read:

Because of high disposal costs and the market value of recovered materials, there are strong economic incentives to develop dry waste processing facilities. ~~The majority of construction materials are recyclable. The percentage that can be recycled from any project is dependent on the job.~~ Even with good source separation services in place, there may be materials from businesses that are economically recoverable at processing facilities. More than 85 percent of the waste from residential construction is currently recyclable in the metro region. The recommended practice is to rely on the private sector to develop additional dry waste processing capacity.

Rationale - This amendment was initially proposed by staff to correct the impression that only construction and demolition materials go to dry waste facilities. The Plan discusses dry waste processing in two different sections: Business Waste Reduction practices and Building Industries Waste Reduction. The two sections currently contain the same basic language and policy recommendations about dry waste processing. The above amendment would not change any policies but corrects the impression that only construction and demolition materials go to dry waste facilities.

Summary of Task Force Discussion - Through the discussion, the Task Force ratified that the Plan consistently tried to promote source separation. There was discussion of how efforts such as the City of Portland’s source separation requirements for commercial generators should be viewed as consistent with but exceeding the Plan’s promotion of the waste reduction hierarchy. The Task Force also returned to the issue of how MRF recovery rates are impacted by successful source-separation programs and how this might be taken into account in determining appropriate MRF recovery rates.

Amendment B - Correction of Typographical Error

Task Force's Recommendation - Amend key element d), RSWMP page 7-22, of Recommended Practice #4 relating to processing facilities for mixed dry waste, to read:

Support and develop markets for recovered materials through technical assistance to processors and end users of recovered materials.

Rationale - This change was proposed by staff to correct a typographical error.
Task Force Discussion - There was no significant discussion on this issue.

Amendment C - Clarification to the Plan's description of reload facilities

Task Force's Recommendation - Amend the description of Recommended Practice #4, RSWMP page 7-25, to read:

~~Allow reload facilities sited, owned and operated by haulers for consolidation of loads for hauling to Metro transfer stations to serve areas distant from transfer stations.~~ Allow the siting of reload facilities for consolidation of loads hauled to appropriate disposal facilities.

Rationale - The amendment changes the language on page 7-25 to be the same as on page 7-27. The change is intended to allow more flexibility on where reload facilities could haul their consolidated loads.

Summary of Task Force Discussion - The discussion began with the introduction of two proposed amendments by Metro staff:

Amend the description of Recommended Practice #4, RSWMP page 7-25, to read:
Allow reload facilities sited, owned and operated by a single hauler for consolidation of loads for hauling to Metro transfer stations to serve areas distant from transfer stations.

Amend the first bullet of the key concept of approach section relating to Recommended Practice #4, RSWMP page 7-27, to read:

The recommended practice is to allow reload facilities sited, owned and operated by a single hauler for consolidation of loads for hauling to Metro transfer stations to serve areas distant from transfer stations. Reload facilities could assist in maintaining existing service levels (i.e., time spent waiting in line or time required to drive to a facility). They can also provide some additional material recovery or opportunity to divert materials to dry waste recovery facilities.

Staff stated that the intent was to make the language referring to Recommended Practice #4 consistent between the two pages in the Plan. The addition of the qualifier "single hauler" would clarify the intent of the Plan.

A task force member expressed strong discomfort with both the proposed addition of the qualifier "single hauler" in the first proposed change and the replacement of language on page 7-27 with the new language on page 7-25. The reasons given focused on how such changes would unnecessarily restrict potential opportunities for the facility to be profitable and that the Plan was intended to encourage facilities that could provide benefits.

Another task force member noted that these were important issues because some emerging reloads want to take their reloaded wastes directly to Arlington. Metro staff noted that while the Plan can provide direction on how to view facilities, it does call for case-by-case review of any reload so these issues are bound to be discussed.

Whether what was really at issue was Metro's flow control authority was discussed. Metro staff commented that there were also franchise authority aspects to these issues. It was also suggested

that perhaps the issue was more simply stated as Metro needing to cover the cost of their transfer stations. Metro staff maintained that it was not about Metro fees, but that costs and benefits to the regional system not just benefits to the reload operator needed to be considered.

Metro staff maintained that in addition to the role of reloads in reducing transactions at transfer stations, the Plan's acceptance of "reloads" derived from the idea of a single hauler decreasing the firm's drive time to a Metro transfer station. The direct haul of non-dry mixed solid waste to a disposal facility is therefore inconsistent with the concept of a reload. While this perspective was acknowledged, all task force members present at the March 19 meeting, except Metro staff, agreed that the language on page 7-27 calling for reloads to use "appropriate facilities" was preferable.

Metro staff stated a preference for the existing plan language if the original proposals were not acceptable. Staff stated that the essential concept of reloads existing to serve transfer stations was being left behind with the members' proposals.

Amendment D -Standards for Reload Facilities

Task Force's Recommendation - Amend key element d) of Recommended Practice #4 relating to reload facilities, RSWMP page 7-27, to read:

Low-level recovery activities (manual "dump and sort" activities and other low technology methods) at reload facilities will comply with all federal, state, regional, and local laws and regulations regarding the processing of mixed wastes and be consistent with the Plan's recommendations regarding source-separated recycling efforts.

Rationale - The proposed amendment is intended to clarify the proper relationship of reload facilities within both the regional solid waste system and the regulatory authorities under which they operate.

Summary of Task Force Discussion - Staff began the discussion by offering the following amendment:

Amend key element d) of Recommended Practice #4 relating to reload facilities, RSWMP page 7-27, to read:
Low-level recovery activities (manual "dump and sort" activities and other low technology methods) at reload facilities will take health and safety into consideration regarding the processing of mixed wastes and be consistent with the Plan's recommendations regarding appropriate application of regulations and source separated recycling efforts.

Staff's explanation for the amendment was that the Plan needed expanded language regarding post-collection processing of residential and commercial wastes containing putrescible materials. The proposed language would reiterate the view that reloads are not designed for recovery purposes.

Several task force members were concerned Metro was assuming roles that DEQ, OSHA or other authorities already played and proposed alternative language. Staff expressed concern that the proposed language was not "plan" language but too administrative and more appropriate for a franchise agreement.

Attachments to this Report:

Attachment 1 RSWMP Amendment Process and Schedule, Including Public Involvement

Attachment 2 RSWMP Amendment Task Force members and staff

S:\SHARE\DEPT\WRPS\MRFS\SCOTT\040997.DOC

Attachment 1

**Regional Solid Waste Management Plan - Amendment Process
Public Involvement Process and Schedule**

Preliminary Process		
Interested Parties	. Submittal of proposed Plan amendments to staff by various interested parties . Staff solicited public comment regarding certain Plan amendments as part of the Year 8 Waste Reduction Work Plan public involvement process	Jan. 1995 through Jan. 1996
REM Director	Release of annual "State of the Plan" report; need for certain Plan amendments reported	Nov. 1995
REM Director	Authorized consideration of certain Plan amendments	Jan. 1996
RECOM	Recommended Council approval of the Year 8 Waste Reduction Work Plan; authorized consideration of certain Plan amendments	Jan. 22 (Council approved Year 8 Work Plan on Feb. 6)
SWAC	Established RSWMP Amendment Task Force and defined the group's scope of work	Jan. 15
DEQ	Transmitted a letter to Metro stating the criteria by which DEQ would approve RSWMP amendments	Feb. 10
1st Draft Phase - Process and Timeline		
SWAC Task Force	SWAC Task Force develops recommendations	by April 9 (or April 16 at the latest)
Full SWAC	Review and comment on recommendations (or on work in progress)	April 16
Council RECOM	Council work session Review and comment on 1st draft	April 23
Public Review	Mailing to interested parties: . Letter summarizing proposed amendments . Summary of process and timeline Deadline for public comments on proposals	April 23 May 12
SWAC Task Force	The Task Force considers comments received to date and develops final recommendations	May 14
Final Draft Phase - Process and Timeline		
Full SWAC	SWAC consideration of final proposals Forms recommendation to Council and Executive	May 21
Executive Officer	Executive Officer completes his final review Staff report and ordinance filed with Council	June 2
Full Council	1st reading of the ordinance to adopt amendments (no public hearing or deliberation will occur at this meeting)	June 12 (tentative)
Public Hearing Council RECOM	Public hearing on the ordinance to adopt the amendments; RECOM forms its recommendation to the Council	June 18 (tentative)
Full Council	2nd reading of the ordinance to adopt the Plan; Consideration of Plan adoption	June 26 (tentative)
DEQ	DEQ approval the amendments adopted by Council	July
	Distribution of amendments to interested parties	August

RSWMP: The Regional Solid Waste Management Plan.

RECOM: Regional Environmental Management Committee, a subcommittee of the Metro Council.

SWAC: Regional Solid Waste Advisory Committee; advisory to the Metro Executive Officer and Council.

Meeting times and places: Call the Metro Council Office (797-1540) for information about RECOM meeting

Attachment 2

Regional Solid Waste Management Plan Amendment Task Force

Name	Affiliation
TASK FORCE MEMBERS:	
Lee Barrett	City of Portland
Susan Ziolko	Clackamas County
Scott Klag	Metro
Jennifer Erickson (Alt.)	
Dave Kunz	DEQ, NW Region
Tom Miller	waste haulers
Mike Misovetz	citizen, business
Jeff Murray	recycling industry
Jeanne Roy	Recycling Advocates
Betty Patton	environmental advocate
Lynne Storz	Washington County

OTHER INTERESTED PARTIES:

The following people received agendas throughout the process. Some of these people attended meetings and offered comments during the process.

Tam Driscoll	East Multnomah County Cities
Kathy Kiwala	Washington County
JoAnne Herrigel	City of Milwaukie
Dave White	ORRA / Tri-County Council
Estle Harlan	Clackamas County Haulers

S:\SHARE\WR&O\PLANNING\RSWMPAMD\040997.SK