

Executive Summary

Solid Waste Advisory Committee July 21, 2003

I. Call to Order and Announcements

Susan McLain

- Councilor McLain reminded members that staff are still taking comments or suggestions on the Landfill Legacy Project.
- Approval of Minutes: Ms. Chaplen motioned to approve the summary; Mr. Kampfer seconded the motion; none opposed; the Executive Summary was passed.

II. Solid Waste & Recycling Director's Update

Mike Hoglund

Mr. Hoglund said that Silco Construction will begin a \$1.8 million project to replace 180,000 square feet of roofing at Metro Central Transfer Station. The roof will be constructed out of translucent fiberglass to allow more natural light into the building. Construction to expand the northern tipping floor at Metro South has also begun. This project aims to improve operating efficiency. Both projects should be complete this Fall and will not interrupt service.

The Waste Reduction and Outreach division, primarily Jennifer Erickson, is in the process of developing a White Paper on Organic Waste Management. The paper discusses the history of food waste recovery in the region, contains a review of organics programs in other states, and covers issues yet to be resolved. A copy will be provided to SWAC members prior to it being finalized.

Mr. Hoglund explained that Metro has issued two notices of non-compliance (NONs) to American Compost and Recycling. In violation of their Metro license, American Compost accepted 3,500 tons of lentil beans from containers that had been accidentally dumped in the river when the barge carrying them tipped over. The second NON was issued due to excessive malodors being created by the large volume of decomposing lentils. Metro and DEQ have gotten many complaints from a nearby school and neighbors, and are working together to assist American Compost in mediating odors and other problems.

Mr. Walker asked how much American Compost was fined by Metro. Mr. Brower responded that the initial fine was \$28,000 and more fines may be imposed for excessive malodors.

Mr. Hoglund reviewed a Council Work Session Worksheet dated July 22, 2003. He explained that this is for one of a series of discussions the Solid Waste & Recycling Department is having with Council during Council Work Sessions to help Councilors become more familiar with department issues and to develop a decision-making framework based on Councilor values.

Councilor McLain clarified that the eight values listed on the Worksheet are general values that the Council feels are important, but they do realize that even between the eight listed there are trade-offs. She emphasized that this series of Work Sessions are big effort to update Metro's values and goals for the solid waste system and encouraged SWAC to pay attention to this effort.

Mr. Huycke asked for clarification on the bullet points "pay to play" and "maintain a Metro funding source." Councilor McLain explained that currently overall agency funding is tied to solid waste funding. "Pay to play" essentially means that the whole system needs to ensure that the services the public requests and requires are available.

III. Revising Metro's Regulatory Decision-making

Janet Matthews

Ms. Matthews explained that there are several important decisions on operating authorizations coming before Council later this year, such as local transfer station and non-system license renewals. She referred to draft ordinances (included in the agenda packet) to amend Chapter 5.01 of Metro Code, which

is about in-region facility operating authorizations and Chapter 5.05, which is about facilities and hauling that takes *in-region* waste out-of-region, where we also regulate through designated facility agreements (DFAs) and non-system licenses (NSLs).

Council held a Work Session April 8 with Department staff to discuss conceptual revisions to the operating authorizations framework. At that meeting, Councilors agreed to a series of objectives to achieve in proposed Code changes. Those objectives are: administrative decisions will be delegated to the Chief Operating Officer; the Council will make policy decisions; changes should lead to efficiencies; and, any changes would continue to protect the health and safety of the region's citizens. Staff were directed to come back to Council with a set of decision-factors for Council review. These draft ordinances and accompanying staff report are the result. The changes in decision-making authority will better reflect the change in Metro structure – whereas before there was an elected Executive Officer, now there is a Chief Operating Officer reporting directly to Council. Councilor McLain interjected that some of the Councilors do not think things are that clearly defined, as to what is administrative and what is policy.

Proposed changes to Metro Code Chapter 5.01 would give the COO authority over licenses, eliminate certificates, simplify classifications for material recovery facilities, add food waste processing to the list of franchisable activities, and clarify what facilities are exempt from obtaining Metro operating authorization.

Proposed changes to Metro Code Chapter 5.05, which concerns dry waste that is hauled or managed out-of-region, are essentially that the COO will have decision-making authority for dry waste designated facility agreements (DFAs) and Council will have decision-making authority for wet (also known as "putrescible") waste non-system licenses (NSLs).

Ms. Matthews then referred to the staff report and explained that the rationale for these changes in authorization authority is that the Council should make decisions regarding facilities that have potential system impacts, thus involve policy decisions. Staff believes that facilities managing putrescible waste through franchises, and putrescible waste leaving the region through NSLs, have system impact.

Ms. Matthews added that some Councilors believe that there should be a provision that gives Councilors the option of making the decision regarding a license upon receipt of a 10-day call-up notice. There is also a Councilor that thinks the assumptions for putrescible and dry waste may not be correct, and specifically, that dry waste leaving the region may also have system impacts. Staff will continue to work with the Councilors to resolve outstanding issues, and hope to have changes to the Code in effect prior to the end of the year.

Mr. Gilbert asked why wet waste leaving the region and residual dry waste leaving the region are not treated the same. Ms. Matthews answered that we have a contract with Waste Management that stipulates that 90% of the waste destined for a general purpose landfill, which is generally wet waste, will go to a Waste Management landfill. When dry waste residual is disposed of out of region through a NSL or DFA, our fees and taxes will be collected, and it does not impact our contract with Waste Management.

Councilor McLain added that staff assumptions regarding regulatory decision-making are based on a criteria of wet waste and dry waste, because wet is controversial and dry is not. Some Councilors disagree with, or question, that criteria.

As there were no further questions, Councilor McLain closed by assuring members that this topic would be discussed again in September.

IV. An Investment in Cleaner Air: Diesel Filters and Fuel

Geyer/Downing

Councilor McLain began by explaining that the Council had approved a resolution for a diesel filters pilot program, and extended a challenge to SWAC members that are a part of the solid waste industry to also consider such a program if they can.

Mr. Geyer explained that per a change order, several CSU trucks hauling garbage from Metro's stations to the Columbia Ridge Landfill and shuttle vehicles used at the Metro transfer stations will be fitted with

diesel particulate filters. Mr. Geyer explained that this fits into an Oregon Department of Environmental Quality (DEQ) initiative and new federal Environmental Protection Agency (EPA) rules. Council has authorized spending \$124,000 to purchase and have CSU install filters. Initially, only two filters will be installed. They will be tested for 30 days and undergo emissions tests to confirm a 70% reduction in diesel particulates and 50% reduction in hydrocarbons and carbon monoxide. Metro's aim is to be a leader in installing and testing this new technology and to show others how powerful the technology is to encourage retrofit of their vehicles, as well.

Mr. Downing explained that DEQ's primary air quality concern is the particulate fraction of diesel exhaust. This is because diesel particulate, or soot, contains a carcinogenic component. He referenced a chart that shows Multnomah County ranks in the top five percent of counties in the country in terms of concentrations of diesel particulate matter. DEQ understands that diesel engines are a great choice for trucking because they are powerful, durable, reliable and have good fuel economy, therefore, they are working to clean diesel. Mr. Downing explained that with a modest expenditure for a filter and the use of ultra-low sulfur fuel, diesel engines can run as cleanly as those powered by natural gas. Ultra-low diesel fuel is not yet available in Oregon, so DEQ is working with interested parties to establish a demand of ten million gallons annually in order to bring it to Oregon ahead of when the EPA will require it in 2006. If there were demand for 10 million gallons in Oregon, it would only cost five cents more per gallon than regular diesel and could be supplied through the same channels. Mr. Downing said the filters cost about six thousand dollars each and DEQ is interested in working with local governments and haulers to have filters and low-sulfur fuel be an eligible expense for haulers so the cost can be reflected in the franchise fee. DEQ estimates that if the costs of a filter were amortized over one year, customers would only pay \$1.45 more per year.

Mr. Høglund asked what the risks from particulate matter exposure are. Mr. Downing said the primary risk is cancer because diesel exhaust is shown to encourage cell mutations. And, although we don't know what causes asthma, diesel has been shown to induce asthma in people that have not been asthmatic already, and also induces asthma attacks. In California, for instance, they found that diesel particulate matter is particularly harmful to children due to the asthma risk.

Mr. Murray asked if there are any tax credits available. Mr. Downing replied that yes, the State of Oregon will pay for 35% of the filters.

Mr. Cross asked if filters are still useful if low-sulfur fuel is used. Mr. Downing replied that yes, it is the combination of the two that achieves 95% reductions. If only filters are used, a 70 – 75% reduction in particulate matter is achieved. He added that it is estimated that using low-sulfur fuel instead of regular diesel will save about one cent per gallon in terms of extending maintenance intervals and reducing corrosion within the cylinders and exhaust system.

Mr. Miller asked what the challenge is in getting low-sulfur fuel in Oregon? Mr. Downing answered that suppliers need to know that there is at least ten million gallons worth of annual demand. So far, DEQ has about five-and-a-half million gallons of fuel worth of interest. He noted that it is already being used in the Seattle-area and is refined in Bellingham.

Mr. Walker noted that the City of Portland has spoken to DEQ about this, and later this week will seek information from haulers on a whole range of things that are part of an environmental management plan. Also, one of the things DEQ is asking is if haulers can seek to have diesel particulate matter reduction costs as an allowable expense. The answer is yes, but at the risk of causing a revenue inequity in the rate setting system in Portland. Mr. Walker asked if very large users such as TriMet are interested? Mr. Downing replied that yes, TriMet is close to committing to using low-sulfur fuel, if available, and DEQ is also talking to other large users.

Mr. Murray asked if Metro has completed a study on what the additional cost per ton would be to transport waste to the Columbia Ridge Landfill. Mr. Geyer replied that Metro estimates it will cost seven cents per ton more over a three-year period.

Mr. Leichner asked if off-road vehicles could also use this low-sulfur diesel? Mr. Downing said that while on-road engines don't require any retrofitting to use low-sulfur diesel, off-road engines may require retrofitting depending on the age of the engine. Regardless, any modification would be a drop-in product.

Mr. Korot asked if findings from the use of the filters with regular diesel fuel on Beaverton school buses would be transferable to the types of trucks used by haulers? Mr. Downing said yes, to some extent, but there may be variations due to the different ways in which the trucks are used. However, he noted that filters have been put on garbage trucks in California resulting in reduced emissions and the filters themselves have also shown excellent service and durability. Mr. Korot suggested that this type of information be distributed to haulers.

Mr. White asked Mr. Downing if the DEQ had information from local governments on how many gallons of fuel are estimated to be used by haulers on an annual basis. Mr. Downing said that no, DEQ does not have that information.

Mr. Downing closed by saying that he is happy to work with anyone on this, "just call DEQ and ask for the diesel guy."

V. Other Business and Adjourn

Susan McLain

Councilor McLain passed around a handout listing SWAC agenda items that have already been covered this year, and subjects planned for the rest of the year. She encouraged SWAC members to review the list and e-mail her in the next two weeks with any other agenda item suggestions or with questions. Ms. Chaplen asked if the landfill legacy project would be brought back to SWAC with next steps. Councilor McLain agreed that it would be addressed at a future meeting.

Councilor McLain thanked everyone for their attendance, reminded members that the next meeting will be in September, and adjourned the meeting.

Documents to be kept with the record of the meeting:

Agenda Item II.

- ♦ Metro Council Work Session Worksheet dated July 22, 2003, regarding Solid Waste and Recycling Policy Discussion and Decision Matrix (handout)

Agenda Item III:

- ♦ Draft Ordinances to amend Metro Code Chapters 5.01, 7.01 and 5.05, and accompanying staff report (included in agenda packet)

Agenda Item IV:

- ♦ Staff Report to Resolution No. 03-3343 regarding diesel filters (included in agenda packet)
- ♦ DEQ Fact Sheet: Clean Diesel Retrofit Tax Credit (copies made available at the meeting)

Agenda Item V:

- ♦ 2003 SWAC Agenda Items (handout)

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