



METRO
Regional Services
*Creating livable
communities*

A G E N D A

MEETING: REGIONAL SOLID WASTE ADVISORY COMMITTEE

DATE: Wednesday, October 18, 2000

TIME: 8:30 a.m.—10:20 a.m.

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

- I. Call to Order and Announcements** **Ed Washington**
- 5 min. II. REM Director's Update** **Terry Petersen**
- 10 min. *III. Recycling Business Assistance Program**
A status report on Metro's recycling market development program. See background in agenda packet. Informational item; no presentation. Time allotted for Q&A.
- 45 min. IV. REM Planning Projects** **Scott Klag/Janet Matthews**
REM is about to launch two planning efforts: (1) strategic planning for the department, and (2) RSWMP review process. This agenda item will describe both efforts and explain their relationship. The strategic planning effort will establish REM's role(s) in the short and long run; identify strategies for achieving them; and provide a framework for guiding and evaluating projects, activities, and resources. The RSWMP review process will ensure that the Plan reflects changes in the solid waste system over the past five years and maintains the region's commitment to waste reduction. This process will also feed into discussions with DEQ regarding the region's "review year" 2000. Any Plan amendments resulting from the review would come back to SWAC.
Action: discussion & comments
- 45 min. *V. Recovery Rates** **Doug Anderson/Bill Metzler**
Continuation of the discussion from September.
Action: discussion, comments and recommendation.
- 5 min. VI. Other Business and Adjourn** **Ed Washington**

* Materials for 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: Meg Lynch (797-1671) or Doug Anderson (797-1788)

Alternate Chair: Councilor Susan McLain (797-1553)
Committee Clerk: Connie Kinney (797-1643)

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Agenda Item No. III
Recycling Business Assistance Program
Solid Waste Advisory Committee
Wednesday, October 18, 2000

Regional Solid Waste Management Committee
Recycling Business Assistance Program
October 18, 2000

The purpose of this agenda item is to provide SWAC with a status report on Metro's recycling market development program.

Introduction

- ◆ The Regional Solid Waste Management Plan identifies Metro as the lead regional group to provide recycling market development services to the region. The Recycling Business Assistance Program (RBAP) is intended to "close the loop" in recycling by creating and supporting markets for recyclable or reusable materials that are generated in the Metro region. The main approach is to provide financial, marketing and technical support to businesses that utilize recyclable or reusable materials in new products. RBAP replaces an earlier recycling market development program, the Recycling Business Development Grant Program, which was much smaller in size and scope, and thus, more limited in its potential impact.
- ◆ Council appropriated \$500,000 for grants & loans in FY 2000/01, and also created one new FTE (Senior Management Analyst level) to develop and administer the program. RBAP will offer a variety of financial instruments (grants, recoverable grants, shared-risk loans and loans), without replicating or substituting for assistance available from other sources. These financial tools can be used for business startup, expansion or retention; and marketing, technology assessment or demonstration.

Activities

Program Administrator

- ◆ The success of this program depends on having an administrator who is dedicated to the program. Recruitment began in early September; applications are due October 16, 2000.
- ◆ Significant progress toward implementing the program will be apparent as soon as the RBAP administrator is on board.

Program Partners

- ◆ The effect of this program can be significantly magnified if Metro were able to form a partnership with other lending agencies having common or complementary missions.
- ◆ REM staff has verified that there are at least three potential partners that are interested in pursuing a partnership with Metro. In order to craft a partnership, it will be

necessary to perform a small study to determine the size of the potential market for grants and loans, and the particular needs (capital and technical) of this market.

- ◆ Developing a partnership will be one of the first tasks of the new RBAP program administrator.

Program Implementation & Administration

- ◆ REM staff has prepared a statement of objectives for the program, general eligibility criteria, and other considerations for the program. Finalizing program implementation and administration will be one of the first tasks of the new RBAP program administrator.

Expected Activities Next Quarter

- ◆ Hiring a program administrator.
- ◆ Finalizing a "program manual," which will contain program objectives, eligibility criteria, evaluation criteria and procedures, application process and forms, etc.
- ◆ Discussing and negotiating with potential partners on developing a larger fund to support recycling markets. This activity would include a study of the potential market for recycling grants and loans, as needed by the potential partners.

Some Targets

- ◆ REM intends to open the program in January 2001.
- ◆ If Metro is the only granting organization with \$500,000 in funding, this means one annual round of competitive grants and loans.
- ◆ The January opening date may be delayed if: (1) Metro is proceeding toward a partnership, (2) Metro's funds can leverage more dollars through the partnership, and (3) Council concurs with the delay in order to develop a program with bigger impact.

Agenda Item No. V
Recovery Rates (Action Item)
Continuation of the discussion from September

Regional Solid Waste Advisory Committee
Facility Recovery Rates: "What Counts?"
October 18, 2000

This issue, which was up for discussion at the September meeting of SWAC, is back for SWAC's recommendation. The purpose of this agenda item is to seek SWAC's advice on calculating recovery rates at solid waste facilities.

Last September, REM staff informed SWAC that there will be at least four different uses for facility recovery rates by the end of this year. These are repeated below for your reference.

1. The basis for Regional System Fee credits from Metro.

Solid waste facilities receive a reduced fee from Metro on their residual from processing solid waste, based on the rate of recovery at the facility.

2. New regulatory requirement: "Post-Collection Recovery Rate"

Last June, when Metro Council amended Metro's facility code, they included a new requirement that all solid waste facilities within the Metro area achieve a minimum recovery of 25% from mixed dry waste and solid waste delivered by public customers. This requirement began its phase-in period on October 1.

3. The basis for Metro excise tax credits.

Beginning in December, solid waste facilities will receive a reduced Metro excise tax on processing residual, based on the rate of recovery at the facility.

4. A basis for local government license charges to haulers.

Solid waste haulers in the city of Portland are charged a fee on the amount of solid waste they handle. Fees are not charged on a portion of waste delivered to a recovery facility, based on the average recovery rate at the facility. A similar option is in process of being implemented by other local governments.

Because so many regulations and dollars are affected by the recovery rate, it is important that there be a clear understanding of "what counts" in the calculation of the rate. Based on staff's research and the discussion at the September SWAC, REM makes the following recommendations. SWAC is invited to comment on these recommendations

Recommendations

Recommendation 1. Calculation of the "Regional System Fee Credit Rate" (usage No. 1 above) will remain unchanged for now. REM will continue to monitor the administration of this program and may develop some refinements to procedures, definitions, or the formula in the future.

Recommendation 2. Metro excise tax credits (usage No. 3 above) will be based on the same definitions and calculation as for Regional System Fee credits.

Recommendation 3. Metro's minimum 25% requirement (usage No. 2 above) and the facility rate for license charges (usage No. 4 above) will be based on the same definitions and formula. This rate will be termed the "Post-Collection Recovery Rate."

Discussion of Recommendation No. 3

The Post-Collection Recovery Rate is designed to *measure the rate of recovery from mixed solid waste that is achieved by a solid waste facility*. This measure is consistent with the purposes of Metro's 25% requirement and the hauler license charge.

Conceptually, the Post-Collection Recovery Rate is simply:*

$$\frac{\text{recovery from mixed dry waste}}{\text{incoming mixed dry waste}}$$

Because it is intended to measure a specific activity, the Post-Collection Recovery Rate may differ in definition and calculation from other recovery rates, such as the regional recovery rate calculated by DEQ, and the rate that Metro employs to calculate Regional System Fee credits.

REM staff recommends that the following definitions apply to this formula. REM staff invites SWAC's comments on these definitions.

Definitions and Conditions for the Post-Collection Recovery Rate

1. Incoming mixed dry waste INCLUDES:

Non-putrescible waste, regardless of the originating generator, including but not limited to construction & demolition debris, drop box loads, route waste with insignificant putrescible content[‡], and other non-putrescible wastes not excluded below.

[‡] A test for "insignificant putrescible content" is: *could the load be legally disposed of in a DEQ-permitted limited-purpose landfill.*

* Because it is not practical to isolate "recovery from mixed dry waste" from the total recovery at a facility, Metro will establish a recovery rate formula that is equivalent to this concept, but can be readily administered. For example, the current formula for Regional System Fee credits is:

$$\frac{\text{total recovery} - 95\% \text{ Source-Separated}}{\text{total recovery} - 100\% \text{ Source-Separated} + \text{dry waste residual}}$$

2. Incoming mixed dry waste EXCLUDES:

- ❑ Source-separated recyclable material, whether commingled or sorted into material categories.
- ❑ Any materials accepted at no charge or purchased by the facility.
- ❑ Material-specific loads of scrap or other byproducts of commercial or industrial processes that do not routinely enter the solid waste collection system, such as trimmings from a metal fabricator that are typically sold or given to a primary metal processor, or prep-kitchen scraps from a food processor that are typically utilized for direct land application, as animal feed, or as a compost feedstock
- ❑ Incoming loads of inert materials[‡] such as rubble, concrete, rock, soil, etc.
‡ A test for "inert" is: could the load be legally disposed of in a DEQ-permitted inert landfill.
- ❑ Putrescible waste. [‡]
‡ A test for "putrescible waste" is: must the load be disposed of in a DEQ-permitted general-purpose ("Subtitle-D") landfill. See also supplementary definitions below.
Note: any recoverable materials that are gleaned from putrescible waste may be counted toward the recovery rate, but the putrescible waste that is landfilled does not count as residual.
- ❑ Any loads of non-putrescible waste that are accepted by the facility at a rate that is significantly less than the posted or prevailing tip fee for mixed solid waste. A tip fee will be deemed "significant" if it is at least equal to the amount of the Regional System Fee + Metro excise tax (\$12.90 + \$4.63 = \$17.53 per ton by December 2000).

3. Recovery from mixed waste INCLUDES:

- ❑ Any materials recovered from wastes listed in No. 1 above and delivered to a reuse, recycling or recovery operation, including materials that can be reused, recyclable material, material used as fuel or in the preparation of fuel, and material intended to be used, and which is in fact used, for construction or land reclamation such as inert material for fill so long as said inert materials have been recovered from mixed waste.
- ❑ Any recyclable or recoverable materials obtained by incidental gleaning from putrescible waste.

4. Recovery from mixed waste EXCLUDES:

- ❑ Recovery of materials from any incoming waste listed in No. 2 above.
- ❑ Materials accepted at a landfill at no charge and used for beneficial purposes, such as for alternative daily cover or temporary roadbeds.

Note: while materials accepted for beneficial purposes do not count toward recovery, neither do they count against the facility as disposal in the recovery rate calculation.

Supplementary Definitions

The following definitions, from current Metro Code, are provided to assist the reader with terms that are used in the definitions above.

“Inert” means containing only constituents that are biologically and chemically inactive and that, when exposed to biodegradation and/or leaching, will not adversely impact the waters of the state or public health.

“Material recovery” means a type of Resource Recovery that is limited to mechanical methods of obtaining from Solid Waste materials which still have useful physical or chemical properties and can be reused, recycled, or composted for some purpose. Material Recovery includes obtaining from Solid Waste materials used in the preparation of fuel, but excludes the extraction of heat content or other forms of energy from the material.

“Non-putrescible waste” means any waste that contains no more than trivial amounts of putrescible materials or minor amounts of putrescible materials contained in such a way that they can be easily separated from the remainder of the load without causing contamination of the load. This category includes construction, demolition debris, and land clearing debris; but excludes ... Source-Separated Recyclable Material whether or not sorted into individual material categories by the generator.

“Putrescible” means rapidly decomposable by microorganisms, which may give rise to foul smelling, offensive products during such decomposition or which is capable of attracting or providing food for birds and potential disease vectors such as rodents and flies.

“Putrescible waste” means Waste containing Putrescible material.

“Recyclable material” means material that still has or retains useful physical, chemical, or biological properties after serving its original purpose(s) or function(s), and that can be reused, recycled, or composted for the same or other purpose(s).

“Recycling” means any process by which Waste materials are transformed into new products in such a manner that the original products may lose their identity.

“Source Separate” or “Source Separated” or “Source Separation” means that the person who last uses recyclable material separates the recyclable material from Solid Waste.

“Source-separated recyclable material” or “Source-separated recyclables” means material that has been Source Separated for the purpose of Reuse, Recycling, or Composting. This term includes Recyclable Materials that are Source Separated by material type (i.e., source-sorted) and Recyclable Materials that are mixed together in one container (i.e., commingled).

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Attachment
Regional Solid Waste Advisory Committee
What Counts in the DEQ Recovery Rate Calculation
October 18, 2000

At the September 20th SWAC meeting, several SWAC members asked what materials the DEQ considers in determining recovery rates. In response, Metro staff have prepared the following summary, which is based on our review of Oregon Administrative Rules 340-090-0060 that govern what counts toward the DEQ recovery rate. The summary outlines the materials that are allowed by the DEQ followed by the materials that are not allowed in the DEQ recovery rate calculation.

Please note that this document has not been reviewed by the DEQ.

Determination of Recovery Rates

- The Recovery Rate is determined by the DEQ by dividing the total weight of materials recovered by the sum of the total weight of the material recovered plus the total weight of municipal solid waste disposed that was generated in each respective watershed.

Recovery Rates shall include the following:

- All materials collected for recycling, both source separated or sorted from solid waste, including yard debris;
- Beverage containers collected under the requirements of ORS 459A.700-459A.740;
- Recovery rates may include the composting or burning for energy the material collected under certain circumstances;

Recovery Rates shall not include:

- Industrial and manufacturing wastes that are recycled before becoming a part of a product that has entered the wholesale or retail market, or any preconsumer waste;
- Metal demolition debris in which arrangements are made to sell or give the material to processors before demolition such that it does not enter the waste stream;
- Discarded vehicles or parts of vehicles that do not routinely enter the waste stream;
- Commercial, industrial and demolition scrap metal, vehicles, major equipment and home or industrial appliances that are handled or processed for use in manufacturing

new products and that do not routinely enter the solid waste stream through land disposal facilities, transfer stations, recycling depots or on-route collection programs;

- Material recovered for composting or energy recovery from mixed solid waste (with some exceptions);
- Mixed solid waste burned for energy recovery;

For the purposes of calculating the recovery rate the following shall not be included in the total solid waste disposed:

- Sewage sludge;
- Solid waste disposed at an industrial solid waste disposal site;
- Industrial waste, ash, inert rock, dirt, plaster, asphalt and similar material if delivered to a municipal solid waste disposal site and if the disposal site operator keeps a record of the weight and wasteshed of origin for such materials delivered and reports the weight and appropriate wasteshed in the required reports;
- Solid waste received at an ash monofill;
- Any solid waste not generated within the state of Oregon.

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