



METRO

## A G E N D A

**MEETING: REGIONAL SOLID WASTE ADVISORY COMMITTEE**

**DATE:** Wednesday, June 23, 1999

**TIME:** 8:30 a.m.—10:30 a.m.

**PLACE:** Room 370, Metro Regional Center, 600 NE Grand Avenue, Portland

- |                |  |                                      |
|----------------|--|--------------------------------------|
|                | <b>I. Call to Order and Announcements</b>  | <b>Ed Washington</b>                 |
| <b>5 min.</b>  | <b>*II. Approval of April Minutes</b>  | <b>Ed Washington</b>                 |
| <b>10 min.</b> | <b>III. REM Director's Update</b>  | <b>Terry Petersen</b>                |
| <b>10 min.</b> | <b>*IV. SWAC Membership</b>  | <b>Doug Anderson</b>                 |
|                | <i>Recommendations from the periodic review of SWAC members, and recommendations to implement the changes to SWAC membership approved in April.</i>  |                                      |
| <b>30 min.</b> | <b>*V. Transfer Station Ownership Study</b>  | <b>Dennis Strachota/Scott Hobson</b> |
|                | <i>Presentation on results of a Hilton, Farnkopf, &amp; Hobson study on Metro's ability to influence transfer and disposal rates through continued ownership or sale of its transfer stations. Note: This large report is being mailed to SWAC members only. Interested parties may obtain a copy by calling the Committee Clerk or may pick up one at the meeting.</i>              |                                      |
| <b>30 min.</b> | <b>VI. Transfer Station Service Plan</b>   | <b>Bill Metzler</b>                  |
|                | <i>Presentation of a preliminary assessment of needs for additional disposal services. Presentations will include results from a survey of haulers, and the results of modeling the system to the year 2010 with various configurations of facilities. Comments on method, assumptions, evaluation criteria and results requested. Materials will be distributed at the meeting.</i> |                                      |
| <b>30 min.</b> | <b>*VII. Contract Savings and Solid Waste Rates</b>  | <b>Ed Washington</b>                 |
|                | <i>Discussion of how to apply the savings from the recently approved changes to the Disposal and Transportation Contracts (Change Orders 8 and 24).</i>  |                                      |
| <b>5 min.</b>  | <b>VIII. Other Business and Adjourn</b>  | <b>Ed Washington</b>                 |

**\* 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); **Staff:** Doug Anderson (797-1788) or Meg Lynch (797-1671); **Committee Clerk:** Connie Kinney (797-1643)

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## **REGIONAL SOLID WASTE ADVISORY COMMITTEE MEETING**

April 21, 1999

### **ATTENDEES**

#### **Voting Members**

Ed Washington, Chair, Metro Councilor  
Jeanne Roy, Citizen, City of Portland  
Merle Irvine, Willamette Resources  
Scott Bradley, Waste Management  
Mike Leichner, Washington County Haulers (alternate), Pride Disposal  
Dean Kampfer, Multnomah County haulers (alternate), Waste Management  
Rick Winterhalter, Clackamas County  
Tom Wyatt, Browning-Ferris Industries  
David White, Tri-C/ORRA  
Bruce Walker, City of Portland, (alternate)  
Mike Misovetz, Citizen, Clackamas County  
Lynne Storz, Washington County  
Jeff Murray, Recycling Industry (alternate), Far West Fibers  
Steve Schwab, CCRRA (haulers association), Sunset Garbage  
JoAnn Herrigel, City of Milwaukie  
Tam Driscoll, City of Gresham  
Sarah Jo Chaplen, City of Hillsboro (Washington County cities)  
Frank Deaver, Citizen, Washington County

#### **Non-Voting Members**

Terry Petersen, Acting REM Director  
Rob Guttridge, Clark County (alternate)  
Marti Roberts-Pillon, DEQ (alternate)  
Doug DeVries, Specialty Transportation Service

#### **GUESTS**

Eric Merrill, Waste Connections	Dean Large, Finley Buttes Landfill
Kent Inman, American Compost	Henry Mackenroth, City of Oregon City
Easton Cross, Easton Cross Consultants	Diana Godwin, Regional Disposal Co.

#### **METRO**

Rod Park, Metro Councilor	Marv Fjordbeck
Doug Anderson	Terry Petersen
Jennifer Erickson	Bryce Jacobson
Jim Watkins	Meg Lynch
Leo Kenyon	Bill Metzler
Connie Kinney, Clerk to the Committee	

#### **ACTION ITEM**

Chair (Councilor) Washington asked for a motion to accept the SWAC minutes from the March 17<sup>th</sup> meeting. Ms. Mary Jo Chaplen noticed that the March minutes were seconded by a member

of SWAC, who was a non-voting member. Chair Washington asked for correction to the March minutes. The motion was seconded. Merle Irvine made a motion to approve the March minutes, David White seconded the motion, the Committee unanimously approved the March 17, 1999 minutes as submitted.

#### UPDATES

Mr. Terry Petersen, REM Acting Director said he was happy to be back as the interim director of the REM department and said he has always enjoyed working with the SWAC. He said there are many large issues and he will do all he can to help the committee and help Chair Washington chair the committee.

Mr. Petersen reminded the committee that there was an informational hearing this afternoon before the REM Committee regarding Metro's proposed State legislation to restrict disposal of pool chlorine. He said that Metro has proposed legislation restricting this chemical from being disposed of through regular garbage pickup; a few SWAC members have voiced their concern with some of the wording of that bill. He said staff has tried to address some of those concerns and has a new approach to discuss with Metro's Council. He advised anyone interested to attend the meeting.

Mr. Petersen said REM has been talking to its Transportation contractor (STS) about some changes to its contract with Metro, which would save Metro money. He said he would be available to take questions after today's meeting.

Mr. Petersen said Metro had another chemical spill at Metro South Transfer Station. He said there was some acid in the pit at Metro South, and it caused Metro to close the building for about eight minutes and evacuate the public due to the drifting cloud. He said it was one of the largest clouds he has experienced from this type of spill; luckily, no one was injured. He thanked BFI for helping to respond to this emergency.

Mr. Petersen said Metro staff and Clark County staff are working together to see if efforts can be made to team up in other programs such as the IGA agreement currently to help Clark County handle its used paint.

Mr. Petersen thanked those persons who helped in the annual Metro/SOLV-it event, which coincides with Earth Day. He said this year's event occurred last Saturday in Clackamas County; Metro staff and family collected 6 tons of garbage, 4 tons of yard debris, 12 tires, syringes and remnants of an old methamphetamine lab.

Mr. Merle Irvine, Willamette Resources in Wilsonville said his facility is now open to the general public to receive waste on Saturdays and Sundays from 9:00 a.m. to 4:30 p.m. Willamette Resources will accept anything but putrescible waste and hazardous waste from the public.

#### DISPOSAL CONTRACT: Status and Next Steps

Chair Washington distributed information on the process to determine use of disposal savings from the renegotiation of the disposal contract with Waste Management (attached as Exhibit A). Chair Washington said that in May the Council, Executive Office and a representative from the Auditor's office will sit down to identify needs and set priorities. The time and place has not yet been identified. He said that, if necessary, discussion items will be brought to the REM

Committee in June to hold hearings, establish policy objectives and create lists of options. Chair Washington said that on July 21 this committee will then review those options and make recommendations. He said the Rate Review Committee will meet in August to review options and make recommendations regarding solid waste fees, and in September the REM committee and the full Council will meet to hold hearings and adopt a new rate ordinance. Councilor Washington asked for comments.

Mr. Walker said that from the comments Metro's Executive Office made in the paper, it appears that identification of needs and setting of priorities do not relate to recycling programs and that it is broad-ranging, non-related funding decisions.

Chair Washington replied there have been no decisions contemplated with regard to where savings should be placed. He said that of course Mr. Burton is free to express his wishes and concerns as to where he would like to see those savings passed to. He said however, Council has not made any decisions and is waiting to hear all of the options.

Mr. Walker asked if the method to capture these monies would be through the excise tax?

Chair Washington said he had no idea and that he was truly not trying to be evasive but there has truly not been a determination made on how funds will be spent.

Mr. Walker said he understood that Mr. Burton was putting it forward for public discussion, but there is a lack of clarity on the part of the City on the actual mechanism of funding. He said it was the City's understanding that monies realized as a result of savings on the solid waste contract be spent on solid waste issues other than those funds collected as excise tax.

Chair Washington asked what the committee wished Council to do, and Mr. Walker said he would just like a clarification of how they proposed to look at it. Chair Washington said they would do that.

Mr. White said as an observation that he has attended many Metro meetings where he has heard several discussions on the disposal contract savings. He said that Councilor Kvistad has suggested a moratorium on passing any savings on for a year or two in order to study the impact on recovery, even though his philosophical preference would be to pass all the savings along, because the money belongs to the citizens in the region. Mr. White said he hoped that one meeting of the SWAC would be sufficient to discuss all of the issues involved with this contract savings. He asked for as much information as possible as quickly as possible so that everyone can move forward with one mind.

Mr. Cross (from the gallery) commented that perhaps staff has made draft proposals with regard to this subject. Chair Washington replied that if they have produced a proposal, he has not seen it nor does he know anything about the existence of one.

Mr. Petersen commented there have been various discussions about some of the options but that Councilor Washington is exactly right when he says that staff has not produced any draft proposals and that it would be premature at this point to put anything into writing. He said staff is waiting for direction from the Executive Officer and Council before proposals are made.

Mr. Cross said that comments have been made that a 50/50 split will be proposed and that 50% will go to excise tax and 50% to waste reduction.

Chair Washington said that he was being very honest when he says he has not written anything on this subject, he has made no conclusions nor has he heard of or seen any written proposals. He said it is also his belief that other members of the Council will be as open-minded as he as to how they will proceed with the savings from the Waste Management contract. He said if staff has made proposals, neither he nor the Council have seen them. He said he was sure there was many ideas floating around in people's minds, but if anyone has something written down on this subject, they have not shared it with him nor has there been any discussion with the REM Com and they are certainly not ready to finalize any thoughts on this subject at this point.

Ms. Herrigel asked if Chair Washington anticipated any written proposals to be presented at the May meeting with Council, Executive Officer and the Auditor's Office, or will that happen in June? Chair Washington said he expects that from that meeting will come proposals.

Chair Washington said he has not committed a vote to anything.

Councilor Park commented he wanted to echo what Councilor Washington just said: He has not made any decisions, nor has he seen any proposals. He said at this stage, everything is wide open and said that the Executive Officer is free to make whatever proposal he deems worthy. He said it takes four votes from the Council and they are all wanting to make a good business decision on doing the right thing with Metro's resources.

Chair Washington asked the committee to trust him and the rest of the council that there is no hidden agenda out there to spend the contract savings.

Ms. Mills commented there seems to be a lot of mistrust in the process. Therefore, she suggested that it might help to schedule a June meeting for SWAC to receive the information that is out at that time, thereby allowing SWAC some time to forward recommendations on the proposals.

Chair Washington said he was sure he could accommodate that desire. Chair Washington commented, however, concerning the "mistrust," that if he tells her or anyone to trust his judgment, to please give him the opportunity to prove to all of them what he is about and they can indeed trust him. Chair Washington said he would devote as much time as necessary during June to discuss the proposals on the table. He asked the committee members to hold their calendars open because if the regular June 23<sup>rd</sup> meeting was not sufficient to take care of the discussion they could meet again June 30<sup>th</sup>.

Ms. Driscoll asked if the May meeting would be open to the public and Chair Washington replied that all Metro meetings were open to the public. He said this particular meeting however was probably going to be held off-site on a date to be announced, and that anyone wishing to attend would be welcome as an observer, but not a participant, because it is important that the attendees flesh out criteria.

Mr. Schwab commented that since no one else has said it, and since he sits on the Rate Review Committee (RRC), it is widely felt that solid waste funds should be used for solid waste issues. He said that most likely if a proposal to do differently comes before either RRC or SWAC, the members will probably tell you they are not interested.

Councilor Park commented that the Metro Charter is set up to recognize that the region believes Metro should place first priority on transportation and land use planning. Plus, this Council is trying to nurture a better working relationship with Metro's Executive Officer, and if the Metro Charter needs to be restructured, it needs to go before the voters of the region. He said that however, he personally has not made any decisions about the contract savings. He said he believes any proposal will come about through an honest process and balance things across the board.

Chair Washington asked if there were any further questions and thanked the committee for their forthrightness and honesty. He asked them to please give him and the Council a chance and reassured the committee members that the process will be very open. He said he did not remember actually reading the article whereby Metro's Executive Officer proposed a 50/50 split of the contract savings.

Chair Washington then introduced Mr. Terry Petersen (Acting REM Director) to compare the old and new Metro Disposal Contracts.

Mr. Petersen said that on the reverse side of the handout just distributed, "Proposed Process to Determine the Use of Disposal Savings," are some key elements of the new contract as compared to the old contract. He said the first one, the disposal price, is determined by blocks of tonnage and the change to the contract is all in that first tier. The amount changes from \$28.18 to \$22.31. He said the blended rate over all tonnage is \$23.94, which will drop to \$17.37. Mr. Petersen said this equates to a little more than a \$6.00 drop in the average or "blended" rate as a result of the contract.

He said that under the current contract, the rate is based on the total tons that Metro delivers under its disposal contract, but primarily from Metro transfer stations. In the new contract, any of the tons delivered to any other general purpose landfill and owned by Waste Management, and any of the residual coming from its material recovery facilities, will be used to calculate the price to Metro. Mr. Petersen said this is significant because Waste Management is a very large presence in our region and this protects the price regardless of where the tonnage shifts between the facilities.

He said the term of the contract has been extended, with a provision for a further extension that is tied to the market checks. He said the market checks will occur every five years, which will entail looking at Waste Management's other large contracts (defined as public contracts with at least 200,000 tons) compared the prices and make appropriate adjustments if Metro's price is higher than those in Oregon, Washington or Idaho. He said a further protection against future price increases is the CIP adjustment, which was dropped from 90% to 70% during the first 10 year; after 2009, it reverts back to 90%.

He said that another area that Metro Council has shown an interest in is being able to look at alternative transportation modes. A clause has been included in the new contract allowing Waste Management to propose alternative transportation if it is able to buy Metro's current STS transportation contract and if Waste Management can demonstrate the transportation charges would be no higher than our current trucking contract.

Mr. Petersen said that, lastly, the contract waste flow guaranty language has been changed to reflect that 90% of the region's putrescible waste can go to any appropriate Waste Management landfill, as opposed to only Columbia Ridge. Mr. Petersen said there were still many unanswered questions, such as what about Riverbend, how are we going to manage the 10%, and whether the current franchises are affected. REM will work on those questions over the next couple of months.

There were no questions,

#### ACTION ITEM: SWAC MEMBERSHIP & ORGANIZATION

Mr. Anderson began the discussion about changes to SWAC membership and organization. Mr. Anderson distributed a two-sided discussion paper (attached as Exhibit B). Mr. Anderson said that at the last SWAC, several changes to the membership were discussed. He said the handout just distributed attempts to incorporate those recommendations into Options 1, 2, 3 and 4. Mr. Anderson said he has attempted to create more balance to the committee by taking the "Multnomah County" inactive position and one of the disposal industry positions and converting those into recycling interests. The Multnomah County citizen representative and the City of Portland citizen representative position have been combined, and the freed-up position converted to a business representative. Plus, two more business interest positions were added. He said if the Committee concurs with incorporating these changes into the bylaws, we will focus our attention next month on reviewing the membership.

Mr. Anderson said that under the designation of "recycling interests," the "facility" refers to a "clean MRF," while "dirty MRFs" are under solid waste facilities.

Mr. Irvine asked what the rationale was for dropping the solid waste facilities from four to three and keeping the status quo for the other designations?

Mr. Anderson said a number of comments were heard about the solid waste facilities interests being represented in the facilities designation and in the hauling industry, offering a non-balanced field.

Mr. White asked why the Committee was being asked to phase in the changes?

Mr. Anderson replied that Chair Washington requested that the changes be made as they became vacant, as did various Committee members at the March meeting.

Mr. Anderson asked if it was better to keep the facilities positions flexible or is there a compelling interest to have, for instance, specific landfills and specific facility representation on the committee?

Mr. Irvine replied that if representation stayed as spread out as it is currently, that is fine, but he wouldn't like to see the representation be all landfills, all processing centers, etc.

Ms. Chaplen said she was not clear whether the category of business representative would have to be someone involved in that business or could it be someone who uses those businesses.

Mr. Anderson replied that the intent was to have persons involved in those businesses.

Ms. Storz commented that she felt it was important to have representatives from both franchised and unfranchised areas.

Ms. Chaplen asked if would satisfy SWAC needs to get an industry representative, i.e., from the hotel or restaurant industry? Mr. Anderson said that sounded like a very good idea.

Mr. Anderson continued that both the number of haulers on SWAC and who they represent is unchanged. He said there are currently four representatives, one from each county and one that is traditionally an at-large member. He specifically asked the hauler representatives if it was important to continue with geographical definitions for hauler representatives.

Mr. Leichner said he felt geographic area was important in choosing a hauler representative. Mr. White said he agreed that geographic area was important. Mr. White said that when the Tri-County Council makes a recommendation, they also take hauler size into consideration as well as vertical integration considerations.

Mr. Schwab said he agrees with the previous comments. He said he does have a problem with the comment at the bottom of the page indicating no more than one regular voting member of the committee may be employed by the same company. He said that currently his "alternate" was Sally Fender, who is employed with United Disposal, and there is already one representative from that company in a different capacity. He said he did favor a large range of diversity on the committee, he is not sure he agrees with that change.

Mr. Anderson asked the haulers if they were okay with leaving representation as it currently is and they replied affirmatively.

Ms. Driscoll noted it was great that SWAC include citizen representatives, but we should move quickly to replace or eliminate them as the bylaws state rather than to continue their membership if they are inactive.

Ms. Herrigel said that if we looked to associations that are run on behalf of businesses we would be more likely to have good attendance and participation.

Mr. Murray commented he would also like to see those individuals not showing up at meetings be dropped from the membership list.

Chair Washington asked for the committee's thoughts as to removing representatives who do not regularly attend as the rules allow, not to punish anyone, but because attendance is very important for balanced representation.

The committee concurred it would like to see the rules on attendance enforced.

There was considerable discussion on whether the representative from Clark County should remain as a non-voting member or change the status to voting.

Mr. Guttridge commented that he live in Clackamas County, but works in Clark County, so he has first-hand knowledge that citizens in Clark County are very affected by Metro decisions, and he realizes that Portland is equally affected by decisions made by Clark County. He would like to see the representation changed to a voting member.

Ms. Herrigel inquired as to whether the Metro region is represented in Clark County.

Mr. Guttridge replied it is not, but that they also do not have a regional government in Clark County. Mr. Large commented (from the gallery) that Mr. Gilbert lives in Camas and serves as a voting member on the Committee. It was noted, however, that Mr. Gilbert's recycling business exists in the Metro region.

Chair Washington noted there is a regional transportation committee in Clark County, and the chair of Metro's Transportation Committee sits on that committee, albeit a non-voting member. This allows a representative from the Metro region to be at the table to hear, listen and understand the issues that might impact our region as they are discussed. He noted that works quite well.

Mr. Guttridge emphasized his feelings that Clark County felt very much a part of the region that much the decisions made in the region affect Clark County.

Mr. White noted that his perusal of the voting and non-voting members of the SWAC indicate that Clark County fits more into the non-voting list along with DEQ, Marion and Yamhill Counties.

Mr. Murray asked if there was any legal reason for or against Clark County's being a voting or non-voting member of SWAC.

Chair Washington noted it could probably be challenged and perhaps a case could be made in favor of making them a voting member, but he believes as long as the representative from Clark County is allowed to have the opportunity to discuss the issues, this should not be a problem.

Mr. Winterhalter believes they should remain nonvoting.

Mr. Leichner is of the opinion the Clark County representative should have the opportunity to vote. He believes Clark County is directly affected by Metro's decisions.

Chair Washington suggested that we submit the issue to our legal counsel in terms of voting across state lines. He said that is the clearest way to get an answer for precedents on this issue.

Mr. Anderson said, getting back to Mr. Schwab's comments with regard to only one representative per company: The proposed changes to the bylaws would allow a regular member and an alternate to be from the same company, so Mr. Schwab would not be caught in the situation he described above.

Councilor Park asked for a clarification: When you say company, I assume you mean corporate identity.

Mr. Anderson said that was correct, and that in fact he has already consulted with legal counsel and it was felt this issue might require a legal interpretation down the road.

Mr. Bradley commented that he is involved in all of the operations of Waste Management and that its position will be brought forth to the Committee no matter who the messenger is. He noted he has no problem about who their representative is.

#### MOTION ON DRAFT BYLAWS

Option 1: For now, leave the disposal site representatives undesignated. General nods yes, no one opposed.

Option 2: Business representatives, noted general comfort with the three groups proposed to be represented, with the addition that there be an attempted balance between businesses in franchised and nonfranchised areas: Yes

Option 3: Haulers, fine as is, representatives picked by geographic area, plus one at-large. Yes

Option 4: Mr. Schwab made a motion to continue Clark County representative as non-voting member. Mr. Misovetz seconded the motion. Majority Yes, Mr. Leichner opposed.

Restriction of one member representative from any company, but excluding alternates from that designation. Yes, unanimous.

Mr. Misovetz made a motion on the revised bylaws, including the recommended option for committee membership as amended by the further definition of business representatives. Mr. Irvine seconded the motion. The Committee passed the motion by unanimous vote.

Chair Washington noted that the bylaws currently state that either the Executive Officer or the Committee Chair may request a member to resign on the basis of non-attendance.

Mr. Washington will speak to the Executive Officer about amending the bylaws so that the wording states that the request would rest with one or the other party, not that both parties could make such a request.

#### TRANSFER STATION SERVICE PLAN

Mr. Metzler distributed a handout with a revised project timeline for the Transfer Station Service Provision Plan to be completed. Mr. Metzler gave a quick summary of the new time frame.

Mr. Metzler said the team had previously targeted July as a possible completion date for the project, but it soon became apparent that more time was needed to more carefully define some of the problems, needs and criteria for the services being reviewed and to assure adequate stakeholder input.

Mr. Metzler said there are three major parts to the project. He said we are currently in Phase I, where we verify, define and detail the problem. He said they will then move to a stage where needs through interviews, surveys and technical fact-finding. He said next will come identifying public objectives and constraints related to service provision planning, and at the end of this phase, an assessment report will be prepared.

Mr. Metzler said that in Part II and Part III, the team will be developing the evaluation criteria on how we will measure the success of any solutions that may come of the project, develop and review the service options, refine those options and evaluate them. He said this is scheduled to happen in the months of June and July.

Mr. Metzler said that in Part III, the team will develop some recommendations, present a draft report in early August, and after discussion of the draft from stakeholders and decision makers we will finalize the report. He said this will be accomplished in mid-September.

Mr. Petersen commented that Councilor Washington pointed out to him that in September, what Mr. Metzler is suggesting is that there be a draft report with recommendations, hopefully on

behalf of the SWAC, that can be taken to the Council. He said there may then be some code changes required and a formal adoption of a new Solid Waste Management Plan chapter that would need to go to the Council for formal adoption which would take place in October. So, the process goes one more step beyond that which Mr. Metzler pointed out today.

Chair Washington also noted there will be updates to the REM Committee and the Council when appropriate throughout the entire process.

Mr. Irvine pointed out that when SWAC previously had such important projects, the Committee met in the form of a subcommittee and met more frequently in order to review information more thoroughly.

Chair Washington asked the Committee if it wanted to meet more often as a whole or make a subcommittee that meets more frequently. The group unanimously responded they would like to form a subcommittee.

There were no further questions.

#### ACTION ITEM: WASTE REDUCTION PROGRAM FOR LOCAL GOVERNMENTS

Ms. Erickson and Mr. Jacobson are requesting SWAC approval and recommendation to the Council for the Adoption of Year 10 Waste Reduction Work Program.

Ms. Erickson noted a copy of the plan was included in today's agenda packet. She said these activities help with the implementation of the RSWMP. She said this plan was originally established in 1990 to provide local governments with funding assistance needed to implement recycling and waste reduction activities in their jurisdictions. She noted they are an important part in meeting the objectives in the RSWMP and also State law. Ms. Erickson said that through this and other programs, local government and Metro work together to provide single and multi-family recycling services, yard debris collection, home composting programs, waste reduction consultations to businesses, in-school programs for students and teachers, public outreach, education and other programs. She said there is a new competitive portion to this plan that was implemented two years ago, and it adds a separate piece to the revenue sharing program that is targeted towards commercial recycling programs.

Ms. Erickson said the framework is very brief, and local governments fill in the pieces according to their particular needs due to jurisdictional differences. The plan has been through a public comment period and no comments were received. This plan comes directly from the RSWMP process; in addition, there are other supporting programs that are not specifically listed in the RSWMP but will be listed in the plan.

Ms. Erickson said the discussion today will be limited to the per-capita revenue sharing piece of the program. She said each local government submits a description on how each element in this program will be completed, and the work plans are due to Metro June 1, 1999, where they are reviewed by the Waste Reduction staff and the Metro Council staff. Ms. Erickson said the review committee is charged with granting administrative approval to the work plans.

Mr. Jacobson discussed issues that shape what the current document looks like. Mr. Jacobson said ultimately the team will request SWAC to review and approve the 1999-00 (Year 10) annual framework for local government waste reduction and recycling activities. He said these

activities assist with the implementation of the Regional Solid Waste Management Plan (RSWMP).

Mr. Jacobson said the Plan is broken down into three major parts as follows: He said Phase I (where we are right now) the annual plan process, is one of the primary mechanisms for Metro and local governments to achieve the region's recycling and waste reduction goals set forth by the RSWMP. Number 2: The framework creates a regional standard to ensure that coordinated and cohesive programs are offered to the region's residents, Number 3, the Annual Work Plan lists the tasks to be completed by local jurisdictions under the program in order to receive funding assistance.

Mr. Jacobson listed some of the issues: Year 10 (1999-00) will be the final year for this particular plan framework format. There are several reasons for this: the recent State of the Plan Report states that we need to shift focus towards improving commercial, construction and demolition and organic waste programs in order to reach our regional waste reduction and recycling goals. The planning window was too narrow to make radical changes for this current planning cycle; however, some small format and focus area changes have been made to the framework.

In addition, local government and Metro solid waste managers have begun meeting to create a stronger and more narrowed focus for future waste reduction and recycling programs, and these changes will be reflected in future planning cycles. Even though the format for Year 10 is very similar to Year 9, Metro solicited public comment by mailing drafts to approximately 50 persons who have expressed interest in the past. As of the closing of the comment period on April 11, no comments were received.

Mr. Jacobson said the total budget/financial impact to the agency is \$784,000 divided into two separate efforts. He said \$600,000 will be allocated on a per-capita basis, which equates to \$0.45 per citizen per year for maintenance of existing programs, and the remaining \$184,200 will be made available as competitive grants for commercial recycling programs.

Mr. Jacobson said the team would like to have the Resolution and Staff Report for approval of the framework plan before the Council REM Committee on May 5.

Ms. Storz asked what the chances are of increasing the challenge grant portion (the per capita allocation) allowed to local governments. The justification is that the lower tip fee means we will have to put more effort into recovering materials.

Ms. Erickson stated that REM's budget has already begun its approval process, but the budget may be revisited once the decisions on the contract change savings are made, and perhaps that is the most appropriate time to discuss where those savings are applied.

Chair Washington asked Ms. Storz to send him a note on what she would like to see done for local governments with regard to the challenge grant. Chair Washington noted that he always asks for what he really wants, so don't undervalue what you are asking for.

Mr. Schwab moved to accept the Resolution and forward to the Council. Ms. Herrigel seconded the motion. The Committee passed the motion unanimously.

Chair Washington thanked the Committee for the honest conversation, their concerns and their thoughts. He said he is normally at Metro in the afternoons and said he was the point person for dealing with issues on the contract, and any of the REM issues. Councilor Washington can be reached by his assistant, Pat at 797-1537; directly at 797-1546; at Portland State University, 725-2543; or at home, 284-1743 (please note only until 11:00 p.m. Councilor Washington stated that he would consider such conversations as private.

The meeting was adjourned.

Respectfully submitted:

Connie L. Kinney, Clerk to the Committee

**Review of SWAC Membership Status & Proposed Actions  
and  
DRAFT Recruitment Plan DRAFT  
June 23, 1999**

**CONTENTS**

This attachment contains two tables that follow-up the actions taken at the April 21 SWAC:

- Review of SWAC Membership  
*including proposed actions based on members' status*
- DRAFT Recruitment Plan  
*for filling vacancies and implementing the revision of the Bylaws*

**ACTION REQUESTED**

Metro staff requests that SWAC members come to the June 23 meeting prepared to comment on both the Membership Review and Recruitment Plan.

**NEXT STEPS**

Based on these comments, Metro staff will proceed with implementing the Recruitment Plan.

**Review of SWAC Membership Status & Proposed Actions**  
**June 23, 1999**

<b>Position</b>	<b>Currently Held By</b>	<b>Affiliation</b>	<b>Status</b>	<b>Proposed Action*</b>
<b>Committee Chair</b>	Ed Washington	Metro Council	active	none
<b>Recycling Industry</b>	John Drew	Far West Fibers	term expired	request resignation & recruit
<b>Hauling Industry</b>				
Clackamas Co.	Steve Schwab	Sunset Garbage	term expired	request resignation & recruit
Multnomah Co.	<vacant>	---	---	recruit
Washington Co.	<vacant>	---	---	recruit
Region-Wide	Dave White	ORRA/Tri-C	term expired	request resignation & recruit
<b>Solid Waste Facilities</b>				
	Scott Bradley	Waste Management	term expired/ <sup>1</sup>	request resignation/ <sup>2</sup> & recruit
	Ralph Gilbert	ECR	term expired	request resignation/ <sup>2</sup> & recruit
	Merle Irvine	Willamette Resources	active	none
	Tom Wyatt	Allied/BFI	term expired/ <sup>1</sup>	request resignation/ <sup>2</sup> & recruit
<b>Citizens</b>				
Clackamas Co.	Mike Misovetz	Halton Co.	active	none
Multnomah Co.	Barbara Miller	Boeing	inactive	request resignation/ <sup>3</sup> & recruit
Washington Co.	Frank Deaver	Deaver Environ.Group	active	none
City of Portland	Jeanne Roy	Recycling Advocates	term expired	request resignation/ <sup>3</sup> & recruit
<b>Local Governments</b>				
Clackamas Co.	Rick Winterhalter	Clackamas Co.	active	none
Clack. Co. Cities	JoAnn Herrigel	Milwaukee	active	none
Multnomah Co.	Gary Hansen	Multnomah Co.	inactive	none (position eliminated)
E.Mult. Co. Cities	Cathy Butts	Troutdale	active	none
Washington Co.	Lynne Storz	Washington Co.	term expired	contact County Board
Wash. Co. Cities	Sara Jo Chaplen	Hillsboro	active	none
City of Portland	Sue Keil	City of Portland	term expired	contact Portland Mayor

See NOTES next page.

**Review of SWAC Membership Status**  
**June 23, 1999**

**NOTES**

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- \* **As the Bylaws place no limit on the number of terms that may be served, any member whose term has expired may be renominated for the same or a different position.**
- 1. The “expired” status is based on the date of the original appointment. Over time, the same company has provided new members to replace turnover. Technically, replacements must be recruited pursuant to the Bylaws in these circumstances.
- 2. The revision of the Bylaws eliminated one of the facility positions. Recruitment will proceed for 2 of the 3 expiring positions.
- 3. The revision of the Bylaws combined the citizen positions for Multnomah County and the City of Portland. Recruitment will proceed for 1 of the 2 vacated positions.

**DRAFT Recruitment Plan DRAFT**  
**Reflecting Bylaws as Amended April 21, 1999**  
**June 23, 1999**

<b>Position</b>	<b>Status</b>	<b>Action: Metro will Solicit Nominations From</b>
<b>Committee Chair</b>	currently filled	No action—Ed Washington current member
<b>Recycling Industry</b>		
Facilities	term expired	“Clean” MRF owners, SWAC
Composters	new position	Organics processors, Compost Council, other industry assoc., SWAC
Recycler	new position	Business associations, AOR, general outreach
<b>Hauling Industry</b>		
Clackamas Co.	term expired	Hauler organizations
Multnomah Co.	currently vacant	Hauler organizations
Washington Co.	currently vacant	Hauler organizations
Region-Wide	term expired	Hauler organizations
<b>Solid Waste Facilities</b>		
	currently filled	No action—Merle Irvine current member
	vacant	Facility owners, landfill owners, and SWAC
	vacant	Facility owners, landfill owners, and SWAC
<b>Citizens-Ratepayers</b>		
Clackamas Co.	currently filled	No action—Mike Misovetz current member
Multnomah Co.	new position	Cities in Multnomah County, general outreach effort
Washington Co.	currently filled	No action—Frank Deaver current member
Business (“dry”)	new position	SWAC, outreach to business organizations
Business (“wet”)	new position	SWAC, outreach to business organizations
Business (C&D)	new position	SWAC, outreach to business organizations
<b>Local Governments</b>		
Clackamas Co.	currently filled	No action—Rick Winterhalter current member
Clack. Co. Cities	currently filled	No action—JoAnn Herrigel current member
E.Mult. Co. Cities	currently filled	No action—Cathy Butts current member
Washington Co.	term expired	Washington County Board
Wash. Co. Cities	currently filled	No action—Sara Jo Chaplen current member
City of Portland	term expired	Mayor of The City of Portland

**EXHIBIT B**

**SWAC Roster  
As of April 21 1999**

**Voting Members (21 Positions)**

<b>Committee Member</b>	<b>Representing</b>	<b>Affiliation</b>	<b>Appointed</b>
<b>Committee Chair</b>			
Ed Washington		Metro	1/99
<b>Recycling Industry (1 position)</b>			
John Drew*		Far West Fibers	4/93
<b>Hauling Industry (4 positions)</b>			
Steve Schwab*	Clackamas County area	Sunset Garbage	4/93
<vacant>	Multnomah County area		
<vacant>	Washington County area		
David White*	Region-wide	ORRA/Tri-County Council	1/95
<b>Solid Waste Facilities (4 positions)</b>			
<vacant>			
Ralph Gilbert*		East County Recycling	4/93
Tom Wyatt*		BFI	4/93
Merle Irvine		Willamette Resources	1/97
<b>Citizens (4 positions)</b>			
Michael Misovetz	Clackamas County		1/97
Barbara Miller**	East Multnomah County		1/97
Jeanne Roy*	City of Portland		4/93
Frank Deaver	Washington County		1/97
<b>Local Governments (7 positions)</b>			
Susan Keil*	City of Portland		4/93
Rick Winterhalter	Clackamas County		4/98
JoAnn Herrigel	Clackamas County cities		1/97
Gary Hansen***	Multnomah County		1/94
Cathy Butts	Multnomah County cities		3/99
Lynne Storz*	Washington County		4/93
Sara Jo Chaplen	Washington County cities		4/99

**Non-Voting Members (6 positions)**

<b>Committee Member</b>	<b>Representing</b>	<b>Affiliation</b>	<b>Appointed</b>
Bruce Warner	Metro		12/96
Ed Druback	DEQ		5/96
Jim Sears***	Marion County		4/93
Ellen Ries***	Yamhill County		4/93
Carol Devenir-Moore	Clark County		1/96
Brian Campbell***	Port of Portland		4/93
Doug DeVries	associate member	STS	7/98

\* Over 4 years served    \*\* Not active    \*\*\* Over 4 years served & not active

## **Revision of SWAC Bylaws and Organizational Representation**

April 21, 1999

- Action requested today:** approve amended SWAC Bylaws including revised representation.  
*(See Staff Report for recommendations)*
- Next step (May SWAC):** Review of membership.  
*(See Current Roster on reverse)*

### **Additional Issues to be Resolved Today**

#### **Organizational Representation**

1. In the Recommended Option (and in the current Bylaws) the Disposal Site representatives are not further designated by type. The following representation has been suggested: facilities (2), landfills (2). Metro has also received a suggestion that Columbia Ridge Landfill should be explicitly represented. *(Note: this last suggestion was not received from Waste Management or Metro staff.)*
2. In the Recommended Option, the Business representatives are not further designated by type. The following representation has been suggested: "dry" waste generators, "wet" waste generators, construction & demolition generators.
3. In the Recommended Option (and in the current Bylaws) the Hauler representatives are further designated by geographic area. Other suggestions have been received: "large" and "small"; "vertically integrated" and "not vertically integrated"; "franchised" and "not franchised"
4. In the Recommended Option (and in the current Bylaws) the Clark County representative remains a non-voting member.

#### **Bylaws**

The following wording has been added to the Membership section of the Bylaws:

*Restriction on Representation by One Company - No more than one regular voting member of the Committee may be employed by the same company.*

**EXECUTIVE SUMMARY**  
**TRANSFER STATION OWNERSHIP STUDY**  
**Informational Update**

AGENDA ITEM V

**PROPOSED ACTION**

- Informational update on results of study performed by Hilton, Farnkopf & Hobson on Metro's ability to influence transfer and disposal rates through continued ownership or sale of its transfer stations (see attachment)

**WHY NECESSARY/DESCRIPTION**

- Metro currently influences local transfer rates through its position as dominant transfer station owner, franchises with direct-haul facilities and contracts with private entities for transfer, transportation and disposal
- Recent developments in local solid waste industry, including the consolidation of collection companies and changes in ownership of local facilities through mergers and acquisitions, could affect Metro's ability to influence rates
- REM contracted with the management consulting firm of Hilton, Farnkopf & Hobson to examine whether Metro can best continue to influence transfer and disposal rates by retaining ownership of its transfer stations or by selling and regulating privately owned transfer stations.
- The study did not examine the full range of legal, management, policy and financial issues associated with selling the Metro transfer stations; it focused instead on Metro's ability to influence the local transfer and disposal market
- Because negotiations with Waste Management and STS were not complete at the time a draft of this study was prepared, an assessment of Change Orders 8 and 24 is discussed separately in the Epilogue

**ISSUES/CONCERNS**

- The consultant developed with Metro staff future scenarios that might affect the current system and constructed a model to assess the impact of these events on solid waste facilities, Metro's net solid waste revenues, Metro rates, Metro contracts, REM administration and regional collection systems and their implications for the continued ownership or sale of Metro's existing transfer stations
- The consultant concluded that absent some compelling reason to sell the transfer stations, Metro could maintain its influence over transfer, transport and disposal rates through the continued ownership of Metro Central and South
- A review of Change Orders 8 and 24 concluded that on balance those changes further support Metro's continued ownership of its existing transfer stations on economic grounds

## DISPOSAL SAVINGS PROCESS

UPDATED: June 9, 1999 by Jeff Stone, Council Chief of Staff

AGENDA ITEM VII

TIME FRAME	GROUP	PURPOSE
June 9 & 23 1999	REM Committee	Hold hearings, establish all options, recommend policy direction
<b>NOTE:</b> REM Committee will consider both solid waste-related options as well as all other options throughout this process		
June 23 & July 21 1999 * possible June 30	SWAC	Review options and make recommendations (only on waste-related options)
July 22, 27, 29 1999	Metro Council	Hold worksessions and discuss all options: <i>Public Hearings on July 22 &amp; 29</i>
August 4 & 11 1999	Rate Review Committee	Review options, make recommendations regarding solid waste fees only
September 8 & 16 1999	REM Committee/Council	Hold hearings, consider a rate ordinance if presented Give direction to agency administrative staff for budget modifications
The month of October	Metro Council	Adopt any budget amendments, policies toward savings
January 1 2000		Rate Ordinance becomes effective (if presented and passed)

## EXHIBIT A

## Process to Determine Use of Disposal Savings

April 21, 1999

TIME FRAME	GROUP	PURPOSE
May (TBD)	Council & Executive Officer	Identify needs & set priorities.
June 9 & 23, 1999	REM Committee	Hold hearing, establish policy objectives, and create list of options.
July 21, 1999	SWAC	Review options and make recommendations.
August 4 & 11, 1999	Rate Review Committee	Review options and make recommendations regarding solid waste fees.
September 8 & 16, 1999	REM Committee & Council	Hold hearings and adopt new rate ordinance.
January 1, 2000		New rate ordinance becomes effective.

## Comparison of Old and New Metro Disposal Contract

Key Provisions	Old Contract	New Contract (Change Order # effective 1/1/10)
Disposal Price	\$28.18 on first 550,000 tons	\$22.31 on first 550,000 tons
Basis for Calculation of Price	Metro Tons	Metro & All WMI Tons
Term of Contract	2009	2014
Extensions	none	2019
Market Checks	None	Every 5 years
Inflationary Adjustments	90% of CPI	70% of CPI for 2000-2009; 90% of CPI after 2009
Transportation Mode	Truck	Alternative modes possible if Metro is held harmless
Waste Flow Guarantee	90% of waste Metro delivers to general-purpose landfills to be delivered to Columbia Ridge Landfill	90% of waste Metro delivers to general-purpose landfills to be delivered to Columbia Ridge Landfill or any other landfill owned by WMI