



METRO

A G E N D A

MEETING: REGIONAL SOLID WASTE ADVISORY COMMITTEE

DATE: Wednesday, April 19, 2000

TIME: 8:30 a.m.—10:30 a.m.

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

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| | I. Call to Order and Announcements | Ed Washington |
| 5 min. | *II. Approval of the March minutes | Ed Washington |
| 5 min. | III. REM Director's Update | Terry Petersen |
| 5 min. | IV. Introduction of new members | Ed Washington |
| 95 min. | *V. Transfer Station Service Plan | Bill Metzler/Doug Anderson |
| | <i>The SWAC subcommittee has developed a recommendation on transfer station policy. Presentation of the discussion draft, proposed plan and regulatory code amendments. General discussion by SWAC.</i> | |
| 5 min. | VII. Other Business and Adjourn | Ed Washington |

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

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

Chair: Councilor Ed Washington (797-1546)
Alternate Chair: Councilor Susan McLain (797-1553)
Staff: Meg Lynch (797-1671) or Doug Anderson (797-1788)
Committee Clerk: Connie Kinney (797-1643)

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Metro Solid Waste Advisory Committee (SWAC)
Meeting Minutes
March 22, 2000

Members/Alternates Present

Councilor Ed Washington, Chair
David White, Oregon Refuse & Recycling Association (at-large haulers)
Merle Irvine, Willamette Resources
Lynne Storz, Washington County
Sarah Jo Chaplen, City of Hillsboro (Washington County cities)
Rick Winterhalter, Clackamas County
Mike Misovetz, Clackamas County citizen
Scott Bradley, Waste Management, Inc. (disposal sites)
Mike Leichner, Pride Disposal (Washington County haulers)
Steve Schwab, Sunset Garbage Collection (Clackamas County haulers)
Glenn Zimmerman, Wood Waste Reclamation (composters)
Ralph Gilbert, East County Recycling (disposal sites)
*Tam Driscoll, City of Gresham (East Multnomah County and cities)
Susan Keil, City of Portland
Joann Herrigel, City of Milwaukie (Clackamas County cities)

Non-Voting Members Present

Terry Petersen, REM
Kathy Kiwala, Clark County
Chris Taylor, Oregon Department of Environmental Quality
Tom Wyatt, Browning-Ferris Industries

Guests/Metro

David Bragdon, Chair, Metro Council, Dist. 7	Douglas Anderson, REM
Rod Park, Metro Council, Dist. 1	Paul Ehinger, REM
Dean Kampfer, Waste Management	Maria Roberts, REM
Easton Cross, ESM Consulting	Leann Linson, REM
Dan Schooler, Columbia Resources	Roy Brower, REM
Ray Phelps, WRI	Steve Kraten, REM
Joe McKinney, Oregon City PW	Aaron Brondyke, REM
Tim Raphael, Celilo Group	Tom Chaimov, REM
Cherie Yasami, Finance, Metro	Meg Lynch, REM
John Houser, Sr. Analyst, Metro Council	Connic Kinney, REM

APPROVAL OF MINUTES

Mr. Gilbert asked to have the 2/23/2000 minutes amended. Mr. Gilbert said that on page 7, Mr. Gilbert is quoted as saying that ". . . Metro Central and South are not held to a 25% recovery. . . ." Mr. Gilbert asked that the word "**not**" sure we should impose a 50,000 cap on the facility," should be changed to ". . . he **is**" sure we should impose . . .".

Mr. Irvine would like the minutes amended to report he was present at the meeting.

Mr. Schwab would like the minutes to reflect that his alternate, Mr. Mike Borg was present at the meeting.

It was moved and seconded that the February 23, 2000 minutes be approved with the above amendments. The committee voted unanimously to approve the minutes.

DIRECTOR UPDATES

Mr. Petersen announced that the Operations Division and Engineering Division of REM has been combined the previous year during the search for a new REM Director. It has since been approved to continue this procedure with Mr. Jim Watkins being the Manager of the combined divisions. Mr. Paul Ehinger has been the acting manager for engineering. This is a promotion for both of these individuals.

Mr. Petersen stated that he will be distributing a new REM organizational chart as soon as one can be put together.

Mr. Petersen announced that Mr. Aaron Brondyke, inspector for REM's facility regulation program has resigned in order to move back to Vermont. Mr. Petersen thanked Aaron for the splendid job he has performed in getting the inspection program up and running. He said a recruitment for that position will begin shortly.

Mr. Gilbert congratulated Aaron for the excellent job he has performed as the inspector for facility regulation, and wished him luck in his new endeavors.

TRANSFER STATION SERVICE PLAN

Mr. Petersen stated that Mr. Anderson included some materials in the agenda packet which include some issues that have arisen as the SWAC and SWAC Subcommittee have received while looking at the transfer station service plan. One of those issues is how Metro charges its taxes and fees. He said this is important because under Metro's current system, the fees and taxes are assessed "at the front door" (any waste coming into the facility). He said a decision must be made as to whether this is a system we want to keep or do we want to make changes.

Mr. Petersen said that some of the Metro Councilors, particularly Councilor Park believes that since Metro is assessing the service plan at this time, this might be a good time to look at restructuring the excise tax system. Mr. Petersen said that Mr. Anderson will do a quick background on the current excise tax and fees system followed by a presentation from Councilor Park, Councilor Bragdon and Councilor Washington.

Mr. Anderson used the assistance of some overhead projections (a copy of which is included with these minutes). He said that fee issues and where they are imposed is a major issue as we are moving through the transfer station service plan.

He said there are basically three rates Metro charges on solid waste: Regional System Fee (the solid waste rate), dedicated solely to solid waste programs, it is \$12.90/per ton, and raised about

\$15 million dollars per year for hazardous waste programs, waste reduction, etc. He the second fee, the Metro Excise Tax is levied on all waste, and goes toward general government, i.e., Metro Council, is currently 8-1/2% of the transaction value (not a per ton rate), and currently raises about \$5.7 million from the solid waste portion of the system. The third fee is the Metro Tip Fee which is a user charge which is charged to the Metro transfer stations only, goes to pay for direct disposal costs (operating the station, transporting and disposing of the waste), is \$62/50/per ton currently, and includes the system fee of \$12.90 and the excise tax at the rate of approximately \$5/per ton (there are other fees such as the DEQ fee included as well). Mr. Anderson gave examples of how the excise tax is levied.

Mr. Anderson then gave examples of the current excise tax effective rates per ton at transfer stations, landfills and material recovery facilities, and how the amount differs depending on what type of waste is being disposed (putrescible waste versus mixed dry waste versus processing residual waste).

Mr. Anderson said that some Metro Councilors have expressed a number of concerns with the current excise tax and fees system. He said that when they look at the different effective rates for the same waste, that raises an equity question. He said that whenever an inflation or deflation of the tip fee, the excise tax revenues move right that because it is a tax on value. He said the concern is that the revenues are not tied to needs, they rise and fall with the general inflation. He said it appears also that revenue is rewarded if recycling falls, i.e., as we dispose of more material we get more tax revenue.

Mr. Anderson said the Councilor Bragdon and Councilor Park would like to hear a response from SWAC to some suggested changes that will make the tax assessment more in line with policy goals. He said that the first suggestion is that rather than have the 8-1/2% set in Metro Code, instead set the revenue needs in revenue code. And in terms of setting the rate, have the same per ton rate for all wastes, and to have the rate set to raise the revenue set forth in the Code. This will mean that the revenue is tied to needs and not fluctuating based on the market. Mr. Anderson said this means that if the recycling rate rises (meaning we get less waste), the rate would go up. He said this would give a proactive, positive price signal which would be in line with recycling goals, but the amount of tax revenue doesn't change.

Mr. White said he believes you have to deal with the perception that to our customers it appears that even though they are recycling more, they are paying more per ton for tax, even though it is not more tax in the whole, being paid, on a per ton basis. He said he believes one must just be aware there is this public relations situation that has to be explained to the customers of the region.

Chair Washington said he would like to set a tone for the presentation that Councilor Park and Councilor Bragdon are about to make. He said that they have been working with staff, as well as other members of the REM Committee and other councilors, have developed a creative approach for addressing Metro's tax system and the need to improve the region's recycling effort. He said they believe it is an idea worth pursuing. He said that he and the other councilors will deeply value the opinions of the SWAC's collective discussion and input concerning the proposal they are about to make. He said that in addition, their doors are always open to any of the members

and concerned citizens that may want to discuss this proposal or any other ideas and/or opinions they would like to bring forward. He said that as valuable as their input may be, the SWAC, himself, the other members of the council must finally be responsive to the wishes of their bosses, the general public. He said they must be able to present a proposal that is simple, fair, and provide a benefit that the general public can easily see and understand. He said the ultimate test is not whether the proposal is good for Metro, or the companies of the members of SWAC, or your local government, but that it is good for the citizens of the regional community. He said he believes the proposal has merit, but that the devil is in the details, and he looks forward to working out those details with members of the SWAC, staff and members of the REM committee and the full council. Chair Washington said that working together, he believes they can develop a proposal that can help jump start the region's recycling rate, and provide stable funding to meet Metro's Charter mandated responsibilities. He said this proposal is a change, but needs to happen. Chair Washington said he appreciates the work Councilor Park has devoted to this subject and knows that he has talked with several of the members of SWAC and staff.

Councilor Park said he was trying to put into this proposal a business sense on how to make the system work differently than he envisions and sees it presently. He said currently he sees a lot of regulation put in place, but he does not see the purpose for some of. He said all of us have seen changes, i.e., vertical integration. He said that recycling, reduction, reusing have become the watchwords for the region and he knows that some of the business representatives at SWAC have businesses outside of Oregon and they may not see the push for waste reduction that is here, which is one of the things that makes Oregon different, a difference he is proud of.

He said that it is fact that Metro needs money to accomplish its "Charter mandated functions," and 70% or better comes out of the solid waste industry. He said however, as the region moves toward its mandated goal of 52% recycling, it has a perceived disincentive, by some, to pay more as a result of increased recycling. He said how do we achieve both: the recycling goals we need to achieve as a region; and still maintain the revenue that Metro needs to achieve the other things Metro is charged to do? He said that Council, REM and legal have developed the early stages of an Ordinance. He said it is interesting that as you move to try to make this a simpler process, the mechanics become a little more difficult.

He said hopefully, the newly crafted ordinance will be read at the next Council meeting in April. He said the ordinance has five basic goals: 1) most important in terms of the business sense, to move this into the budget process. He said that presently the rates are set according to a projected collection of waste in the region, as to what the excise tax is going to be, then it goes into the budget, instead of saying: this is what we need, this is what we should have in our tax. We want to provide additional tax incentives to encourage recycling. 2) ensure that Metro's tax system does not hamper achieving our recycling goal, but actually acts to assist. He said that is to try and get the economics of the system to work in concert. 3) to provide funding for Metro's current Charter mandated programs based upon the Executive Officer's proposed budget. He said he wanted to assure everyone right up front, this proposal is revenue neutral. He said that by that he means the total amount is revenue neutral. He said the part Metro needs to work out is how does this proposal affect the individual facilities. He said that currently Metro is budgeted at \$5.7 million out of the solid waste system. He said that after looking at Metro's budget history, there has been a low of 94-95 at \$500,088,000, to a high of just under \$6 million in 97-

98. He said he didn't remember but that it went from 7-1/2% to 8-1/2%. 4) provide a simple method of calculating the annual tax rate, and he believes that through the budget process, that will help.

He said the context of the proposed ordinance is to convert the percentage to a per ton tax. He said that to establish a methodology of calculating the tax rate annually, based upon forecasts of solid waste tonnage and assuming an aspirational percentage recycling goal. He would like to set the initial tax rate for this fiscal year at a level that will be equal to the current percentage tax, which is about 5.05% per ton. He would like to put the amount raised in the ordinance and allow the amount to be increased to the CPI, so that everyone will know when it will be increasing because it is indexed to inflation. The initial amount will be \$5.7 million dollars, which is in the current budget. He said that if the amount exceeds the amount calculated under the ordinance, (that is if we do not achieve the recycling rate set) that all the excess funds will be placed in a special account and spending from this account will be subject to specific action by the Council. He perceives this to be a part of the budget process. He would like to establish a tax credit at recycling facilities sufficient to encourage additional recycling.

Councilor Park said he sees this as a two-step process. First is to disconnect the actual tonnage and percentages through the per ton rate in order to get to the next step which is to be innovative and creative on recycling and the other issues, because as long as we have this inherent conflict, it makes it very difficult for us to think out of the box, and he believes that is what will be required to help us get there.

Councilor Park asked for a discussion from the committee members.

Mr. Gilbert said that if he stayed "status quo" this will increase the money he will pay on excise tax, but if his business continues on course, his company will reduce the amount of waste he delivers to the landfilled considerably. He said if he is able to do that, Councilor Park's ordinance will actually be a help to him.

Mr. Irvine agreed with Chair Washington's remark that the devil was in the details, but conceptually he does not have any problem with the proposal. He especially liked the idea of setting the amount of money needed to produce the charter mandated policies in the ordinance.

Mr. Winterhalter said he agreed with Councilor Park. He said that conceptually he agreed, but also agreed with Chair Washington, that the devil was in the details.

Ms. Keil said she likes the flat tax also and believes that waste going to the landfill, is just that, waste going to the landfill. She said the concept of providing some incentives to divert more is exactly what we are after and is consistent with the RSWMP. She said the predictability for Metro and the facility operators are beneficial.

Mr. White, in order to better understand, restated what he thought he understood. He said that if the solid waste program still resides within the tip fee, correct? So when we talk about the excise tax, it is like the government function. So we are involved in the budget process, but we wouldn't be coming in to say we think you should put more money into market development, or

recycled materials, etc., you would be asking us to comment on whether you should or shouldn't spend portions of the money on green spaces, or planning, or something outside the solid waste program, is that correct?

Councilor Park said it could actually be either or both. But, he said if you believed the excise tax was actually injuring some programs they would like to see in solid waste, that too much was being drawn out for instance. Councilor Park cited some examples. Councilor Park said with this process, it puts the taxes and fees in an explainable format to the public.

Mr. Taylor said he would agree with what has previously been said that the idea of treating all waste going to a landfill equally for tax purposes is a good waste reduction incentive. He said he was appreciative of Councilor Park's effort to suggest this approach.

Ms. Herrigel asked Councilor Park if she understood correctly that he is proposing placing the per ton rate in the ordinance? Councilor Park said he proposes putting the \$5.7 million dollars required to fund the budget in the ordinance.

Ms. Driscoll commented that presumably, every year, there would be a period of time to determine that dollar amount to be pulled into the ordinance; that each year there would be a process to assess the budget needs before determining a dollar amount.

Councilor Park replied that the dollar amount, beginning at \$5.7 million, and then tied to CPI, so it would increase, theoretically, if needed.

Mr. Gilbert commented that you would not actually have to rework the ordinance every year. You have a base of \$5.7 and add to it whatever the CPI is, is that correct?

Councilor Park, said he was correct, unless the Council decided on a special project that needed funding above what the budget allowed, or, he said not to forget the special fund where monies collected beyond what is needed for the budget the monies will be placed in a special fund and we could theoretically go to that fund for "special projects".

Mr. Leichner said the flat tax has a lot of merit, but his concern is what the real impact on recycling would be. He said not only as to the source-separated issue, but on the reverse side of it. He said essentially if you use all of the money saved trying to remove that last bit of waste from the wasteshed, you have financially lost all of the incentive to recycle. In other words if the residual goes down because now I'm at 26% or 28%, because you've got less tons, your rate per ton has to go up on that flat tax, and my question is what if it goes up \$200 over the total residual? I believe I have to be convinced that is not going to happen.

Mr. Schwab, said he believes in the flat tax also, but his concern is that Metro has other revenue sources that have a non-flat tax, and they will want one also. He said that if he was at the zoo and he wanted to raise his gate fee \$1.00, and I have to give you .07 cents, I will say, wait, I want the dollar. He said you are affecting other facilities the same way you are affecting haulers and facility operators. In other words any increase we levy we don't necessarily get, because you are taking a percentage of the increase (or decrease). That is one issue. He said the other issue is

that because he is on the Rate Review Committee, he has noticed that tonnage forecasts are sometimes good, but most usually low, so there is always a windfall. If you are talking about putting the overage aside, you will most likely have a lot of excess money set aside, and what are you going to do with it, and how do you get it out of the special fund? Mr. Schwab said he would like to see the rate reflect only the cost of service.

Ms. Kiwala asked where the recycling tax credit come from. Councilor Park said it would come from the \$5.7 million, similar to the current system.

Mr. Petersen said Councilor Park is referring to the current credit that is in place for the regional system fee at the material recovery facilities, where based on the recovery rate, they can receive a credit against their payment of the regional system fee. The higher recovery they do, the more credit they receive, and the less they pay toward the regional system fee. He said the regional system fee pays for the solid waste programs. He said in next year's budget, \$500,000 has been set aside for that credit program. He said he believed Councilor Park is suggesting a similar kind of mechanism for the tax that is assessed.

Councilor Park said he is looking at the curve, because he realizes the higher you go up the recovery ladder, the harder you have to work to remove the higher percentage tons, and that the lower hanging fruit on the low percentages is gone.

Mr. Zimmerman said he wants to tie into what Mr. Schwab said and asked if the \$5.7 million number was negotiable?

Councilor Park said that with the current proposed budget, the \$5.7 million figure was revenue neutral.

Mr. Taylor said he would like to respond to some of the things that have been said that he disagrees with. He thinks that the stability issue is a red herring. He said under the current program, it is already subject to instability, and you can't actively project it. So he doesn't believe there is an argument against the proposed system because it is certainly no worse. He also said that figure within the relative range of \$5/ton is not going to have a discernable impact on at least the residential can rates. He said we all know that the cost of service, at least for residential is relatively small, so unless that increases by an order of magnitude he does not see that driving people into illegal dumping activities. He said as far as what to do with the excess, should there be one, you could actually factor it into the next year's rate.

Mr. Phelps said that under the current rate, the solid waste programs are currently being funded, and the \$5.7 million is simply restating the programs Metro is currently providing. He says this tax is actually the old sound-bite test. You are taxing what is going into the landfill, and people like to tax "bad" things, like the polluter pays.

Ms. Keil said she would rather say (instead of "polluter pays") that these are the people who are properly disposing of their waste, that we are taxing. But she agrees, it is currently being charged, so it is not a new add-on.

Councilor Park thanked the committee for their positive discussion and suggestions and said the Councilors would continue to work out the details with the legal department and REM staff. He said he is looking at a timeline near or after July, but that should not make any difference because this is revenue neutral.

Councilor Bragdon commented that the intent of this program is to simply the system, not have our revenue fluctuate with something that is not related to the needs, and that promotes the good things happening to our wastestream. He said that in terms of the schedule, it is pretty much as Councilor Park described and procedurally it needs to be introduced in Council, and he as the Presiding Officer will send it back to the REM Committee. That committee will take as much time as necessary to work out the details. He said there is no reason to rush it.

Mr. White said that for future discussions, either under the present system or the one being proposed, when the tax is paid, who collects it, how do you avoid what may present itself as double taxing. He said he knows it doesn't happen, but when you collect it at the transfer station, clearly it comes under the \$62.50, when a MRF collects their money at the front door, it is just revenue coming in the front door, so he doesn't understand exactly when this tax will be collected under the present proposal.

Councilor Park said that conceptually, you would theoretically want to go to the back door, and if it worked to the absurd logical conclusion whoever is disposing of the last ton of garbage, right now, would pay \$5.7 million dollars. He said that obviously that won't happen, but there would be the theory that as you continue to work on the region's recycling and continue to get better, you would have fewer tons to tax, and consequently the excise tax on those tons would go up, with the price pressure to go more towards recycling. He said those are the numbers they must deal with to see where it makes sense for the curves to break, and I'm sure Mr. Anderson has some thoughts on that and will be a help in this process. The point is to drive it through economics towards recycling rather than through regulation, which is something we would like to avoid. And he believes the industry would like to avoid that as well.

Ms. Keil said that because there is more tonnage going in, this is not to suggest that we have failed on the recycling. She believes the economic vitality in the region has been chiefly responsible for that growth. This is not to say there isn't more that we can do, and she believes we are aiming at the right parts of the wastestream to do that, with a variety of things. She said she believes it is important to remember that Metro may end up with excess dollars or more tons simply by virtue of a very health economy, and she would hope the committee would view that as a good thing.

Mr. Bradley said that he hesitated to ask the question, but how do they know that Metro needs \$5.7 million in their budget to run their programs. Who determines that?

Chair Washington replied that the present Council has the responsibility to set the policy, and part of the answer to your question is that you have elected council members and the citizens of the region should exhibit a degree of trust. He said that based on their best estimate, the agency needs \$5.7, and if you feel differently, my door is always open, and I welcome your comments.

Councilor Park commented that they should "trust but verify," and that is what he would like to see the solid waste industry do, verify that Metro needs whatever monies the council decides it needs in order to accomplish the programs it is mandated to according to the Charter. Councilor Park said he hopes the industry will become players in the budget process so there will be a better dialogue and Council will be able to explain to the public what is happening. He said that eventually, he knows that through inflation there will be increases down the road, but they will be able to explain what they are through a process they can explain, which at this time is not possible.

Chair Washington thanked the committee, the staff and the other councilors. He asked the committee if they would be willing to come to a special SWAC meeting if the councilors could put together a proposal by that time. The special meeting (devoted solely to the excise tax) would be set for April 12. The question was asked whether we would still meet for the regular April 19th date. Chair Washington replied we might not.

Mr. Anderson said a continuation of the discussion on the Transfer Station Service Plan would commence on the next regularly scheduled SWAC meeting.

PARTNERSHIP PLAN FOR WASTE REDUCTION

Ms. Erickson distributed a short sheet stating the background and up to date action of the plan, as well as comments from the public (Attachment A). She said staff is requesting SWAC recommend approval of the Partnership Plan for Waste Reduction by the REM Committee.

Ms. Erickson said the plan is in its 10th year, and the plan being discussed is for the 11th year, and it has been changed significantly this year for several reasons. She said the most important reason is that knowledge learned from the State of the Plan suggested we are falling behind in recovery in three key areas: commercial recovery, C&D, and commercial organics.

Ms. Erickson said the basic plan was expanded to include the three new initiatives. Ms. Erickson said three work teams formed in July of last year that looked at these issues and actually developed independent plans to deal with each of the three key areas. She said implementation of these plans is already underway.

Ms. Erickson said another part of the plan includes maintenance programs, which continues to need some level of support and maintenance. She said as well, there is a small pool of funds available to public agencies to apply for grant funds to provide funding for programs that wouldn't otherwise be supported in either the new initiatives or the maintenance programs.

Ms. Erickson said inquiries as to interest in the plan process was sent to 450 interested parties, 61 of which responded affirmatively. Copies of the plan were sent to these individuals and comments were received from three of those individuals. Those comments have been included in the packet just distributed to you. She commented that none of the comments resulted in changes to the plan.

Ms. Erickson asked the committee for a discussion or affirmation of the plan to take the REM committee in April.

Ms. Keil said she appreciated that the plan target was on the categories that will make a difference. She said she did not happen to write a comment indicating the plan was done just right, but in fact she does think it is done just right and is very supportive of it.

Ms. Storz commented that she agreed with Ms. Keil, and said she wanted to commend staff on what was an extremely good process and involvement of all of the local government and Metro solid waste staff in producing this document. She said a lot of hard work and energy went into it and would also like to thank Ms. Erickson and Ms. Lynch as well as the whole staff for their efforts.

Ms. Herrigel made a motion that the plan be forwarded to the REM Committee with the SWAC's approval that it be approved. Ms. Keil seconded that motion. The SWAC unanimously passed the motion.

There was no additional business and the meeting was adjourned.

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**Partnership Plan for Waste Reduction
Regional Solid Waste Advisory Committee
March 22, 2000**

Action requested

REM staff request that the SWAC recommend approval of the Partnership Plan for Waste Reduction by the Metro Regional Environmental Management Committee.

Background

Each year since 1990, Metro staff and local government staff prepare a work plan for the region's waste reduction activities in the upcoming fiscal year. The plan is designed to provide a regional framework for programs to lend continuity throughout the region as well as to partner in our efforts to meet state requirements and work towards reaching regional goals.

The plan for the 2000-01 fiscal year has been significantly revised in response to slower-than-anticipated recovery rates in the region, to Council concerns about the focus of joint waste reduction efforts and to local government desires for simplified reporting requirements.

The new plan now includes three program areas: maintenance, targeted competitive grants, and new initiatives in commercial, construction and demolition debris, and organics recovery.

- *Maintenance* provides baseline support (on a per capita basis) for the foundation of regional recycling through a joint work plan and funding for established local and regional waste reduction and recycling programs. Reporting requirements by local governments are simplified.
- *Targeted competitive grants* supplement maintenance funding by helping local governments to target Regional Solid Waste Management Plan practices that are not addressed elsewhere and for which other sources of funding are not available, especially for "lagging" waste sectors. Local governments provide matching funds.
- *New initiatives in waste reduction* for the commercial, construction and demolition debris and organics sectors will receive increased focus. The State-of-the-Plan Report completed last year found that significant amounts of recoverable materials are present in those sectors and that recovery in these sectors was lagging. Three work groups, one group for each sector and comprised of Metro and local government staff, developed separate work plans for the 1999-2000, 2000-2001 and 2001-2002 fiscal years.

Public comment

Over 450 interested parties were solicited and offered the opportunity to comment on the plan. Sixty-one people from the original list expressed interest in reviewing the plan and its contents. Staff received comments from three people, all of whom responded favorably to the plan. Comments did elaborate on some elements of the new approach, but none were negative.

Council Review

On December 21, 1999 copies of the first draft of the plan were distributed to all Metro Councilors for their review and comment. No comments were received and the public input period was then initiated. The Council REM Committee will hold a work session on April 5 to review the plan and then will vote on April 19. Full Council is expected to vote on the plan April 27.

SWAC Review

REM Staff and local government partners are in need of your final review and approval to take with us to the Council REM Com work session.

**Year 11 Public Comment
March 2000**

The following comments on the Year 11 Plan (first draft) were received during the first round of public input due March 1, 2000.

Comment	Source	Response
1. Place more emphasis on multifamily dwellings. (tenants groups, property managers)	Citizen	The region has reached its goal of providing recycling services to 85% of multifamily units. Local governments and Metro continue to provide resources to multifamily complexes, and may consider some additional outreach in the coming year.
2. Promote vermiculture to multifamily residents, many who do not have room to compost food scraps otherwise.	Citizen	Local governments and Metro Recycling Information provide vermicomposting information including sources of supplies as well as do-it-yourself bin building instructions.
3. Develop a worm exchange to provide worms from overpopulated bins to new starter bins.	Citizen	While this is a novel idea, it is too specific and detailed for this plan. This plan is designed to provide a large-scale and broad-based planning framework. This would perhaps be better approached as a community-based initiative..
4. Educate the commercial sector via residential outreach (connect resident to their employment to motivate).	Citizen	The Commercial Work Team has been considering this very idea among others to design effective outreach for the commercial sector. A survey and focus group of businesses was conducted to help Metro and local governments tailor effective outreach methods. An outreach plan will be developed within the next six months.
5. Fund some fun waste reduction competitions to get motivation up.	Citizen	Metro and local governments employ a wide range of messages and methods with which to deliver these messages. We have had several fun reduce, reuse, recycle community outreach events and local jurisdictions provide creative outreach at County Fairs and other public events. Because people are motivated differently, we need to continue to vary our messages and methods.
6. Promote truth in packaging—reusables or refillables need to be actually so and sold side by side with the necessary parts.	Citizen	Metro hopes to have a market development staff person on board in fiscal year 2000-01 to help build markets and to look at other issues such as packaging and recycled products purchasing.
7. Recycling opportunities for “ordinary items” such as magazines, are not readily available to businesses.	Citizen	One of the goals of the Commercial Work Team in implementing the new commercial waste reduction initiatives in the Year 11 Plan is to ensure that all businesses have access to easy and convenient recycling for as many materials as possible.
8. There is a need for someone within each	Citizen	Very true. We try to influence this as much as possible, and local

<p>business to take a vested interest in recycling and making sure it is done. Keep this in mind when designing plans.</p>		<p>governments stress this when visiting businesses during waste evaluations. It is important that there be someone in the company who is either assigned to ensure the business' program works or who is interested in its success. It is ultimately up to the businesses to decide how much effort they are willing or able to devote to their programs, but we will continue to provide the information support needed.</p>
<p>9. Favor the use of fees, fines, whenever needed to change behavior, especially with businesses. May require this level of motivation to get results out of businesses.</p>	<p>Citizen</p>	<p>The region has intentionally chosen to emphasize cooperative compliance with regard to waste reduction and recycling programs. The City of Portland however, has mandated that all businesses recycle. The Commercial and Construction & Demolition Debris Work Teams may consider the selective use of disposal bans for particular materials. This is a new area, but it is not beyond the realm of consideration.</p>
<p>10. Interested in the extent of public involvement will be involved in plan implementation?</p>	<p>MCCI</p>	<p>There are opportunities for public involvement throughout the planning and implementation of this framework. Not only do we have public input into the framework itself, but each local jurisdiction carries their implementation plans through public hearings at their Councils and Boards before they are approved and implemented.</p>
<p>11. How will applicants for the targeted competitive grant be chosen?</p>	<p>MCCI</p>	<p>The applicants are chosen based upon the criteria set forth in the competitive grant application form.</p>
<p>12. Is there a need to include citizens not connected to any agency on the special work teams for the new initiatives?</p>	<p>MCCI</p>	<p>Not on a regular basis at this time. All of the teams have invited either industry groups or others into the planning process on occasion to lend assistance. However, due to the specific nature of the plans, it is important that those involved have knowledge or expertise in the particular areas of commercial recycling, construction & demolition debris, and organic wastes.</p>
<p>13. What does "politically acceptable" mean (p.36-Commercial Task Force Objectives and Processes)?</p>	<p>MCCI</p>	<p>"Politically acceptable" was the criterion used to assess the level of support for a specific recommendation by affected stakeholders, such as local government, Metro, businesses and waste haulers.</p>
<p>14. The easiest goal to attain the commercial sector plan would be a massive effort focused on the use of both sides of printed material.</p>	<p>MCCI</p>	<p>The Commercial Recovery Work Team did not select the specific materials or activities that would be the focus of a waste prevention campaign. However, double-sided copying and reusable transport packaging are two activities that were specifically mentioned by the several task force members to be included in the selection process.</p>

15. Cost projections for the new initiatives are listed, but are the funds adequate?	MCCI	At this point, we feel that the funds are adequate. Once budgets have been finalized we will know what funds are available. Cost projections will be adjusted as we implement the programs and learn more about the financial resources required.
16. Information on waste prevention should be aimed at the public in general.	MCCI	The region has implemented several general public outreach campaigns about waste prevention. We have found that people do not often differentiate between recycling and waste prevention activities, so approaches to promotion must be carefully crafted. We intend to continue to promote waste prevention to the general public in a variety of ways.
17. Promotion of commingling will need a large public outreach for acceptance.	MCCI	Our studies so far tell us that commingling has received general acceptance. There is always a period of time that is necessary for people to adjust to new practices and methods and local governments and Metro have provided printed materials and radio ads to help ease the transition and reduce the level of confusion any new program can bring.
18. The tremendous amount of work in this plan is greatly appreciated.	MCCI	Thank you! We appreciate your support and interest.
19. Is this document to be considered a public involvement plan?	MCCI	No. This document is a framework plan for program design and implementation. The plan does, however have a public input component; one in which you are currently participating.
20. Delighted to see that usable food waste will go to the needy people in the community first.	Citizen	Yes, we are pleased as well that our partnerships with non-profit food assistance programs such as the Oregon Food Bank are helping us to move usable food to those who need it before considering some other sort of processing option.
21. Pleased that we will be prioritizing C&D as a source of waste reduction (sees lots of dumpsters being hauled from construction sites).	Citizen	C&D has been a tough nut to crack, especially with the region's amazing building boom over the last few years. It is important for us to target these recoverable waste streams.

Three Metro Rates on Solid Waste

Regional System Fee

- **Levied on all waste**
- **Funds solid waste programs (haz. waste, etc.)**
- **\$12.90 per ton**
- **Raises ~\$15 million**

Metro Excise Tax

- **Levied on all waste**
- **Funds Metro general government (Council, etc.)**
- **8½% of transaction value**
- **Raises ~\$5.7 million from solid waste**

Metro Tip Fee

- **Charged at Metro stations only**
- **Pays for direct disposal costs**
- **\$62.50 per ton**
- **Includes:**
 - ◆ **Regional system Fee (\$12.90)**
 - ◆ **Excise Tax (\$5.00)**

Application of Excise Tax Two Examples

Landfill A Tip fee \$30 per ton

- **10 ton load @ \$30/ton = \$300**
- **8½% of \$300 = \$25.50 excise tax**
- **Effective rate: \$2.55 per ton**

Landfill B Tip fee \$40 per ton

- **10 ton load @ \$40/ton = \$400**
- **8½% of \$400 = \$34.00 excise tax**
- **Effective rate: \$3.40 per ton**

Current Excise Tax Effective Rates Per Ton

Transfer Stations \$5.05 per ton (putrescible waste)

- ◆ Metro Central
- ◆ Metro South
- ◆ Forest Grove
- ◆ non-system licensees
- ◆ Pride
- ◆ Recycle America
- ◆ WRI

Landfills \$3.83 per ton (mixed dry waste)

- ◆ Columbia Ridge
- ◆ Finley Buttes
- ◆ Roosevelt
- ◆ Hillsboro
- ◆ Lakeside
- ◆ non-system licensees

Material Recovery Facilities \$2.28 per ton (processing residual)

- ◆ ECR
- ◆ Wastech
- ◆ non-system licensees
- ◆ Pride
- ◆ Recycle America
- ◆ WRI

Current Excise Tax

Currently, 8.5%, set in Metro Code

Council's concerns:

- **Different rates for the same waste**
(Is this equitable? What's the policy?)
- **Tax revenue automatically rises with tip fee**
(Revenues not tied to needs)
- **Tax revenue is "rewarded" if recycling falls**
(Tax policy is not aligned with recovery goals)

Excise Tax Option

Set revenue needs in Metro Code

Rate:

- **Same rate for all waste**
- **Tax rate set to raise set revenue**
(Revenue tied to needs)
- **Tax rate rises if recycling rises**
(Provides positive price signal;
(Amount of tax revenue does not change.)

Authorizing New Regional Transfer Stations

**A Discussion Draft by
Regional Environmental Management Department
Metro**

April 19, 2000

NOTE: this document was presented and discussed by the Transfer Station Subcommittee on April 12, and REM staff has attempted to incorporate their comments. However, these edits are to be viewed as the work of REM staff alone, as the Subcommittee has not had a chance to review staff's interpretation of the comments made at the April 12 meeting.

Summary

New transfer stations can provide a positive benefit to the regional solid waste system. Accordingly, this report recommends that the Regional Solid Waste Management Plan (RSWMP) and Metro's regulatory code be amended to allow Metro to authorize new transfer stations where these positive benefits can be realized.

Transfer stations would be required to provide a full range of public services, including provision of a recycling drop site, accommodating household hazardous waste collection, accepting all customers, and achieving a minimum material recovery rate of 25 percent.

Amending the RSWMP and Metro regulations requires action on ordinances by Metro Council. Draft amendments to both instruments are included in the appendices to this report. REM staff expects that applications for new transfer stations could be accepted shortly after an affirmative vote by the Council. The schedule for this project calls for Council action in late June 2000.

Organization of the Report

- Statement of the Problem and the Policy Framework
- Decision Process
- Recommendation & the Public Obligations
- Appendices
 - * System Cost and Fiscal Analyses
 - * RSWMP Amendments
 - * Metro Code Amendments

Introduction

Commercial haulers in the Metro region spend 270,000 hours per year driving from their routes to disposal sites, at a cost to ratepayers of approximately 19 million dollars and about 12 million vehicle miles traveled (VMT). Self-haulers add another 100,000 hours and 4.5 million VMT.

This is partly the result of the location of transfer stations, which tend to be located in at the edges of the region or in remote industrial areas. A more spatially distributed set of facilities is one method of improving access. Depending on assumptions about location and the habits of users, additional transfer stations could reduce regional off-route time by at least 2 to 4 percent. This translates, conservatively, into at least \$300,000 and perhaps over \$800,000 per year in off-route cost savings. These figures do not include the scope for savings due to capital and routing efficiencies. Nor do they include the regional benefit of a reduction in VMT.

In the long run, the amount of solid waste can grow only as fast as the region. Thus, adding disposal capacity is a zero-sum game in the short run. That is, for every ton received at a new facility, an existing facility loses tonnage. If, in the interest of achieving haul-time efficiency, Metro were to authorize new transfer stations, the flow of solid waste to Metro Central and Metro South would diminish. As a consequence, Metro's unit costs for station operation would rise.

Herein lies a dilemma for Metro. As the agency responsible for regulating disposal in the region, Metro has the opportunity to reduce—or at least contain—the costs of access to disposal sites by authorizing new transfer stations. However, as a market participant, Metro will lose commerce if it allows more players in the market.

The Regional Solid Waste Management Plan (RSWMP), adopted by Metro Council in 1995, provides a policy to guide decisions in this situation. Goal 3 of the Plan states, "The costs and benefits to the solid waste system as a whole are the basis for assessing and implementing alternative management practices." Objective 3.1 goes on to define "system cost (the sum of collection, hauling, processing, transfer and disposal)" as the "primary criterion" for evaluation "rather than only considering the effects on individual parts of the system." Applying Goal 3 to the question of authorizing new transfer stations, Metro should decide in favor if the net savings are positive, even if this means a loss to its own enterprise activities.

As will be shown in this report, new transfer stations can provide a positive benefit to the regional solid waste system. Accordingly, this report recommends that RSWMP and Metro Code be amended to allow Metro to authorize new transfer stations where these positive benefits can be realized. The RSWMP and Code revisions set up a framework and evaluation criteria that would allow the Metro Council to approve applications for new transfer stations when these benefits can be demonstrated.

However, the issue does not quite end here. Metro's two transfer stations play several public roles in addition to serving as disposal sites for commercial solid waste haulers. They provide a drop site for recyclable materials and household hazardous waste; they

accept all customers including the self-hauling public; and the operators perform post-collection material recovery. As is the nature of public goods, the charge for these services does not always cover the cost. Thus, if Metro were to authorize a private company to operate a new transfer station, it is unlikely these public services would be offered voluntarily at the new station. If Metro were to authorize new transfer stations without conditions, Metro would risk a shift of high-value, efficient commercial loads to the new private facilities and be left as the main supplier of the public services.

This concern was addressed in Metro's revision of its Facility Regulation Code in 1998. As a result of that revision, Metro authorized a limited form of transfer station — one that delivered 50,000 or fewer tons per year to a disposal site. According to the new Code, facilities that delivered over 50,000 tons are required to take on some level of public function.

This policy—transfer stations must provide a certain level of public services—is re-affirmed as a recommendation in this report. To the three existing obligations—recycling drop site, accommodate hazardous waste collection and accepting all customers—is added a fourth: perform material recovery at a rate of at least 25% of non-putrescible waste. These recommendations are described in more detail in the report.

This report also makes some ancillary recommendations for changes to the RSWMP or Metro Code. These are designed to support the main recommendation concerning transfer stations:

- Extending the minimum recovery rate requirement to facilities that receive putrescible waste but dispose of less than 50,000 ton per year. This is intended to help level the playing field between "small" and "large" transfer stations with respect to the cost of providing public services.
- Extending the minimum recovery rate requirement to dry waste materials recovery facilities. This is intended to help plug an opportunity to avoid the requirement by delivering to a facility without a minimum recovery rate standard.

Amending the RSWMP and Metro Code requires action on ordinances by Metro Council. Draft amendments to both instruments are included in the appendices to this report. REM staff expects that applications for new transfer stations could be accepted shortly after an affirmative vote by the Council. The schedule for this project calls for Council action in late June 2000.

We conclude this Introduction with a summary of the recommendation.

Summary of the recommendation

Authorize additional transfer stations that benefit the solid waste system, with the following obligations:

- Provide a no-cost drop site for recyclable materials
- Accommodate hazardous waste collection events
- Accept all customers including the public
- Perform material recovery and achieve at least 25% from non-putrescible waste.

Statement of the Problem and the Policy Framework

In 1997 a number of stakeholders proposed amendments to the RSWMP policies toward reload facilities. These amendments removed a number of constraints on reloads, and simplified the RSWMP policy to: "Allow the siting of reload facilities for consolidation of loads hauled to appropriate disposal facilities." It was understood that reload facilities would be authorized to handle putrescible waste. This amendment was approved by Metro Council in 1997.

What had changed, since adoption of the plan, that motivated stakeholders to suggest that the RSWMP was in need of revision? There are two basic reasons. First, accessibility to disposal sites was a growing problem. To address accessibility, the RSWMP recommends that a feeder system of reloads be developed at locations distant from transfer stations. However, this was not proving to be an efficient solution. Second, Metro's changing fee structure was undermining the economic foundation for operating material recovery facilities (MRFs), and several operators sought to handle putrescible waste in order to improve their financial situation. These factors are examined in turn.

RSWMP, Transfer Stations and Reloads

The Plan addresses two factors related to solid waste:

1. *Capacity to handle waste (throughput)*. The Plan states that the 3 regional transfer stations (Metro Central & South, and Forest Grove) have sufficient capacity to handle the future demand for transfer services. Accordingly, the Recommended Practice is to build no new regional transfer stations.

A new transfer station could be authorized upon a finding that (a) the regional waste reduction program has not performed as expected, or (b) regional growth has outstripped the capacity of transfer stations to meet demand.

2. *Accessibility to disposal sites*. Although the Plan assumed there was sufficient waste-handling capacity, access to disposal sites was also addressed. The Plan recommends that problems with access be addressed by the development of small-scale "reloads." These were to be located in areas with a "service gap," and perform simple consolidation of waste for delivery to Metro Central or South.

By 1997, it was becoming clear that accessibility was eroding. The amount of time that haulers spent travelling off-route to a disposal facility was growing at a rate half a percent above the rate of growth in the amount of solid waste. The fastest-increasing component of local rates was transport, especially in the suburban counties (source: local governments). The planning problem was not transfer capacity, but accessibility to that capacity.

By 1998, it was clear that reloads were not an efficient solution. Reloads provide savings only from a short intra-regional haul, they provide limited economy of scale, they require specialized investment (short-haul transport trucks), they are as difficult to site as

a large solid waste facility, and ultimately, the waste is handled twice: once at the reload and again at the transfer station.

Only one company has attempted to develop a reload consistent with the Plan (Miller's Sanitary Service—Citistics, in Beaverton). Mainly due to siting and permitting problems, that facility took two and a half years longer than expected to complete, and ended up 5 times over budget. The facility operated only a few months and is now closed. Other solid waste companies have taken Miller's experience as instructive, and no new reloads are known to be in planning.

Metro Fee Changes

In 1998, Metro proposed the third drop in its tip fee in as many years. In succession, the rate fell from \$75 per ton, to \$70, to \$62.50 at Metro transfer stations. As the largest disposal facilities in the region, Metro leads the market in price; no private facility can charge much more than the Metro tip fee, else it risks losing business. Thus, Metro's tip fee tends to peg the revenue available per ton at any regional solid waste facility. Metro's tip fee reductions effectively cut the revenue at private solid waste facilities.

Metro also charges a fee and a tax on waste that is landfilled: a Regional System Fee (RSF) that funds Metro's non-disposal solid waste programs (e.g., hazardous waste), and an excise tax that helps fund general government functions (excluding solid waste; e.g., the Metro Council). During the three years that the tip fee fell, the RSF also fell, from \$17.50 per ton, to \$15, to \$14. The excise tax rate did not change during this period.

Because they are levied on disposal, the RSF and excise tax are costs to operators of solid waste facilities. And clearly, these costs did not fall commensurately with the tip fee. Thus, while Metro cut potential revenues by \$12.50 per ton (\$75.00-62.50), it cut costs by only \$3.50 (\$17.50-\$14.00). By 1998, this loss in operating margin put several MRFs at risk. During the 1998 Code Revision, several operators argued that, if they were allowed to accept and transfer putrescible waste, they might be able to stay in business. This policy converged in time and effect with the arguments put forth in favor of reloads, discussed above. Furthermore, allowing MRFs to handle putrescible waste was consistent with the RSWMP policy to capitalize on existing solid waste infrastructure when expanding the disposal system (Objective 11.1, page 5.8 and Reload Key Element (a), page 7.27).

The Present Situation

Many of these issues were partially addressed in 1998, when the Solid Waste Regulatory Chapter of the Metro Code underwent a major revision. The revised Code authorizes solid waste facilities to accept putrescible waste *and* directly haul this waste to an appropriate landfill to avoid the double-handling inefficiency. The Code defined a difference between "small" and "large" facilities (disposal of less or more than 50,000 tons of waste per year, respectively), and imposed certain obligations on "large" facilities. Under the assumption that

50,000 tons confers sufficient economy of scale, "large" facilities are required to provide certain public services—acceptance of public self-haul customers, hazardous waste and a free recycling drop-site—to help reduce service burdens on the regional transfer stations.

After the 1998 revision, "small" transfer station status was granted to three solid waste facilities. These facilities are allowed (but not required) under the code to meet the obligations above. No conflict with the RSWMP was found with any of these applications.

However, the revised Code continues to require a finding of consistency with the RSWMP in order to confer "large" transfer station status on a solid waste facility. As it is difficult to demonstrate either RSWMP condition—failure of the waste reduction program or unanticipated regional growth—no "large" station status has been granted to date.

However, the three new facilities do not fully solve the accessibility problem that the Plan intended them to address. Many haulers cannot be accommodated under the 50,000 ton cap, and these haulers continue to incur longer commute times to regional transfer stations—unable to capitalize on haul-time efficiencies afforded by the closer facilities. The accessibility problem for self-haulers (half of which are businesses) was never addressed by these new facilities, and continues to worsen.

Decision Process

In response to the unresolved issue regarding additional transfer stations, a team of REM staff began working after the Code revision on the question of transfer stations. This team has worked to define the problem with the Metro Council and Executive Office, SWAC, the hauling community, solid waste facility operators, and REM management. Their basic charge is to determine:

- Does the region need more transfer stations?
- If so:
 - * Where should they be located?
 - * What are their obligations in the solid waste system?
 - * To what degree should they be regulated?
 - * What changes to RSWMP and Metro Code are required?

For empirical work the team has completed a survey of haulers, intercept surveys at facilities, and conducted a national travel time survey. It has developed and calibrated a solid waste flow simulation model that is capable of providing estimates of tonnage and off-route travel for a number of scenarios. Transportation data were provided by Metro's Transportation Department, and are consistent with the current Regional Transportation Plan. Demographic and economic data were provided by Metro's Data Resource Center and are consistent with Metro's Region 2040 Plan. Two consultants have been retained

to work on the system cost estimates, a public finance firm (Hilton, Fahrenkopf & Hobson) and an engineering firm (R.W. Beck). Geographic information and mapping was provided by Metro's Data Resource Center. Metro fiscal assessments have been completed by the Business & Regulatory Affairs division of REM.

For the last several months the team has worked closely with a subcommittee selected from SWAC. The following recommendation was developed primarily by the REM and the subcommittee, working with the data and information cited above.

Recommendation

The principal recommendation is:

Transfer stations with material recovery standards should be authorized where they provide a net benefit to the regional solid waste system.

Key Factors

- Private initiative, private ownership, private operation.
- Evaluation criteria for new facilities to demonstrate positive system benefit.
- New facilities provide certain public services in addition to disposal:
 - * Provide recycling drop site at no charge,
 - * Accommodate hazardous waste collection events,
 - * Accept all customers, including public self-haul,
 - * Perform material recovery from mixed waste.
- Full participants in Metro's regulatory and financial systems.

Purpose of the Proposed Policy

Helps contain future cost increases in residential and commercial route collection and helps balance the equity of access to disposal services. The main purpose of authorizing new transfer stations is to provide system efficiencies and more uniform access to public services in those areas of the Metro region that are under-served.

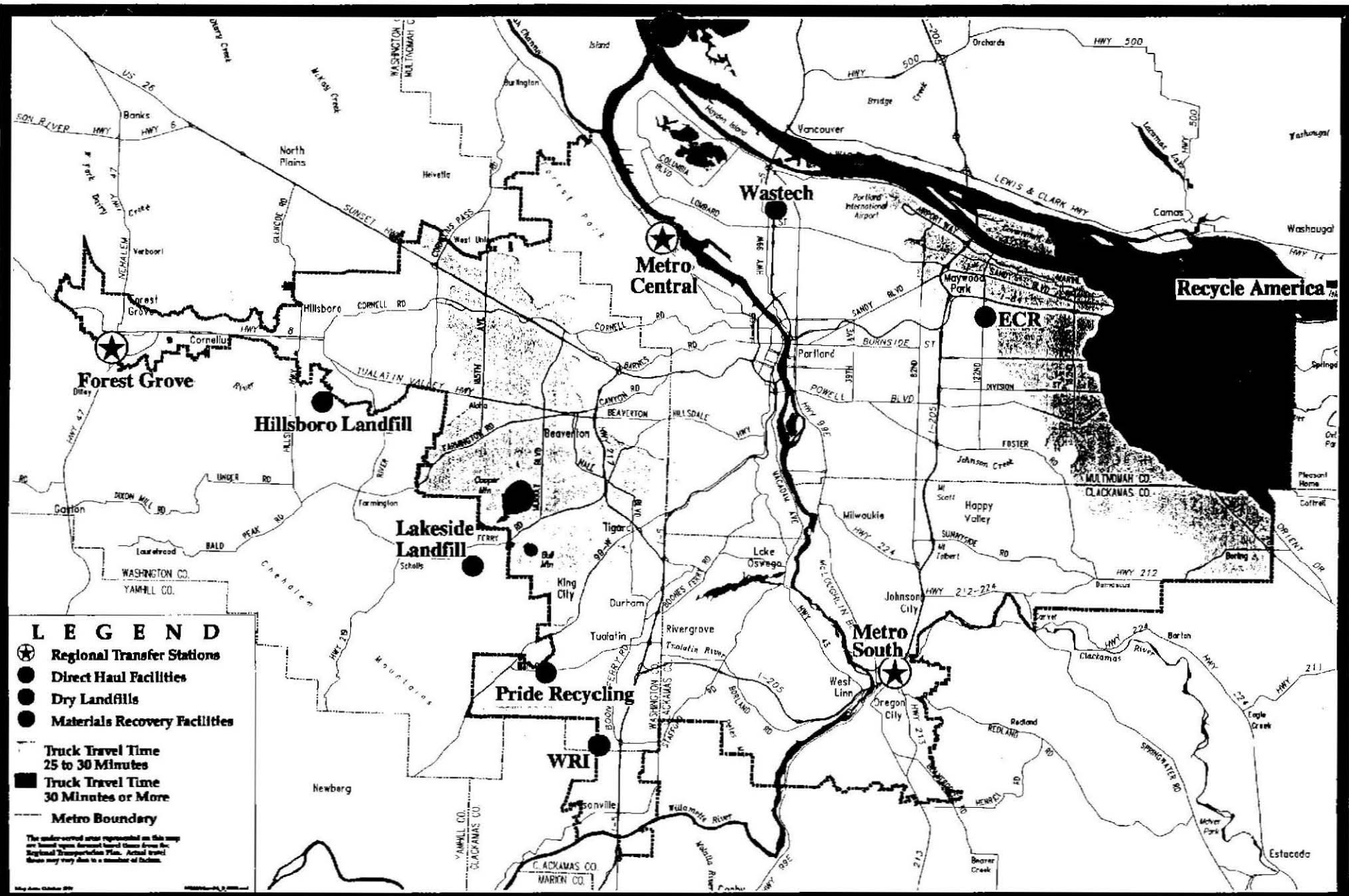
Helps maintain regional recovery capacity. The purpose of the new requirement for material recovery to ensure consistency with the RSWMP provisions to preserve material recovery capacity and increase actual recovery of material. The 25% level was chosen to provide a good balance between a meaningful number, something that is achievable by the facility, and yet is not enough to provide any disincentive to service source-separation programs.

Helps reduce congestion and vehicle-miles traveled (VMT). By increasing accessibility, haul times and congestion at existing facilities are reduced, which provides a benefit to the solid waste system, and also supports Metro's broader regional transportation goals.

Justification

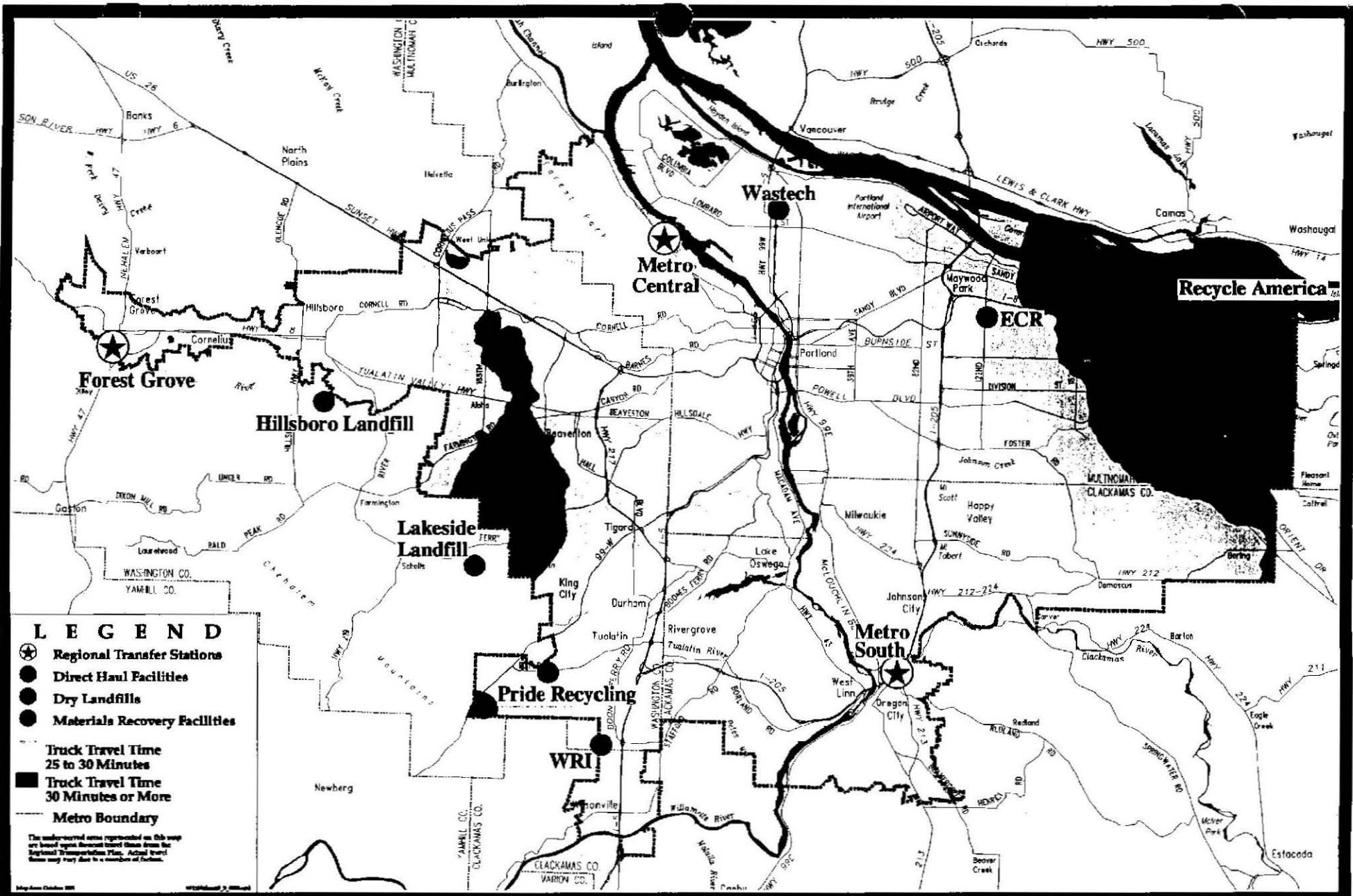
Travel time maps that were developed for this project support the evidence on accessibility cited in the previous section. In particular, there are currently significant "service gaps" in central Washington County and east Multnomah County, where access exceeds 30 minutes for large areas. (See 1994 and 2010 maps on the following pages) These "service gaps" are projected to grow by 2010, based on information from Metro's Transportation Department.

The subcommittee also found that siting of reloads and the problem with double-handling inefficiencies argued against their development as a solution to accessibility.



Areas Identified as Under-Served by the Existing Three Regional Transfer Stations - 1994
 Based on the Regional Transportation Plan





Areas Identified as Under-Served by the Existing Three Regional Transfer Stations - 2015
 Based on the Regional Transportation Plan

RSWMP benchmarks for access to transfer stations lists the expected average haul times, by county, to transfer stations as between 18 and 23 minutes. These average haul times were expected to remain relatively unchanged to the year 2005 if the recommended practices in the RSWMP were in place and performing as expected. The maps illustrate that RSWMP access benchmarks are being exceeded significantly in growing areas of the region.

The system cost analysis (Appendix A) reveals that transportation savings outweigh other costs imposed by this policy (here, for a particular scenario with 2 new transfer stations).

Discussion

Pros

- *Provides opportunity for more-efficient collection routing and rolling stock investment.*
- *Sharing in the provision of public services eases Metro's economic burden as sole provider.*
- *Potential reduction of congestion at existing facilities.*
- *Could free-up capacity at Metro transfer stations to accommodate more creative recovery options (organics?).*

Cons

- *Some existing facilities might experience loss of flow.*
- *Although Metro's total costs will fall, Metro's unit cost might rise*
- *Metro's influence on the disposal market might diminish with market share.*

Recommendation Part 1

The Public Obligations **Recycling Drop Site**

As noted above, the recommendation includes four public obligations with transfer station status. The first is:

Provide on-site drop site for source-separated recyclable materials at to the public.

Purpose

- Helps ensure access to a variety of recycling options.
- Implements state requirements.

Other Elements

This requirement can be substituted for alternative site, if the alternative better serves the subject population.

Discussion

This recommendation is not particularly controversial.

Recommendation Part 2

The Public Obligations Accommodate Hazardous Waste Collection

The second public obligation is:

Provide on-site space and traffic management for household hazardous waste collection events operated by Metro.

Purpose

This obligation is intended to provide collection service at a disposal site without significant new capital investment. The objective is to provide regular events at a given site in order to increase participation. Metro will continue to fund household hazardous waste collection events, processing and disposal.

Other Elements

Operational details such as frequency, hours of operation, and level of participation by the facility operator (e.g., providing traffic control) would be specified in the facility franchise.

Discussion

This recommendation is not particularly controversial.

Recommendation Part 3

The Public Obligations Requirement to Accept all Users

The third public obligation is:

Transfer stations shall accept solid waste from any person who delivers authorized waste to the facility.

Purpose

- Improve service levels for users located at a distance from existing stations
- Maintain or improve service levels at existing stations

Other Elements

- To help meet local needs, hours of operation would be specified in the franchise.
- A variance from this requirement may be considered if the franchisee can demonstrate that the local area is not “under-served” for self-haul customers.
- A variance from this requirement may be considered if external constraints—for example, local land use—prevent an existing facility from accepting the public.

Discussion

Pros

- Sharing in the provision of public services eases Metro’s economic burden as sole provider.
- Potential reduction of congestion at Metro transfer stations.

Cons

- Higher vigilance and standards for management of incidental hazardous waste received with the self-hauled loads will be required.

Issues and concerns

- Are objectives better met by setting a specifying the hours of operation, vs. tailoring to local demand under performance measures? Given that this obligation is identified as a “public service,” who bears the cost if local demand is insufficient?
- Should an existing facility be denied “large” status if this obligation cannot be fully met? (For example, if not allowed due to local land use constraints.)
- Equity of the provision of this service if some facilities are granted a variance.

Recommendation Part 4

The Public Obligations **Minimum Recovery Rates**

The fourth public obligation is:

Transfer stations shall recover a minimum of 25% by weight from non-putrescible waste and waste delivered by public customers delivered to the transfer station, or at another location through an acceptable alternative method for the population being served by the facility.

Purpose

- Preserve material recovery capacity.
- Increase actual recovery of material.

Other Elements

- A revision of the RSF credit program or development of other financial incentives would complement this requirement.
- The existence of several outstanding issues (see "Issues and Concerns," below) will take time to resolve. Implementation of this standard should be delayed to provide time to resolve these issues and also to allow time to modify facilities to meet recovery standards.
- Existing transfer stations: "grandfather" or provide time to come up to material recovery standards?

Discussion

This new requirement for material recovery helps ensure consistency with the RSWMP provisions to preserve material recovery capacity and increase actual recovery of material. The 25% level was chosen to provide a good balance between a meaningful number, something that is achievable by the facility, and yet is not enough to provide disincentives to serve source-separation programs.

This is a new obligation of "big" facilities that would be added to the list of obligations currently in Metro Code Chapter 5.01.

Issues and Concerns:

- The method of enforcing this option remains under discussion among stakeholders. What should be done if a facility fails to meet minimum material recovery standards?

- * *Financial Penalties.* Options that have been suggested include fines, a surcharge on disposal (for example, a higher Regional System Fee than the posted rate), and revocation of the facility's exemption status (that is, all Metro solid waste fees and taxes would be imposed "at the front door"). Policy issue: if there are no ultimate "teeth" to the requirement, then financial penalties simply become a cost of doing business to operators that fail to meet the requirement. Is this acceptable?
- * *Regulatory Penalties.* Options that have been suggested include restriction or revocation of the franchise. Policy issue: the principal purpose of a transfer station is to achieve hauling efficiencies for all persons within the service area of the facility. Do we want to hold this objective hostage to the recovery requirement?
- * Readers should be aware that current Metro Code already provides for the imposition of fines on any facility that fails to meet its regulatory obligations; and provides for revocation of the license or franchise as an ultimate penalty.
- The purpose of this requirement will be difficult to achieve as long as there are alternative disposal options without material recovery standards. Stakeholders have suggested the need for region-wide standards.
 - * *Leakage to landfills.* There are several low-cost disposal sites within the region that compete for waste with transfer stations (examples: Hillsboro Landfill and Lakeside Reclamation) that are not bound by any material recovery regulations. As these landfills are outside of Metro's jurisdiction, Metro has no direct means of imposing minimum recovery rate standards.
 - * *Leakage to Material Recovery Facilities (MRFs).* Solid waste facilities that handle dry waste exclusively are not currently bound by minimum recovery standards. The 25% (or higher) requirement should be imposed on these facilities as well.
 - * *Leakage to "Small" Transfer Stations (less than 50,000 tons/year disposal).* The "direct-haul reloads" are not currently bound by minimum recovery standards. The 25% requirement should be imposed on these facilities as well.
- *Impact on source-separation.* A minimum recovery rate might work against upstream recycling. The need for a "material-rich" waste stream at the facility might reduce the incentive to serve source-separation programs. The 25% rate should be monitored for this effect.
- Stakeholders have suggested that Metro require that all loads of construction and demolition waste be processed before being landfilled, and perhaps extend this requirement to all dry loads in the future.
- Stakeholders have suggested that disposal bans on selected materials are necessary to provide "teeth" to enforcing this requirement.
- Opinions are divided on using the "carrot" (economic incentives) vs. the "stick" (minimum recovery rates) to encourage or enforce recovery.

Appendix A System Cost and Metro Fiscal Analysis

The analysis of system cost is comprised of the following components:

- Changes in transportation cost as facilities are added or expanded.
- Cost changes at new or expanded facilities.
- Changes in Metro's costs as tonnage shifts to the new or expanded facilities.
- Changes in other facilities' costs as tonnage shifts to the new or expanded facilities.

On-route savings are not considered in the calculation. Insofar as greater accessibility provides an opportunity for on-route efficiencies, the system cost analysis is conservative.

The following table summarizes these components of system cost for a scenario in which Recycle America and WRI are not subject to disposal caps. From the table, costs for the two facilities rise significantly, reflecting: (1) the large amount of additional tonnage that is projected and (2) the concomitant new public obligations. However, this increase is more than matched by decreases at facilities that lose tonnage. Finally, there is a decrease in off-route transportation cost, as would be expected with more accessibility. The analysis shows system savings of \$762,000 if Recycle America and WRI were to operate as regional transfer stations.

The practical interpretation of this analysis is that these transportation savings can be "bought" for less than the cost of upgrading the two facilities to handle more tonnage and the required public obligations.

Note: this scenario has been prepared for analytical purposes, and does not imply that Metro will authorize two transfer stations only, or that only the listed facilities would be considered for transfer station status.

Planning Level System Cost Analysis

Year 2010

(annual costs; not inflated; 2000 dollars)

Component	Cost With Caps	Cost with No Caps	Difference
On-Route Transport	na	na	na
Off-Route Transport	\$ 22,930,000	\$ 22,370,000	\$ (560,000)
Recycle America	\$ 1,615,000	\$ 7,298,000	\$ 5,683,000
WRI	\$ 2,249,000	\$ 5.74,000	\$ 3,500,000
Metro facilities	\$ 30,372,000	\$ 23,032,000	\$ (7,340,000)
Other facilities*	na	\$ (2,565,000)	\$ (2,565,000)
Net cost (benefit)	\$ 57,166,000	\$ 55,884,000	\$ (1,282,000)

na = not applicable

* The figure represents the change for all facilities combined

Source: R.W. Beck

Metro Fiscal Impact

Metro Costs

Metro's costs change as tonnage shifts to new transfer stations. These changes are reflected in costs to operate its two transfer stations, and to transport and dispose of the waste. Generally these costs decline as the waste shifts to the new facilities. Under the scenario where two transfer stations are added to the system, the cost at Metro facilities would decline by over \$7 million (almost \$9.5 million in inflated dollars).

Metro Fiscal Impacts

While overall Metro's costs decline as waste shifts to other facilities, its unit cost (cost per ton) increases. This is due to the declining block rate structure of its transfer station operation and disposal contracts, and the fixed costs charged only at Metro's facilities. Metro's unit cost for the two transfer stations would rise about \$1.70 per ton (\$2.26 in inflated dollars in 2010) under the scenario above. Metro makes no changes to its cost or rate structures, this would ultimately have to be reflected in the tip fee.

System Cost: Methodology

Transportation Costs

Estimates of off-route transportation costs for commercial (non self-haul) loads are based on models of various configurations of the solid waste system. These estimates are obtained from the Solid Waste Flow Simulation Model developed by REM staff. Off-route transportation costs are calculated for the base year (2000) and the horizon (2010).

Between 2000 and 2010, the model predicted an increase of about 265,000 tons (20%) as a result of population growth and development in the region. Under a status quo scenario where no additional transfer capacity is added, transportation costs for getting the waste from the end of the collection route to the disposal site increased approximately \$4 million dollars from 2000 to 2010. This increase is attributable to a combination of more tonnage and increased travel times, both resulting from regional growth. By expanding two existing facilities, this increase could be reduced by over half a million dollars in 2010. Because the model is not designed to estimate any potential "on-route" transportation savings as a result of adding new transfer stations, this estimate of transport savings is conservative.

Facility Cost Impacts at Non- Metro Transfer Facilities

The costs of adding additional transfer capacity were based on changes in capital and operating costs (table below). For the scenario that allowed two direct haul facilities to expand into transfer stations, REM's consultant, R.W. Beck, performed site assessments

to figure out the physical changes that would have to be made to accommodate the increased flows. This included the additional costs of serving small private vehicles as well as conducting materials recovery on dry waste. For the two facilities, the increase in capital costs was approximately \$1.3 million. This cost was amortized over the 10 year planning horizon.

Operating cost increases (over those necessary for the direct-haul operations) were estimated for both the increase waste transfer activities as well as for materials recovery requirements. These totaled about \$2 million for the projected tonnage flows in 2010.

To these "onsite" costs is added the cost increases for transport and disposal of the waste from the site. These were calculated assuming the wet waste was transported to the disposal site under contract to Metro, utilizing Metro's transport contractor. Dry waste destined for disposal was assumed to go to the sites currently used by the facilities using current transport methods and disposal costs.

Planning Level Facility Costs
Year 2010
(annual costs; not inflated; 2000 dollars)

Facility/Component	Cost With Caps	Cost with No Caps	Difference
Recycle America			
Amortized capital	0	137,000	137,000
Operating	377,000	1,464,000	1,087,000
Hauling & disposal	1,239,000	5,701,000	4,462,000
Recyclables revenue	(1,000)	(4,000)	(3,000)
O/H, profit, tax/fees	na	na	
Subtotal	\$ 1,615,000	\$ 7,298,000	\$ 5,683,000
WRI			
Amortized capital	0	39,000	39,000
Operating	899,000	1,670,000	771,000
Hauling & disposal	1,353,000	4,046,000	2,693,000
Recyclables revenue	(3,000)	(6,000)	(3,000)
O/H, profit, tax/fees	na	na	na
Subtotal	\$ 2,249,000	\$ 5,749,000	\$ 3,500,000

na = not available

Source: R.W. Beck

Appendix B
Amendments to the
Regional Solid Waste Management Plan

Solid Waste Facilities and Services, Transfer and Disposal System

Recommended Practice No. 1 (page 7.25) is amended as follows:

1. ~~Maintain existing~~ Expand the system of three transfer stations as necessary to provide reasonable access to solid waste transfer and disposal services for residents, businesses and haulers. Build no new transfer stations. No redirection of haulers from Metro South to Metro Central. New transfer stations should be authorized where they provide a net benefit to the regional solid waste system. New transfer stations shall perform material recovery subject to recovery rate standards.

- Key Concept and Approach of the Recommended Practice:

Most of the region's waste is delivered to the three transfer stations (Metro South, Metro Central and Forest Grove) rather than being directly hauled to landfills. These three stations have sufficient capacity to handle the future demand for transfer services under the projected economic growth and waste reduction impacts of the recommended practices. However, the ability to serve disposal needs efficiently depends on both capacity and accessibility. New transfer stations may be considered when the delivery of efficient disposal services is negatively affected by either of these two factors.

- Key Elements of the Recommended Practice:

- a) Successful implementation of waste reduction practices to reduce demand for transfer services.
- b) Allow additional transfer stations in the region. These stations shall not be limited as to the amount of waste they accept, process or dispose of, except to the extent this is limited by local regulations or is in conflict with Goals and Objectives of this Plan.
- c) Provide more uniform access to regional transfer stations, in order to improve system efficiencies in those areas of the Metro region that are under-served.
- d) New transfer stations should be authorized where they benefit residents, businesses and solid waste haulers within the under-served areas.
- d) Preserve and enhance the region's material recovery capacity.
- e) Modifications to existing facilities as required to maintain service levels
- f) When necessary implement waste handling practices sufficient to reduce demand on transfer facilities
- g) ~~Modify transfer the existing~~ stations as needed to coordinate with any changes in collection technologies (e.g., co-collection of waste and recyclables).
- h) All transfer stations shall provide a full range of public services. Examine service options to include reuse, recycling and disposal for households and businesses that self-haul their waste.

- Key Elements of Alternative Practices:

In the event waste reduction efforts do not perform as expected or growth is greater than expected, options to be evaluated on a case-by-case basis, depending on tonnages and cost, will include:

- operational changes to existing facilities
- redirection of haulers from any transfer station that is exceeding capacity
- remodeling of public transfer stations ~~existing facilities~~
- ~~adding reload capacity~~
- ~~building a new transfer station~~

Alternative practices may be adopted that achieve the same performance as the recommended practice.

- Roles and Responsibilities:

Metro will review service levels on a regular basis to determine if any of the alternative elements listed above need to be implemented. Metro's Capital Improvement Plan will include plans for any modification to the public ~~existing~~ transfer stations needed to maintain service levels.

Appendix C Amendments to Metro Code

These amendments retain the distinction between "small" and "large" transfer stations as those that dispose of less or more than 50,000 ton per year, respectively.

Unedited sections are provided for the reader's background and reference.

Solid Waste Regulation, Chapter 5.01 of Metro Code

Is amended as follows:

5.01.010 Definitions

...

(vv) "Transfer station" means a fixed or mobile facilities including but not limited to drop boxes and gondola cars normally used as an adjunct of a solid waste collection and disposal system or resource recovery system, between a collection route and a processing facility or a disposal site. This definition does not include solid waste collection vehicles.

...

5.01.040 Exemptions

(a) In furtherance of the purposes set forth in this chapter, the Metro Council declares the provisions of this chapter shall not apply to:

- (7) Any Reload ~~facilities~~ facility owned and operated for the benefit of a single hauler that delivers: (A) any Putrescible Waste accepted at the facility to a Transfer Station owned, operated, Licensed or Franchised by the District; and (B) all other Solid Waste accepted at the facility except Inert Wastes to a Metro Designated Facility authorized to accept said Solid Waste, or to another facility or Disposal Site under authority of a Metro Non-System License issued pursuant to chapter 5.05.

5.01.045 Certificate, License and Franchise Requirements

...

(b) A Metro Solid Waste License shall be required of the Person owning or controlling a facility at which any of the following Activities are performed:

- (1) Processing of Non-Putrescible Waste that results in Processing Residual of more than ten percent.
- (2) Processing or Reloading of Yard Debris. A local government that owns or operates a yard debris facility may enter into an intergovernmental agreement with Metro under which the local government will administer and enforce yard debris standards at the facility in lieu of compliance with this chapter.
- (3) Transfer of Putrescible Waste, and any other Activity or combination of Activities taking place in the same facility that results in disposal of fewer than 50,000 tons of Solid Waste including Processing Residual during any calendar year, unless exempted by Metro Code section 5.01.040.

(c) A Metro Solid Waste Franchise shall be required for the Person owning or controlling a facility at which any of the following Activities are performed:

- (1) Transfer of Putrescible Waste accepted from more than a single hauler, and any other Activity or combination of Activities taking place in the same facility that results in disposal of more than 50,000 tons of Solid Waste including Processing Residual during any calendar year.
- (2) Operation of a Disposal Site or of an Energy Recovery Facility.
- (3) Any process using chemical or biological methods whose primary purpose is reduction of Solid Waste weight or volumes.
- (4) Delivery of Putrescible Waste directly from the facility to an authorized Disposal Site or Metro's contract operator for disposal of Putrescible Waste.
- (5) Any other Activity not listed in this section, or exempted by Metro Code section 5.01.040.

5.01.060 Applications for Certificates, Licenses or Franchises

...

(d) An application to deliver Putrescible Waste ~~more than 50,000 tons per calendar year of Solid Waste~~ to a ~~Transfer Station or~~ Disposal Site from a non-exempt facility that is authorized to accept Putrescible Waste shall be accompanied by an

analysis showing that the proposed facility is consistent with the Regional Solid Waste Management Plan.

(e) A person holding or making application for a Solid Waste Facility License or Franchise from Metro authorizing receipt of Putrescible Waste may make application to deliver Putrescible Waste directly to Metro's contract operator for disposal of Putrescible Waste or companies affiliated with Metro's contract operator for disposal of Putrescible Waste. Said application must be accompanied by: (A) a showing that the proposed Direct Haul authorization is consistent with the Regional Solid Waste Management Plan, and (B) an analysis of the System Costs with and without the authorization for Direct Haul from the Solid Waste Facility.

5.01.070 Issuance of Franchise

(a) Applications for Franchises filed in accordance with section 5.01.060 shall be reviewed by the Executive Officer and are subject to approval or denial by the Metro Council.

(b) The Executive Officer shall make such investigation concerning the application as the Executive Officer deems appropriate, including the right of entry onto the applicant's proposed Franchise site.

(c) Upon the basis of the application, evidence submitted and results of the investigation, the Executive Officer shall formulate recommendations regarding whether the applicant is qualified, whether the proposed Franchise complies with the Regional Solid Waste Management Plan, whether the proposed Franchise meets the requirements of section 5.01.060, and whether or not the applicant has complied or can comply with all other applicable regulatory requirements.

(d) The Executive Officer shall provide the recommendations required by subsection (c) of this section to the Council together with the Executive Officer's recommendation regarding whether the application should be granted or denied. If the Executive Officer recommends that the application be granted, the Executive Officer shall recommend to the Council specific conditions of the Franchise.

(e) Subsequent to receiving the recommendation of the Executive Officer, the Council shall issue an order granting, or denying the application. The Council may attach conditions to the order or limit the number of franchises granted. If the Council issues an order to deny the application, such order shall be effective immediately.

(f) In determining whether to authorize the issuance of a Franchise, the Council shall consider, but not be limited by, whether:

- (1) The applicant has demonstrated that the proposed Solid Waste Facility and authorized Activities will be consistent with the Regional Solid Waste Management Plan;

- (2) The applicant has demonstrated that the proposed Activity will result in lower net System Costs, if such a showing is required by section 5.01.060 *[note: this is required for hauling putrescible waste directly to a landfill from a solid waste facility, .060(e)]*;
- (3) Granting a Franchise to the applicant would be unlikely to unreasonably adversely affect the health, safety and welfare of the District's residents;
- (4) Granting a Franchise to the applicant would be unlikely to unreasonably adversely affect nearby residents, property owners or the existing character or expected future development of the surrounding neighborhood;
- (5) The applicant has demonstrated the strong likelihood that it will comply with all the requirements and standards of this chapter, the administrative rules and performance standards adopted pursuant to section 5.01.132 of this chapter and other applicable local, state and federal laws, rules, regulations, ordinances, orders or permits pertaining in any manner to the proposed Franchise.

(g) If the Council does not act to grant, or deny, a Franchise application within 120 days after the filing of a complete application, the Franchise shall be deemed granted for the Solid Waste Facility or Disposal Site requested in the application.

(h) If a request for a Franchise is denied, no new application for this same or substantially similar Franchise shall be filed by the applicant for at least six months from the date of denial.

(i) The term of a new or renewed Franchise shall be five years.

5.01.125 Obligations and Limits for Selected Types of Activities

(a) A holder of a Certificate, License or Franchise authorized to perform Material Recovery shall perform Material Recovery from Non-Putrescible Waste accepted at the facility, or shall deliver Non-Putrescible Waste to a Solid Waste facility whose primary purpose is to recover useful materials from Solid Waste. Any holder of a Certificate, License or Franchise authorized to perform Material Recovery shall achieve a minimum recovery rate of 25% by weight from non-putrescible waste and waste delivered by public customers.

(b) Licensees or Franchisees who deliver 50,000 or fewer tons per calendar year of Solid Waste to all Transfer Stations and Disposal Sites from a Solid Waste Facility authorized to accept Putrescible Waste:

- (1) Shall accept Putrescible Waste originating within the Metro boundary only from persons who are franchised or permitted by a local government unit to collect and haul Putrescible Waste.

(2) Shall not accept hazardous waste.

(3) Shall recover a minimum of 25% by weight from non-putrescible waste and waste delivered by public customers.

(c) Holders of a Franchisees issued after July 1, 2000 who deliver more than 50,000 tons per calendar year of Solid Waste to a Transfer Station and or Disposal Sites from a Solid Waste Facility authorized to accept Putrescible Waste:

(1) Shall accept authorized Solid Waste originating within the Metro boundary from any person who delivers authorized waste to the facility, on the days and at the times established by Metro in approving the Franchise application.

(2) Shall provide an area for collecting Household Hazardous Waste from residential generators at the Franchised Solid Waste Facility, or at another location more convenient to the population being served by the franchised Solid Waste Facility, on the days and at the times established by ~~Metro the Executive Officer~~ in approving the Franchise application.

(3) Shall provide an area for collecting source-separated recyclable materials without charge at the Franchised Solid Waste Facility, or at another location more convenient to the population being served by the franchised Solid Waste Facility, on the days and at the times established by ~~Metro the Executive Officer~~ in approving the Franchise application.

(4) Shall recover a minimum of 25% by weight from non-putrescible waste and waste delivered by public customers delivered to the Transfer Station or Disposal Site.

EXCISE TAX FROM SOLID WASTE

FY 94-95 (Actual)	\$5,088,605
FY 95-96 (Actual)	\$5,430,595
FY 96-97 (Actual)	\$5,627,800
FY 97-98 (Actual)	\$5,924,184
FY 98-99 (Actual)	\$5,632,576
FY 99-00 (Budgeted)	\$5,882,243
FY 00-01 (Proposed)	\$5,679,938

ISSUE: POTENTIAL EXCESS COLLECTION OF EXCISE TAX

The current ordinance constructs an aspirational Recovery Rate to meet the state's and region's goal of a 56% recycling rate by the year 2005. Beginning in the year 2000 with a recovery rate number of 46%, increasing every year by 2 percent to the stated goal of 56%.

The ordinance currently proposes in Section 5 that any excess amount generated be placed in an account within the General Fund specifically created and controlled by the Metro Council. The fund would then accumulate for disposition by the Council.

An alternative approach would be put in place a general fund account possibly named the "Recycling Rate Stabilization Account". The purpose of this fund would be as follows:

1. Create a general fund account for the collection of excise tax in excess of the budgeted amount. (Tax collected in excess of 5.7 million projected FY 2001-02)
2. Fund balances to be used in future years of potential under collection of budgeted amounts due to exceeding the projected recycling rate or economic down turn, etc.
3. Fund balance to accumulate to an amount fiscally prudent to insure a balance large enough for historical under collection for at least one year, possibly two.
4. Funds in excess of the established balance to be apportioned towards the Excise Tax Credit Schedule.

Partnership Plan for Waste Reduction
Regional Solid Waste Advisory Committee
March 22, 2000

Action requested

REM staff request that the SWAC recommend approval of the Partnership Plan for Waste Reduction by the Metro Regional Environmental Management Committee.

Background

Each year since 1990, Metro staff and local government staff prepare a work plan for the region's waste reduction activities in the upcoming fiscal year. The plan is designed to provide a regional framework for programs to lend continuity throughout the region as well as to partner in our efforts to meet state requirements and work towards reaching regional goals.

The plan for the 2000-01 fiscal year has been significantly revised in response to slower-than-anticipated recovery rates in the region, to Council concerns about the focus of joint waste reduction efforts and to local government desires for simplified reporting requirements.

The new plan now includes three program areas: maintenance, targeted competitive grants, and new initiatives in commercial, construction and demolition debris, and organics recovery.

- *Maintenance* provides baseline support (on a per capita basis) for the foundation of regional recycling through a joint work plan and funding for established local and regional waste reduction and recycling programs. Reporting requirements by local governments are simplified.
- *Targeted competitive grants* supplement maintenance funding by helping local governments to target Regional Solid Waste Management Plan practices that are not addressed elsewhere and for which other sources of funding are not available, especially for "lagging" waste sectors. Local governments provide matching funds.
- *New initiatives in waste reduction* for the commercial, construction and demolition debris and organics sectors will receive increased focus. The State-of-the-Plan Report completed last year found that significant amounts of recoverable materials are present in those sectors and that recovery in these sectors was lagging. Three work groups, one group for each sector and comprised of Metro and local government staff, developed separate work plans for the 1999-2000, 2000-2001 and 2001-2002 fiscal years.

Public comment

Over 450 interested parties were solicited and offered the opportunity to comment on the plan. Sixty-one people from the original list expressed interest in reviewing the plan and its contents. Staff received comments from three people, all of whom responded favorably to the plan. Comments did elaborate on some elements of the new approach, but none were negative.

Council Review

On December 21, 1999 copies of the first draft of the plan were distributed to all Metro Councilors for their review and comment. No comments were received and the public input period was then initiated. The Council REM Committee will hold a work session on April 5 to review the plan and then will vote on April 19. Full Council is expected to vote on the plan April 27.

SWAC Review

REM Staff and local government partners are in need of your final review and approval to take with us to the Council REM Com work session.

**Year 11 Public Comment
March 2000**

The following comments on the Year 11 Plan (first draft) were received during the first round of public input due March 1, 2000.

Comment	Source	Response
1. Place more emphasis on multifamily dwellings. (tenants groups, property managers)	Citizen	The region has reached its goal of providing recycling services to 85% of multifamily units. Local governments and Metro continue to provide resources to multifamily complexes, and may consider some additional outreach in the coming year.
2. Promote vermiculture to multifamily residents, many who do not have room to compost food scraps otherwise.	Citizen	Local governments and Metro Recycling Information provide vermicomposting information including sources of supplies as well as do-it-yourself bin building instructions.
3. Develop a worm exchange to provide worms from overpopulated bins to new starter bins.	Citizen	While this is a novel idea, it is too specific and detailed for this plan. This plan is designed to provide a large-scale and broad-based planning framework. This would perhaps be better approached as a community-based initiative..
4. Educate the commercial sector via residential outreach (connect resident to their employment to motivate).	Citizen	The Commercial Work Team has been considering this very idea among others to design effective outreach for the commercial sector. A survey and focus group of businesses was conducted to help Metro and local governments tailor effective outreach methods. An outreach plan will be developed within the next six months.
5. Fund some fun waste reduction competitions to get motivation up.	Citizen	Metro and local governments employ a wide range of messages and methods with which to deliver these messages. We have had several fun reduce, reuse, recycle community outreach events and local jurisdictions provide creative outreach at County Fairs and other public events. Because people are motivated differently, we need to continue to vary our messages and methods.
6. Promote truth in packaging—reusables or refillables need to be actually so and sold side by side with the necessary parts.	Citizen	Metro hopes to have a market development staff person on board in fiscal year 2000-01 to help build markets and to look at other issues such as packaging and recycled products purchasing.
7. Recycling opportunities for “ordinary items” such as magazines, are not readily available to businesses.	Citizen	One of the goals of the Commercial Work Team in implementing the new commercial waste reduction initiatives in the Year 11 Plan is to ensure that all businesses have access to easy and convenient recycling for as many materials as possible.
8. There is a need for someone within each	Citizen	Very true. We try to influence this as much as possible, and local

<p>business to take a vested interest in recycling and making sure it is done. Keep this in mind when designing plans.</p>		<p>governments stress this when visiting businesses during waste evaluations. It is important that there be someone in the company who is either assigned to ensure the business' program works or who is interested in its success. It is ultimately up to the businesses to decide how much effort they are willing or able to devote to their programs, but we will continue to provide the information support needed.</p>
<p>9. Favor the use of fees, fines, whenever needed to change behavior, especially with businesses. May require this level of motivation to get results out of businesses.</p>	<p>Citizen</p>	<p>The region has intentionally chosen to emphasize cooperative compliance with regard to waste reduction and recycling programs. The City of Portland however, has mandated that all businesses recycle. The Commercial and Construction & Demolition Debris Work Teams may consider the selective use of disposal bans for particular materials. This is a new area, but it is not beyond the realm of consideration.</p>
<p>10. Interested in the extent of public involvement will be involved in plan implementation?</p>	<p>MCCI</p>	<p>There are opportunities for public involvement throughout the planning and implementation of this framework. Not only do we have public input into the framework itself, but each local jurisdiction carries their implementation plans through public hearings at their Councils and Boards before they are approved and implemented.</p>
<p>11. How will applicants for the targeted competitive grant be chosen?</p>	<p>MCCI</p>	<p>The applicants are chosen based upon the criteria set forth in the competitive grant application form.</p>
<p>12. Is there a need to include citizens not connected to any agency on the special work teams for the new initiatives?</p>	<p>MCCI</p>	<p>Not on a regular basis at this time. All of the teams have invited either industry groups or others into the planning process on occasion to lend assistance. However, due to the specific nature of the plans, it is important that those involved have knowledge or expertise in the particular areas of commercial recycling, construction & demolition debris, and organic wastes.</p>
<p>13. What does "politically acceptable" mean (p.36-Commercial Task Force Objectives and Processes)?</p>	<p>MCCI</p>	<p>"Politically acceptable" was the criterion used to assess the level of support for a specific recommendation by affected stakeholders, such as local government, Metro, businesses and waste haulers.</p>
<p>14. The easiest goal to attain the commercial sector plan would be a massive effort focused on the use of both sides of printed material.</p>	<p>MCCI</p>	<p>The Commercial Recovery Work Team did not select the specific materials or activities that would be the focus of a waste prevention campaign. However, double-sided copying and reusable transport packaging are two activities that were specifically mentioned by the several task force members to be included in the selection process.</p>

15. Cost projections for the new initiatives are listed, but are the funds adequate?	MCCI	At this point, we feel that the funds are adequate. Once budgets have been finalized we will know what funds are available. Cost projections will be adjusted as we implement the programs and learn more about the financial resources required.
16. Information on waste prevention should be aimed at the public in general.	MCCI	The region has implemented several general public outreach campaigns about waste prevention. We have found that people do not often differentiate between recycling and waste prevention activities, so approaches to promotion must be carefully crafted. We intend to continue to promote waste prevention to the general public in a variety of ways.
17. Promotion of commingling will need a large public outreach for acceptance.	MCCI	Our studies so far tell us that commingling has received general acceptance. There is always a period of time that is necessary for people to adjust to new practices and methods and local governments and Metro have provided printed materials and radio ads to help ease the transition and reduce the level of confusion any new program can bring.
18. The tremendous amount of work in this plan is greatly appreciated.	MCCI	Thank you! We appreciate your support and interest.
19. Is this document to be considered a public involvement plan?	MCCI	No. This document is a framework plan for program design and implementation. The plan does, however have a public input component; one in which you are currently participating.
20. Delighted to see that usable food waste will go to the needy people in the community first.	Citizen	Yes, we are pleased as well that our partnerships with non-profit food assistance programs such as the Oregon Food Bank are helping us to move usable food to those who need it before considering some other sort of processing option.
21. Pleased that we will be prioritizing C&D as a source of waste reduction (sees lots of dumpsters being hauled from construction sites).	Citizen	C&D has been a tough nut to crack, especially with the region's amazing building boom over the last few years. It is important for us to target these recoverable waste streams.

ORIENTATION SESSION

Metro Solid Waste Advisory Committee

REM will be conducting an orientation session, especially – but not exclusively – for new members and new alternates. Our desire is to introduce new members and new alternates to the legal, regulatory and economic aspects of the solid waste system in which Metro operates and to several issues on which Metro is currently working. It is our hope that this session will help provide you with at least some of the information that you need in order to advise the Metro Council on solid waste matters for the region as a whole.

Our plan is to conduct this orientation session immediately following the April or May SWAC meeting.

We welcome your feedback on the draft agenda that follows – what’s missing and should be added, what’s superfluous and should be trimmed? Please call Meg Lynch at 797-1671 or Doug Anderson at 797-1788 with any suggestions for changes.

Introduction

- The purpose of the orientation
- The role of the SWAC member/alternate

Metro and solid waste

- Metro’s responsibilities

An overview of the solid waste system

- Oregon Revised Statutes
- Metro Code
- Regional Solid Waste Management Plan

Current affairs

- Waste reduction initiatives
- Service plan (disposal issues)
- Flow control/lawsuit
- Financing the system
- Other?